

# The Purpose and Uses of 360-Degree Feedback

**M**ost employees want to do a good job; however, many are unaware of the impact that their behavior has on their effectiveness on the job. Feedback can help employees identify what they are doing well and build on those skills, correct problems, and develop new skills that improve the organizations in which they work.

Feedback is usually defined as information provided to an employee related to the behavior of that person on the job or the results of that behavior. It is usually intended to strengthen desired behaviors or to suggest changes in undesired behaviors. Feedback can be a powerful stimulus for change, under the following conditions:

- The feedback tells the person that something important is not as it should be.
- The person is able to focus his or her energy constructively.
- The person has the resources to turn this energy into action.

Almost all of us want to know how well we are doing our jobs. In fact, when we do not receive feedback, we often seek it on our own by asking others (bosses, coworkers, friends) to provide feedback on our performance. Receiving feedback is an important motivational factor that can lead to increased satisfaction. Feedback is important because it can enhance self-awareness by highlighting strengths and can facilitate growth by pointing out areas in need of development. We learn from the outcomes of our behavior, and feedback is an important factor in helping us improve our performance.

Further, the impact of 360-degree feedback can be significant when it is embedded in a larger leadership development process. Research shows that 360-degree feedback can improve performance and lead to behavior change over time (Atwater, Waldman, Atwater, & Cartier, 2000; Smither, London, & Reilly, 2005; Walker & Smither, 1999).

Despite its potential to bring about positive behavioral changes and to develop leadership across organizations, feedback remains a rare commodity in day-to-day organizational life. This is because people generally don't like to provide feedback to others, especially if it is negative. Managers often consider conducting performance reviews, often the only feedback some employees receive about their work, as one of the most difficult and unpleasant aspects of their jobs.

## THE QUALITIES OF 360-DEGREE FEEDBACK

The 360-degree feedback method began as a development tool for managers. In the late 1970s, organizations began using standardized methods to collect behavioral feedback. Ann Morrison, Morgan McCall, and David DeVries published a report in 1978 that reviewed twenty-four survey instruments in use at that time and offered advice about the strengths and weaknesses of each instrument, and that report has been periodically updated (Van Velsor & Leslie, 1991; Leslie & Fleenor, 1998). By the late 1980s, the term *360-degree feedback* began to be linked with these procedures. Van Velsor and Leslie refer to multi-rater assessment as 360-degree feedback in *Feedback to Managers, Volume II* (1991).

The first attempt to integrate existing knowledge about this process was provided in 1993 by a special issue of *Human Resource Management* edited by Walter Tornow, who was then CCL's vice president of research. Since that time, the field has grown rapidly (Hedge, Borman, & Berkland, 2001). The process is also growing internationally. It is currently used extensively in North and South America, Europe, and Australia, and it is beginning to gain acceptance in Asian countries.

In the 360-degree process, feedback is solicited not only from an individual's boss and peers but also from the individual himself or herself, direct reports, superiors (the boss's peers), and others, such as customers (Testa, 2002). This is why the method became known as 360-degree feedback—it covers the entire 360 degrees of the feedback circle.

With 360-degree feedback, the assessment of an individual's strengths and development needs is more reliable and valid because of multiple raters. Multiple raters provide different perspectives on an individual's performance, making the feedback more accurate and more useful to the recipient. By collecting feedback from several different individuals with different relationships to the recipient, the effect of personal biases is significantly decreased.

Many different labels are given to 360-degree feedback. Some of the more common ones include multi-rater feedback (or assessment), multisource feedback, multipoint feedback, upward feedback, full-circle feedback, and peer feedback. Some of these labels reflect the different aspects of 360-degree feedback (see Exhibit 1.1). For example, upward feedback refers to feedback from direct reports (subordinates). True 360-degree feedback, however, involves providing ratings from (at least) the person whose performance is being rated and his or her boss, peers, and direct reports.

