



TenStep Supplemental Paper

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Gain More Complete Performance Feedback with a 360 Degree Review Process

Performance reviews can be a stressful time for staff. There is a lot at stake. The amount of a pay raise may be based on the review feedback. Bonus payments may be involved. Promotions may be affected. It's no wonder that performance reviews are at the same time viewed with a combination of desire and dread.

Performance reviews are no picnic for most managers either. It takes a great deal of thought and care to give honest and thorough performance feedback to an employee. It's tough to give good, constructive feedback, even if it is positive. If you have to deal with negative performance, the anxiety level can be off the scale. Because giving good feedback is difficult, many, if not most, performance reviews are shallow at best.

It is important not to view the yearly review as the only time you can give or receive meaningful feedback. This dialogue should happen on an ongoing basis. When an employee does something good, he or she should get positive reinforcement at that time. Similar constructive feedback should closely follow employee actions that are perhaps less than stellar.

It is also important to give all of your direct reports quarterly reviews. This ensures that even if you don't do a good enough job of providing ongoing feedback, you can still sit down to provide formal feedback every three months. The purpose of these sessions is to provide meaningful feedback and manage the employee's expectations. After meeting with each of your direct reports every three months, there is no way they should be surprised by the results of the yearly review process.

One of the major criticisms of the review process is that the manager cannot see all the aspects of how a person performs on the job. In many cases, managers provide feedback that the employee does not think is valid or relevant. This is what causes a lot of anxiety with reviews. The manager is not always sure how the employee has performed, and the employee is not sure how the manager will review him/her because the manager is not in the trenches with him/her every day.

A 360 degree review provides more realistic perceptions of performance

One way to be as fair as possible with employees is to ensure that performance feedback is not totally based on the manager's perception. The manager should also seek feedback from other people that the employee works with on more of a daily basis. This is called a 360 degree review process.

Even without a 360 degree review process, managers should still seek feedback from others, especially if the manager and the employee do not interact on a detailed basis. However, a 360 degree review process formally seeks this input from multiple sources. Typically this includes feedback from the rest of their team (peers) and business clients



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(customer). If the employee is also a manager (functional manager or project manager), feedback is also sought from their direct reports.

The main purpose is to help the reviewee

360 degree feedback is a way to help the manager get a more balanced view of the employee's performance. However, the ultimate value of this process is realized by the person being reviewed. The review process should not be a time when the employee sits back passively to be praised or beaten up. The employee should see the review process as an opportunity to get an outside perception of his/her strengths and areas where he/she can improve. Ultimately the employee should take a personal interest in the review process to ensure that he/she can grow professionally and provide more and more value to the organization.

The 360 degree review process provides more input to the employee. Not only do you have performance input from your manager, but you have feedback from your customers, team members, and direct reports as well. This feedback is invaluable to see how others view you, your skill level and your performance level.

How the process works

A 360 degree review process cannot be implemented everywhere. It takes extra work, and the manager must be willing to invest the extra time to seek and gather the feedback. Also, not all companies welcome the process. If you have an organization with a rigid review process, you may not be able to implement it on your own. In some companies, this type of innovation would be discouraged just because it was different.

If you want to be bold, let's review how the process works. In our example, a project manager is being reviewed by his or her functional manager.

- The manager (or the employee him/herself) sends out simple, standard surveys to major business clients, other project managers (peers), and project team members (upward). Each of these audiences may have a customized survey form, or you may have a generic form that can be used by all participants. The survey should have ten questions at a maximum, plus areas to write free form comments.
- Typically, the surveys, and associated comments, are returned to the functional manager. Completing the surveys is encouraged, but not mandatory. You can also leave a place for the person completing the feedback to place their name, although this is typically optional as well.
- The manager consolidates all the feedback and free form comments. It is important that the actual review forms not be given directly to the person being reviewed. The manager can consolidate the feedback.
- The manager uses the 360 degree feedback, as well as his/her own observations, as input into the performance review. This is also combined with any other criteria your company uses – for instance, the results of yearly objectives or skills development plans.



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- During the actual review, the manager provides his/her overall review feedback based on all of the diverse feedback received.

360 degree feedback is more easily accepted

Of course, all personal feedback is based on perceptions. That is true when the manager provides the only feedback, but it is also true with a 360 degree review process. The difference is that the feedback is more real when it is captured from different perspectives and from different people.

Summary

Performance reviews can be stressful for both the reviewer and the reviewee. Part of the anxiety can be caused by an uncertainty about whether the manager has enough information to truly judge the performance of the individual. A 360 degree review process is a great way to get more balanced and relevant feedback from the people who interact with the reviewee on an ongoing basis. Ultimately, giving performance feedback is still the job of the manager. That responsibility is not delegated. However, getting performance feedback from these various sources gives the manager more information, which he/she can use to provide more valuable performance feedback to the employee.