

## **WHAT ARE THE MAJOR CONCERNS ABOUT USING 360 FEEDBACK?**

**Readiness.** To implement multi-source feedback successfully, managers and employees alike must understand it and want to make feedback a part of their work. They must be prepared to do more than experiment with 360. They want to make it a lasting, beneficial part of the culture. Ideally, an organization has some experience with performance feedback before introducing 360. Also, people must trust that the tool will be administered properly.

**Confidentiality.** Most people want to give fair and honest feedback, but they want to avoid adverse consequences for doing so. If you suspect that your input will be evaluated by people in authority, you may not want to give honest ratings and comments. Also, if you are receiving feedback, you may want honest ratings, but you don't want to be punished for receiving them. You will want assurance that no one else will see specific ratings and comments. Managers are responsible for coaching employees, but the organization must decide how much and what kind of summary information bosses will really need. A plan must be in place to safeguard confidentiality during the feedback process.

**Trust.** Several aspects of 360 require trust. This is because people receiving feedback can expect to learn where they need more development. Who will handle or see this information? How will it be stored? You must trust that the system guarantees anonymity and confidentiality. If detailed information is to be given only to those who receive feedback, you must believe that these promises will be kept. If leaders say that feedback is to be given for developmental purposes only, you must feel sure that it will not be used later for pay or personnel decisions. When people don't trust the process, they find it hard to give honest ratings and comments. They might even withdraw support or try to derail the assessment process.

**Follow-up.** Organizations using 360 must have a plan for supporting development activities based on the data. Multi-source feedback is a performance diagnostic technology, used for the purpose of identifying strengths and areas for improvement. But it's not the cure. If an organization doesn't intend to follow through with development planning and developmental resources, the 360 process may have few benefits. While 360 feedback usually motivates the people receiving it, if there is no post-assessment development effort, people may be confused about the purpose of the exercise.

**Impact on compensation.** Although many managers believe that 360 can help solve problems with performance management, few understand this new tool or how to use it properly. Most appraisal systems have been linked to compensation and other types of personnel action. This is one of the reasons that the validity and fairness of ratings have been an issue. It's difficult for people to give objective ratings about someone else's performance when they know that it will have an impact on that person's pay or career. For this reason, most organizations use 360 strictly as a developmental diagnostic and do not link it to pay-related decisions. Managers must analyze the consequences carefully before using 360 in the context of a performance management system.