### **Exhibit 1.1.**

#### **Components of the CCL 360-Degree Feedback Process**

**Multiple people provide ratings for an individual.** Supervisors, peers, direct reports, the participant, and others complete valid and reliable surveys on which they rate (or assess) the behavior and other attributes of the participant using numerical rating scales. The ratings are collected anonymously (that is, the participant cannot tell who provided the ratings), with the exception of supervisor ratings. Because most people have only one boss, it is difficult if not impossible to keep supervisor ratings anonymous.

**Reports and interpretation are provided.** Participants receive feedback reports that itemize the results of the assessment. With the assistance of a professional feedback coach, participants examine their high ratings (strengths) and low ratings (weaknesses), as well as the differences between their own and others' perceptions of their performance.

**Participants create a development plan.** Feedback coaches work with individuals who have received the feedback to identify ways those participants can change their behavior to become more effective leaders.

Important characteristics of CCL's 360-degree feedback process include ownership of the data, accountability of the participants, credibility and commitment, communicating expectations, and continuous learning.

## Ownership of the Data

The ownership of a participant's data is an important issue in the 360-degree feedback process and is directly related to maintaining the confidentiality of the data. Participants and raters are more likely to provide honest ratings when they know the data will remain confidential (Brutus & Derayeh, 2002). One of the critical characteristics of developmental feedback is that each participant "owns" his or her data. CCL believes that 360-degree feedback data should not be shared with participants' organizations unless the participants decide to do so themselves.

In 2001, CCL surveyed 395 organizations that purchase management and leadership development services. Included in the survey were 212 CCL clients and 183 non-client organizations. Following is a summary of the survey results related to ownership of the data (Bradley, 2001).

- A total of 56 percent of respondents indicated that employees own the data from their 360 processes. Responses from clients and non-clients were not significantly different.
- Overall, 65 percent of respondents said employees were not required to share their data with the organization. The majority of CCL clients (78 percent) indicated that employees were not required to share their data, while 62 percent of non-clients reported that employees were not required to share their data.

In the CCL 360-degree feedback process, the feedback reports are sent directly to a trained facilitator, who meets with the participant in a private consultation. The participant and the coach are the only people who see the participant's individual data, unless the participant decides to share it with others.

If the purpose of the 360 assessment is for development, CCL recommends that a feedback coach be used. The coach can be an external consultant who is an expert in facilitating feedback or an internal HR professional who has been trained to provide 360-degree feedback. A number of studies report that the use of feedback coaches to facilitate the feedback has a more positive effect on both

the leader and the organization (see, for example, Luthans & Peterson, 2003; Smither, London, Flautt, Vargas, & Kucine, 2003). Atwater, Brett, and Charles (2007) caution against providing participants with feedback reports without facilitated feedback assistance. Participants who work with a coach are more likely to set goals, share the feedback with their bosses, and improve their ratings on a subsequent 360 administration (Smither, London, Flautt, Vargas, & Kucine, 2003).

Brutus and Derayeh (2002) report that every organization in their study that failed to meet the objectives of the 360 process had failed to facilitate the feedback process. In these organizations, participants received reports in the mail without individual or group facilitation with a trained feedback coach. The organizations that were successful in meeting their objectives for the program were the ones that facilitated the feedback process. Facilitation sessions are critical to help participants identify goals for needed behavior change.

### **Accountability of Participants**

Because the participant owns the data, and the organization does not see the results, the participant is accountable for acting on the feedback by creating and carrying out a development plan. In the development plan, the participant notes areas of strengths and areas in which development is needed. Then, with the assistance of the feedback coach, the participant develops a plan to address the areas for development.

### **Credibility and Commitment**

The 360-degree feedback process must be seen as credible by the participants in order to gain their commitment to change their behavior.

For the feedback to be credible, at least four factors must be present (Van Velsor, 1998):

1. Trust in the process must be built by protecting the quality of the ratings and ensuring the anonymity of the raters and the confidentiality of the participants' data (Antonioni, 1994; Brutus & Derayeh, 2002). Anonymity means that the identity of the raters is protected—their identity remains unknown to the participant and others. Confidentiality, on the other hand, means that the feedback report is available only to the participant and the feedback coach, unless the participant decides to share it with others.

