

The Ultimate Use for 360-degree Feedback: Measuring Individual Performance Improvement

By Dennis E. Coates, Ph.D.



What's the purpose of 360-degree feedback? What are the most powerful ways to use it?

The technology for collecting and reporting multi-source feedback was developed in the 1980s. Its original purpose was to diagnose leadership performance issues. By assessing a comprehensive set of skill areas, leaders obtained quantitative and qualitative information about strengths and areas that need improvement.

Other innovative uses for multi-source feedback have evolved over the decades (see Appendix). However, when most people hear about 360-degree feedback, they still think of its traditional use: a global diagnostic of competence and skill.

A much more powerful application of 360-degree feedback goes beyond the diagnosis to reinforce changes in behavior. A doctor's diagnosis can reveal the disease, but this information can't cure it. Likewise, 360-degree feedback can identify priority areas for improvement, but this information isn't enough to improve work habits. Changing a behavior pattern may require instruction, followed by months of reinforcement. Try changing the way you eat or the way you swing a golf club. Tiger Woods made changes in his swing early in 2004, and he didn't start to win again until almost a year later, after persisting through hours of practice every day.

The problem is that even with the best of intentions, when people try to do things differently, initial attempts tend to feel awkward. When these efforts don't achieve the desired result, frustration and discouragement follow. Without a formal program of follow-through reinforcement and without support from the direct manager and others in the workplace, people tend to fall back on what feels familiar and comfortable. They eventually return to their old way of doing things.

To achieve the desired changes in behavior, 360-degree feedback needs to be followed by several months of reinforcement, involving ongoing learning, ongoing feedback, coaching and accountability. It takes that long for the brain cells to grow and reconnect into new pathways that are the physical basis for new behavior patterns.

After people are **assessed** in underdeveloped skill areas, they may need **training**. Either or both of these interventions must be followed by an extended period of **reinforcement**. This commonsense developmental sequence is the foundation of what is perhaps the most powerful 360-degree application ever devised: **measuring individual performance improvement**. Used in this way, 360-degree feedback works

both as a diagnostic assessment *and* as a means to check whether weak areas have improved.

The concept is simple. First, integrate behavior-based assessment with behavior-based training. Then several months after training, follow through with a more focused behavior-based assessment related to the priority areas for improvement. Compare the pre-course scores with the post-course scores. Improved scores will indicate how much skills have improved.

This approach has significant benefits. First, the results of the pre-course diagnostic allow participants to set quantified, behavior-based performance improvement goals.

Also, knowing that follow-up assessments will be administered causes learners to be more focused and motivated as they work with trainers—the ideal mindset for learning.

In addition, the post-course assessments give learners quantified and qualitative feedback about how they're doing as they try to improve their skills.

Finally, following through with post-course assessments creates accountability. The assessment results will document whether the individual has improved on-the-job performance. Repeat post-course assessments can be administered as desired to produce ongoing measures of performance improvement.

To implement this system, you'll need a fully customizable 360-degree assessment system, because the assessment items need to be tailored to exactly mirror the desired behaviors taught in training. In other words, assessment and training must be integrated.

Also, the assessment needs to be affordable. Inexpensive unlimited assessment licenses for each person make it possible to give learners all the feedback they will need after training—without additional expense.

For leadership development, many organizations use the 20/20 Insight GOLD automated feedback system along with the Vital Learning Supervision Series GOLD curriculum. 20/20 Insight GOLD administers the Supervision Series leadership diagnostic assessment, identifying strong and weak areas. Then the Vital Learning Supervision Series GOLD curriculum is conducted as a 12-unit series, or selected blended (in-class and online) learning units are delivered to focus on high-priority weak areas.

In addition to assessment and training, the two technologies provide ongoing support for the structured period of reinforcement. The trainee materials include a year of access to online video behavior models and post-course reinforcement resources.

You don't have to repeat the entire diagnostic assessment to measure how much performance has improved. Instead, post-course assessments need only focus on priority developmental areas. Since the pre-course and post-course items are identical, scores can be compared. This ability to measure improvements in performance fulfills the need for ongoing feedback and accountability.

The data created by performance improvement assessment can also be used as a practical return-on-investment (ROI) calculation. For example, assume that leadership

skills account for half of a supervisor's effectiveness. Assessment scores showing an average improvement from 6.4 (before assessment and training) to 7.7 (several months after) would indicate a 20% percent improvement. Since half of a salary of \$60,000 is \$30,000, the organization would be getting 20% more effectiveness for this cost, worth roughly \$7,500—a result many times greater (in dollars) than the cost of the individual's training.

Simple ROI calculations like this can be performed locally. They are made possible by pre-course/post-course performance improvement measurements powered by a customizable automated feedback system.

The bottom line: global diagnostic assessments serve an excellent purpose if you follow through with learning and reinforcement. Combine an economical, flexible feedback technology with a behavior-based leadership development curriculum, and you get a fully integrated assessment, training and reinforcement system:

- Focused, motivated learners
- Ongoing feedback during reinforcement
- Performance improvement accountability (Level 3 evaluation of training)
- An easy method for calculating ROI (Level 4 evaluation of training)

More important, supervisory leaders are empowered to reinforce and ingrain their new skills over time to create ***permanent, measurable changes in behavior***—the Holy Grail of leadership development.

In the end, how well your front-line managers lead affects the bottom line—and every other aspect of your organization. Considering the billions of dollars invested annually in leadership development, organizations need a way to demonstrate whether these programs are actually changing behavior. Using multi-source feedback to measure performance improvement is the most effective way to quantify the return on your investment.

About the Author

Dennis E. Coates, Ph.D., is CEO of Performance Support Systems, based in Newport News, VA. He coordinates research and development and provides strategic direction for the company. He is the author of 20/20 Insight GOLD, an award-winning automated feedback system (www.2020insight.net), and co-founder of the Train-to-Ingrain alliance (www.train-to-ingrain.com). Dr. Coates has over 40 years experience as a leader, manager and HR professional.

Copyright © 2006, Performance Support Systems, Inc. All rights reserved. This article may be reproduced for internal educational purposes only. Embodiment of this material in products or resale in any form is strictly prohibited.

Appendix

The advantage of using a highly flexible automated feedback system such as 20/20 Insight GOLD is that it supports much more than traditional 360-degree feedback. It's a virtual platform for a variety of customized survey applications, such as the following:

Individual Surveys

- **Measuring performance improvement** – Administer customized surveys based on course objectives before and after training to determine if the skills taught in training transfer to improved performance on the job.
- **Leadership development** – Diagnose skill strengths and areas for development of executives, managers and supervisors.
- **Managers' coaching skills** – Find out how effective managers are at coaching their direct reports about on-the-job performance.
- **Individual skill development** – Have team members give each other feedback about personal leadership, team interaction and workplace skills.

Team and Organization Surveys

- **Team development** – Assess team issues by collecting input from a variety of customers and stakeholders.
- **Needs assessment** – Study aggregate performance data to decide how much to invest for training and development programs.
- **Organizational climate surveys** – Collect information about the organization's vision, values, policies, structure, communication and management support.
- **Post-training survey of organizational support** – Survey participants of your training programs to find out if the current policies and systems support the application of new skills.
- **Customer satisfaction surveys** – Get feedback from customers to find out what you need to change to create loyal customers.

Special Applications

- **Competency development** – Get feedback about draft competency lists. Ask stakeholders to rate the importance of the behaviors.
- **Market Research** – When you're considering a new product or service, gather input first from potential and current customers to find out what they *really* want.