Performance Evaluation - Are you 360° ready?

Some years ago I completed a survey in which information was gathered on performance evaluation for Chief Staff Officers. I discovered that about half the respondents were receiving annual evaluations. Of this group, one third were dissatisfied with the evaluation process in which they had participated. In general, there was a lack of policy and process to support the evaluation of not-for-profit executives and, in some cases, even where policy existed there was no guarantee evaluations would occur. This survey suggests opportunities for significant improvements exist.

Recently, one Board decided it wanted its association to have a competency-based performance system using a 360° feedback process. Why? Several directors on the board were familiar with this approach as it was utilized in their respective private sector organizations and they believed it could be effective for the association. For some associations, moving from next-to-nothing in performance evaluation to using 360° feedback would be a quantum leap. Therefore, readiness in terms of development and sustainability is important.

Are there challenges and mixed results that need to be considered in implementing this approach? Absolutely. These should be considered. I will highlight some, but it would be prudent to first provide some background on competency-based performance and 360° feedback.

A competency-based performance system is linked to the total human resource process where job descriptions have been based on identified competencies for each position. All work is related to strategy and the competencies necessary to pursue the strategies. Included in this process are indicators of success upon which the individual or teams will be assessed during the performance evaluation process.

Competencies include the *skills* needed to do the job, *knowledge* required to understand the related facts, concepts and theories, and *attitudes* which include values and other factors that influence decisions and actions.

Competency-based assessment provides a framework by which the gap between present proficiency and established performance standards is determined. The gap helps to focus discussion - recommended training and development strategies may be identified and agreed upon by both parties during the review.

The 360° feedback is a full-circle overview of a person's performance. Instead of a single assessment from the supervisor, a person also receives feedback from many sources through such things as direct reports, and a self-assessment. The full 360° feedback assumes that feedback providers are those who know the person best and part of the employee's circle of work related activities. Different perspectives provide a broader look and helps individuals identify where specific professional growth is required. At times, the performance review can become too generalized, because the supervisor or Board Director has rarely observed the employee with suppliers, members or other colleagues outside of the office or Board meetings. The 360° feedback process ensures these observations and comments are part of the overall performance appraisal. Research has shown that the reliability, fairness and acceptability of the feedback process increases when input is drawn from multiple sources. Information is gathered through the use of questionnaires which are compiled into reports and become part of the review.

Some of the qualities/attributes questions that may be in a questionnaire for a chief staff officer are:

This Individual:	Response Categories:
§ Uses sound judgement and decision-making	§ Most of the time § Yes, but could improve § Not usually § Have not observed this behaviour
§ Encourages innovation and creativity	
§ Develops plans, is well organized and monitors results	
§ Effectively delegates with good follow-up and control	
§ Demonstrates effective written and oral communications	
§ Effectively uses his/her time	
§ Maintains good working relations with others and develops and shares knowledge	
§ Demonstrates effective leadership and nurtures a culture of continuous improvement	

In addition to the above, comments/opportunities for improvement are usually noted.

Those using the 360° feedback questionnaire cite the following potential benefits:

- Participants get a fairer and well-rounded impression of how their work is viewed by others. This valuable information can be applied to improving their effectiveness on the job.
- Supervisors get an overall perspective about a person's knowledge and skills and, consequently, develop a more accurate training and development plan for each individual.
- Peers and direct reports get an opportunity to share concerns, which helps them contribute to constructive changes in their work environment. At the same time, they can confirm positive behaviours that do not need attention.
- Team members can use the information to identify and prioritize team development needs. Therefore, the process improves teamwork, increasing abilities in problem solving.
- The organization can develop appropriate knowledge and skills to consistently reflect strategy and review performance. Progress on development can be monitored using the 360° feedback.

The use of 360° is on the increase in the private sector and is being used more frequently in the not-for-profit sector. Chief staff officer positions are usually the first to experience 360° and its use is now spreading to other staff positions.

Senior level students in the senior Association Management Education (AME) program indicate that their experiences with 360° have not been very successful. Their comments and other shortcomings that have bee noted include:

- In the case of the Chief Staff Officer, perceptions of Board members on the evaluation team are questionable, as most have limited views of the Executive Director's performance. Also, an ineffective or incompetent Chief Staff Officer can hide problems from the Board more readily than from staff.
- The quantitative nature of the questionnaire tends to attribute the same level of importance to all activities. A Chief Staff Officer can do a great job in improving the image of the organization, membership levels may be up and staff morale high, but financial mismanagement may shut the organization down.
- Using a point ranking system can be dangerous as one or two negative grades would hardly affect the "grade point".
- Staff can feel uncomfortable rating the boss or others whose work they know little about.
- Staff under pressure to improve performance can retaliate by providing damaging feedback about their superior.
- In order to obtain constructive suggestions a stable trusting environment is required before proceeding.

- Personality conflicts, difference of opinions and other office politics can be counterproductive and negatively reflect on the outcome.
- Training with ongoing reinforcement and information on position expectations, is required to offset personality contests.
- When poor ratings are provided, suspicion and tension between co-workers and others can occur which affects productivity, morale and staff turnover.
- The first experience is stressful and most don't enjoy this or any form of personal evaluation.

A common message is that without laying a solid foundation, the entire experience may well be superficial and counter-productive. Nevertheless, the value of using this type of tool outweighs its shortcomings – it can be productive when successful processes and tips are followed.

Successful processes employ three phases that address design, implementation and evaluation. A competency-based questionnaire, applicable to the individual, is important, as is training on how to provide and receive feedback. Action plans and user assessments help develop competencies and support improvements in the process. Before deciding to implement 360°, a readiness assessment may identify other conditions that need to be rectified to assist with successful implementation.

360° Tips for Implementation and Sustainability

- Consider the tool as one of the contributors to the discussion and do not use a points system.
- Focus on helping the individual develop in order to meet expectations linked to competency and performance objectives.
- Guarantee anonymity where possible and suggest a minimum of three questionnaires for each staff member. Selection should be based on work flow and interaction and should be selected by the individual and the supervisor.
- Use quality and attribute statements, adjusted to reflect each position's success and objectives in the questionnaire.
- Provide individuals with ongoing training and information on how the system works.
- Ensure the intention of the system and the standards applied are consistent and acceptable to employees.

Associations are usually small organizations with limited resources. They should first look at basic evaluation models that embrace all of the core characteristics of effective evaluation practices and are efficient and effective in terms of implementation and ongoing operations.

The selected model should provide essential information for making strategic decisions about employee advancement, retention or termination and compensation, and should provide employees with a sense of their contributions and value. The model process should also result in identification of areas requiring development and meeting policy expectations.

Hopefully, this information has provided you with some insight into the use of 360°. Prior to making any changes in your evaluation practices, research and assess readiness for change. You can start by visiting these sites or by searching for 360° feedback.

HR-guide.com
http://www.hr-survey.com/360Feedback.htm

Free Management Library.
http://www.mapnp.org/library/emp_perf/emp_perf.htm

This column features innovation and practical solutions applied to challenges, trends, issues, and opportunities for the association community. Column editor Jim Pealow, MBA, CMA, CAE is a consultant and the Association Management Education Program Lead Instructor/Coach for CSAE. He can be reached at jim@amces.com.