2. The process should focus on important developmental goals rather than on superficial change. In other words, the process must not only measure observable behaviors but also allow the participant to link these behaviors to effectiveness on the job.
3. The process must be understood by all involved—by both the raters and the participant. Instructions should be unambiguous, and the questions on the survey should be clearly written. Clarity also includes stating and supporting confidentiality of the data and the anonymity of the raters.
4. Finally, the 360-degree feedback must be directly linked to developmental planning in order to gain a commitment to behavior change from the participants.

## **Communicating Expectations**

An effective 360-degree feedback process allows the organization to promote important values by communicating what behaviors are expected from employees. For example, an organization can communicate the importance of commitment to good customer service by allowing customers to provide feedback directly to employees (Testa, 2002). Customers can be broadly defined as any individual who experiences the employee's behavior.

## **Continuous Learning**

CCL believes that effective 360-degree feedback encourages continuous learning on the part of the participants. Just receiving the feedback will not necessarily make a person a more effective leader—the change must come from within. It is important, therefore, first to “unfreeze” the participant's self-view so he or she will be willing to change behaviors. The best way to unfreeze the self-view is to provide the participant with accurate data from multiple perspectives and to encourage openness in accepting the feedback. For 360-degree feedback to be effective in enhancing participants' self-awareness and in encouraging them to engage in self-development, it must be embedded in a larger development process that includes a development plan and organizational support for employee development, such as coaching (McCauley & Moxley, 1996).

Participants who receive support from their organizations for development-related activities have more positive attitudes toward the 360 process and are

more likely to be involved in developmental activities (Maurer, Mitchell, & Barbeite, 2002).

## **HOW THE CCL 360-DEGREE FEEDBACK PROCESS WORKS**

The person being assessed selects a number of coworkers to participate in the feedback process. Working individually, the raters and the participant complete surveys designed to collect information about the participant's specific skills, behaviors, and other attributes that are important to managerial or leadership effectiveness.

After the raters complete the surveys, their ratings are sent either electronically or by postal mail to a centralized location for scoring. A report is produced and delivered to a feedback coach, who then meets with the participant to review the report. The coach can be someone external to the organization or an internal HR professional who will keep the feedback report confidential. The coach is trained to interpret the results of the particular instrument being used and helps the participant understand what the various scores mean. The coach helps the participant use the feedback to create a development plan geared toward increasing the participant's effectiveness. The surveys, reports, and development plans can be printed materials, delivered electronically, or can be a combination of media.

## **WHY 360-DEGREE FEEDBACK IS NEEDED**

In the life of a busy organization, people often find themselves starved for feedback. Two factors play into this. First, people become caught up in day-to-day pressures and responsibilities and fail to pick up the cues from others that provide one source of ongoing feedback. Consider this all-too-familiar scenario: While waiting for the elevator after a tough meeting, a manager gets a pat on the back from his colleague for handling a presentation well. The next day, someone lets him know that his reaction to a sensitive question was unnecessarily defensive. At the end of the week, one of his team members cautions him that his instructions to their assistant sounded patronizing. These small bits of data—informal feedback—float around managers all the time, largely unattended in the rush of business concerns.

Formal 360-degree feedback provides something that informal feedback seldom does: a structured means of collecting and processing data, and an opportunity to

**Exhibit 1.2.**  
**Five Reasons for Using 360-Degree Feedback**

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1. It provides answers to the question, How am I doing?
2. It can be used as a guide for continuous improvement.
3. It can help leaders check the validity of their self-perceptions.
4. It ensures that leaders view themselves realistically.
5. It encourages people to invest in the effectiveness of leaders.

reflect on this valuable information (see Exhibit 1.2). It may be the only time some leaders ever consciously stop to take stock of their performance effectiveness in an organized way.

A second factor that impacts an individual's access to meaningful feedback is that giving and receiving feedback can be perceived as threatening activities (they may *actually* be threatening, in some instances). Often people in organizations think that giving and receiving feedback is not worth the risk.

Contemporary organizations pay a lot of lip service to the need to increase communication in all directions; at the same time, many people are reluctant to give performance feedback to coworkers, especially to their superiors. When they ask themselves, What do I have to gain by telling my boss about his development needs? they struggle for an answer. The higher up in the organization one moves, the less feedback one receives (Kaplan, Drath, & Kofodimos, 1985).

Formal 360-degree feedback, by its nature, helps reduce the interpersonal threats of face-to-face feedback for both parties. The formalized structure and the neutral character of the instruments provide a format for objectivity. The formal feedback process also focuses on the valid assessment of behaviors that that organization values.

## **THE IMPORTANCE OF MULTIPLE PERSPECTIVES**

Receiving feedback from only one person is rarely sufficient to create positive change in the participant. Whether the message is about a strength or about an

area for improvement, the participant may wonder whether one individual's opinion constitutes valid and complete information. Yet the most common example of feedback in the workplace is that of a supervisor giving feedback to a direct report (see Exhibit 1.3).

Even though interpreting their significance sometimes takes work, multiple views from a 360-degree process are preferable:

- They reflect a more comprehensive representation of a manager's reality, in which a multiplicity of views has to be taken into account.
- They reduce the potential for bias (see, for example, London & Beatty, 1993).
- The boss alone often does not observe the individual's behavior daily, especially if the individual is located in another building, another region, or another country, a familiar situation that makes it very difficult to maintain an accurate ongoing assessment.

### Exhibit 1.3.

#### Providing Effective Feedback on the Job with SBI

Few managers are skilled at giving constructive feedback. Effective feedback requires a different pattern of communication from the one most people have learned through experience. To be effective, a manager has to learn specific interpersonal skills and exercise the discipline to use them. In the busy workplace, many managers don't bother. And when feedback is perceived as criticism, most people are not likely to accept what their managers have to say.

To increase the quality and effectiveness of feedback, CCL recommends using the three-step process it teaches and practices: the **situation-behavior-impact method (SBI)**. This simple feedback method keeps comments relevant and focused to increase their effectiveness. With SBI, you describe the situation in which you observed the other person (it could be a boss, a peer, a direct report, or even a family member), the behavior you observed, and the impact of that behavior on you in that situation.

- The increase in team-based work and flatter organizations dictates the need for collecting and synthesizing feedback from team members and others who may not be members of the participant's immediate work group.
- Previously untapped sources of feedback can be included; for example, the effectiveness of some leaders can be judged by how well they work with people outside the organization, such as customers, suppliers, or clients.

Despite these advantages, 360-degree feedback can result in the participant receiving a variety of responses based on each rater's perspective. Unanimous agreement, even if less than complimentary, is easy for the participant to understand. But such agreement is seldom the case. It is more common for participants to be perceived differently by different raters (see Exhibit 1.4). This variance can cause considerable confusion for participants, unless they are able to think through the reasons with the help of a trained feedback coach.

#### **Exhibit 1.4.**

##### **Feedback Variations Among Multiple Raters**

There are many valid reasons why feedback is not uniform (McCauley & Moxley, 1996). It may be that the participant actually behaves differently with different people. The amount of exposure that the participant has with different groups also explains variations. For example, one group may have more opportunities to see the participant displaying the behavior being rated.

Also, the raters' expectations come into play. Raters may have differing expectations about how the participant will use the specific behavior when interacting with them, and so they have their own opinions as to whether the behavior, or its absence, is a problem.

Finally, two raters can interpret the same behavior very differently. For example, a manager is blunt in his interpersonal interactions. One rater interprets the behavior as direct, efficient, and precise. Another rater sees the same behavior as abrupt or even rude. Helping with this analysis is one of the functions of the debriefing session between participant and feedback coach.

## THE ROLE OF 360-DEGREE FEEDBACK IN THE LEADERSHIP DEVELOPMENT PROCESS

What are organizations trying to accomplish when they implement a formal 360-degree feedback process? As you might imagine, their goals are as diverse as the organizations themselves. Each frames and focuses its efforts in different ways.

Some organizations use 360-degree feedback primarily as part of development processes for individual managers and leaders (for CCL's position, see Exhibit 1.5). For example: A manager is struggling with providing direction and vision for his group; he can see the value but isn't clear on how to go about it. After completing a 360-degree feedback instrument that contained the item, "Brings up ideas about the future of the organization," he realizes from his raters' responses that his focus with them—measured by the amount of time

### Exhibit 1.5. CCL's Approach to Feedback for Development

CCL uses 360-degree feedback solely for developmental purposes to provide the most accurate data possible to its participants. CCL's philosophy toward 360-degree feedback is shaped by three lessons it has learned from working with leaders and from our research on leadership development (McCauley & Moxley, 1996).

1. People can learn, grow, and change to become better leaders. There is ample evidence for this. People are not born to be good leaders; becoming a good leader requires hard work and learning.
2. Self-awareness is the cornerstone for leadership development. Any development as a leader (or as a person, for that matter) begins with taking an open and honest look at one's strengths and weaknesses.
3. Development is an ongoing process closely related to one's work. The challenges in a person's work drive the person to learn and grow, so you cannot expect to send someone to a single training program and have him or her return "fully developed." However, such events can play an important role in the development process if they are closely linked to the challenges of the work situation.

spent—was always on tactical issues. He thought he was helping them work toward goals; they thought he was not sharing long-range guidance. Armed with this new perspective, this manager can change his behavior and become more effective in setting direction for his group.

Even when people have solid insights about their own strengths and development needs, they may not be aware of how these qualities affect their coworkers day to day. Consider this scenario: An international high-tech manufacturing organization frequently sends individual managers one at a time to a leadership development program conducted by an outside company. At this program, the participants take part in an elaborate business simulation and receive feedback on their behavior from the other twenty people in the program. After the simulation, participants receive the results of their 360-degree assessment from their coworkers back home. The participants are surprised at the consistency of feedback from these two sources. They now have a clearer idea of how consistently their behaviors affect others.

Organizations may also focus 360-degree feedback on developing individuals in particular subgroups (for example, high-potential managers) or at different times in a manager's career (such as prior to a promotion or near the completion of a developmental assignment).

In addition to its use in developing individual competency, organizations also use 360-degree feedback to determine group strengths and development needs. For example, by compiling individual feedback results into an aggregate group profile, one large industrial construction company focuses on the competencies that, as a company, it would like to maintain or develop further. The resulting information is built into every manager's development objectives for the upcoming year. Taking this example one step further, some organizations use the group data to establish needs for organizational training activities.

Some organizations use 360-degree feedback initiatives to broaden employee awareness of valued behaviors (see Exhibit 1.6). The simple process of reading and answering the specific items on the feedback instrument puts these valued dimensions out in front of people and usually triggers discussion. For example, a large European insurance company decided that the key to its survival was to be less bureaucratic and more entrepreneurial. It used a 360-degree feedback instrument designed specifically to measure behaviors known to exist in successful entrepreneurial environments. It implemented this process with its senior managers first, then cascaded it down through its new managers.

Another example comes from the telephone industry. One service provider decided that, as a market edge, it was going to pursue excellence in customer service for its data and voice subscribers. But many of its managers had been hired in the telephone monopoly era, when customers did not have options and were forced to live with the service they received. This company started a major initiative that included conducting internal customer-service workshops; individual coaching; pushing decision making downward in the organization; and completing 360-degree feedback to focus on decisiveness, customer focus, and responsiveness.

### **Exhibit 1.6.**

#### **How 360-Degree Feedback Supports Organizational Values**

The use of 360-degree feedback can support three types of organizational values: open communication, valuing employee input, and setting the expectation that people should take charge of their careers. Here are some illustrations.

- A major urban hotel group wants to encourage open communication among its owners. One part of its approach is to initiate a regular 360-degree feedback process in which each of the six participants is a rater for all the others. This surfaces issues for discussion and helps establish an open-door work environment. By asking others to complete the survey, these leaders are indicating that they are amenable to performance feedback. They are, in a sense, establishing a norm for communication.
- An organization becomes particularly interested in using a 360-degree feedback instrument as part of its efforts to enhance employees' sense of empowerment. The process of multi-rater assessment is inclusive; soliciting participation from diverse rater groups indicates that the organization is interested in their perspectives.
- An international consumer products company encourages its managers to actively plan their career progression from the day they are hired. The company uses 360-degree feedback to put data in the managers' hands and responsibility for career planning on their shoulders.

As a result, the company was able to help its managers see where their skills did or did not match the organization's valued behaviors.

## **ADMINISTRATIVE VERSUS DEVELOPMENTAL USE OF 360-DEGREE FEEDBACK**

An important factor to consider when implementing 360-degree feedback is the purpose for conducting the assessment. Will the results be used for performance appraisal, which has an administrative (or decision-making) component, or will they be used solely for developmental purposes? The types of decisions that will be made with the results will have a significant impact on how the process is carried out (Bracken, 1996).

In general, there are two schools of thought about the use of 360-degree feedback instruments. Organizations that employ 360-degree feedback instruments for administrative purposes use them primarily to make decisions about hiring, promoting, or compensating people. While 360-degree feedback administered for administrative purposes often has a developmental component, it is often a secondary consideration. By comparison, organizations that use 360-degree feedback instruments for development only use the data to help participants create a plan to increase their effectiveness in the organization.

The critical difference between these two approaches is the ultimate ownership of the data. In assessment for administrative purposes, the organization owns the data. In assessment for development, the participant owns the data. While the participant is encouraged to work collaboratively with his or her boss to construct a development plan, the feedback report itself is confidential and seen only by the participant, with the exception of the feedback coach. Ultimately the participant decides if, with whom, and how he or she shares the report data.

### **Feedback for Performance and Selection**

The use of 360-degree feedback for administrative purposes, such as performance appraisal, selection, and compensation, remains controversial (Bracken, Dalton, Jako, McCauley, & Pollman, 1997). Data from the Upward Feedback Forum indicate that 93 percent of the organizations that were surveyed used 360-degree feedback for developmental purposes, and half of those also used it for administrative purposes (Timmreck & Bracken, 1995). Of those using 360-degree feedback for administrative

purposes, about half stopped using it for various reasons, including negative employee reactions (Timmreck & Bracken, 1997).

In a survey of over one hundred organizations, Brutus and Derayeh (2002) found that 74 percent of organizations were using 360-degree feedback for developmental purposes, while 26 percent were using it for administrative purposes or a combination of both developmental and administrative purposes. Brutus and Derayeh noted, however, that in some organizations, ratings supposedly collected for development only somehow found their way into the hands of individuals responsible for making administrative decisions.

When 360-degree feedback is used for performance appraisal, competencies are assessed that are directly related to the job in question. The items on the instrument are focused on the participant's current position rather than on developing competencies for future assignments. In performance appraisals, the instrument is usually shorter than one used for development.

When an instrument is used for development, its content is more developmental in nature; that is, it assesses the participant's potential to perform at a higher level. When used for developmental purposes, the instrument may be longer and cover competencies that can be targeted for development.

When using 360-degree feedback for performance appraisal, an organization should be able to readily demonstrate that the assessment instrument is related to the job in question. One way to do this is to ensure that the competencies being measured are important for successful performance on the job.

When the 360 assessment is used for employee selection, the organization must deal with critical legal issues. For example, it may be necessary to conduct a validity study to demonstrate that the ratings are directly related to job performance, or that the ratings have no adverse impact on protected classes of employees. This requires that the data be maintained so it will be easily accessible for validity and adverse-impact studies.

It is also important that 360 instruments used for development are demonstrated to be reliable and valid measures of the competencies of interest. Instruments that are used for purely developmental purposes, however, do not face the same legal requirements that pertain to instruments used for administrative decision-making purposes.

When a 360-degree feedback process is conducted for administrative purposes, the organization owns the data, which it uses to make decisions about the

individuals being assessed. Depending on the purpose of the assessment, however, different people in the organization will have access to the data. If the purpose is for selection, the hiring manager and relevant HR staff will have access to the data. If the purpose of the administration is succession planning, the executive team may be allowed to see the data. In any case, it should be made clear up-front to the participants exactly who will have access to the data. Furthermore, it is important to maintain the confidentiality of the data. Only people who have a legitimate need to see the data should have access to it.

The confidentiality issue is not trivial. Evidence indicates that rater responses change when they know the participant's feedback data will be made public (London & Smither, 1995). The effects of allowing the ratings to be seen by the organization can be significant. For example, it's easy to see that employees might rate themselves differently if they know their bosses will see their data (Dalessio, 1998). There also may be similar effects on the ratings of others—managers may be less inclined to identify areas for development for their employees if they know others may see the ratings.

For a 360-degree process to be its most effective, anonymity for certain rater groups is critical. Because anonymous raters have been found to be more honest than identified raters, more accurate ratings can be expected when anonymity can be ensured (Kozlowski, Chao, & Morrison, 1998). If the raters begin to believe that their anonymity will be compromised, then less honesty can be expected in future.

The bottom line is that 360-degree feedback processes must be carefully designed to suit the purpose of the assessment. Although feedback collected for administrative purposes can be used for developmental purposes, systems designed for these purposes are usually not appropriate for use as development tools, and vice versa (Fleenor & Brutus, 2001).

## **Feedback for Development**

Another importance difference between using 360-degree feedback for developmental purposes versus administrative purposes is the type of goals that are set. With developmental purposes, learning goals are set. These goals typically involve development of competence. Performance goals set for administrative purposes, such as performance appraisal, usually involve meeting certain objectives directly related to the achievement of results on the job.

Research suggests that raters will change their ratings if they know their ratings could affect the participants' salary or promotion opportunities. Waldman, Atwater, and Antonioni (1998) found that up to 35 percent of raters would change their ratings if the ratings were used for administrative purposes.

According to London (2001), 360-degree "feedback can be used for both developmental and administrative purposes, but this takes time" (p. 383). He believes, however, that 360 feedback works best when used, at least initially, for developmental purposes only. Organizations that initially use 360 feedback for administrative purposes often find there is a lack of trust of the process among employees (Atwater, Brett, & Charles, 2007). Brett and Atwater (2001) suggest that organizations implementing 360-degree feedback should first focus on the developmental aspects of the process.

CCL's bias is that the primary goal of feedback is individual development, and it has designed instruments and processes to support this goal. Using 360-degree feedback for administrative purposes requires different data collection and feedback processes. Therefore, CCL recommends that feedback collected for developmental purposes not be used for administrative decision-making processes.

When 360-degree feedback is used only for developmental purposes, participants should receive the feedback in a psychologically safe environment. This includes a feedback coach who has been trained to present negative information with a great deal of sensitivity. Trained feedback coaches are also able to deal with any defensiveness or denial on the part of the participant.

The bosses' ratings are also a critical component of the development process. For example, bosses are the best source of importance ratings for the competencies on which participants' effectiveness is rated. Additionally, the boss may be in a better position than the other raters to understand fully the organizational context in which the participant's performance occurs. For example, the boss may be aware that certain constraints in the organization may have prevented the participant from accomplishing some goals.

Finally, in a developmental 360 process, participants are encouraged to share high-level feedback with their bosses. For example, they may want to let their bosses know on which competencies they were rated relatively high and on which they were rated relatively low.

## IMPLICATIONS

Receiving feedback that is contrary to one's self-image can be stressful and threatening. The more discrepant the information, the more stressful it is. As summarized by Dalton (1998), "Using 360-degree feedback as part of the appraisal process represents naiveté to issues of hierarchy, status, and retribution and violates the condition of psychological safety that is necessary for a person to receive dissonant information about the self."

According to Brutus and Derayeh (2002), around 20 percent of organizations do not link their 360-degree feedback processes with other developmental systems. CCL integrates 360-degree feedback into its leadership development programs because we believe that feedback must be embedded in a larger development process to be effective for developing leaders.

This chapter presents some of the considerations to be made before implementing a 360 process in an organization. We describe the distinct difference between developmental and administrative use and state CCL's approach to using 360 for development only. The subsequent chapters describe using a development approach in a 360-degree initiative.