

PROFESSIONAL FORUM

360 Degree Feedback and Leadership Development

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If we had to identify the major areas of growth in relation to techniques for supporting leadership development, it would have to include use of 360 degree feedback. At two recent US conferences (The 24th International Congress on Assessment Centre Methods, May 1996, held in Washington, DC, and the First Annual Leadership Development Conference held in October 1996 in Boston), dedicated to presentations by researchers and practitioners on the subject of leadership assessment and development, the topic of multi-rater or multi-source feedback, as it is also known, formed a key component. This paper will outline some of the reasons why this is the case, and some of the research findings that have emerged in the last few years including issues relating to gender and perceptions of leadership. It will also describe how the author has been involved in introducing 360 degree feedback processes in several public sector organizations in the UK, together with lessons that have emerged.

The use of 360 Degree Feedback for Developing Leadership

One of the most significant developments in leadership in the last decade has been the growth of interest by organizations in 'Transactional' and 'Transformational Leadership' (Bass and Avolio, 1994a). Whilst the history of leadership research has 'progressed' from the search for personality traits, through an emphasis on behavioural style, to complex models of situational leadership, these are generally viewed, in retrospect, as developments in our understanding of management. Management is regarded as fundamentally dealing with the given, it would include activities of planning, organizing, staffing, budgeting, problem-solving, and creating procedures and systems for maintaining order and predictability (Kotter 1990). Somewhat confusingly, perhaps, this is now referred to as Transactional Leadership, so-named because the influence of the manager is located in, and limited to the manager's ability to provide a quid pro quo reward, or negative feedback, to a follower who responds to his/her instructions or agreed objectives.

Transformational Leadership

The increased demands on organizations to deal with far greater complexity, turbulence, ambiguity and unpredictability has meant that transactional leadership, whilst still of crucial

importance to complex organizations, is no longer sufficient. Hence the imperative for transformational, as well as transactional leadership. Transformational leadership has a far greater and broader impact on the follower by transcending the exchange relationship and encouraging real empowerment.

Professor Bernard Bass, a foremost scholar in the field of transformational leadership has identified the four components of transformational leadership as:

- charisma (or idealized influence)
- inspirational motivation
- intellectual stimulation
- individualized consideration.

Charisma refers to the quality some managers have of embodying role models that followers strive to emulate and align around a vision, common purpose, and mission (Bass *et al.* 1996, p.10). Bass describes *inspirational motivation* as leaders providing meaning and optimism about the mission and its attainability.

As with all leadership qualities, charisma, like vision, harbours potential dangers if it is used to extreme, as is the case with cult figures. One way of ensuring that it is grounded in reality and the experience of others is to encourage what Bass refers to as *intellectual stimulation*. Leaders have no doubt that in order to survive and thrive, their organizations will have to constantly challenge the way things are done, what is done and by whom, despite, perhaps, the success of the past. Using old solutions to new

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problems creates further problems. Transformational leaders encourage individuals to challenge the 'sacred cows' of the organization, irrespective of their status or level in the organization. They also seek feedback on their own behaviour.

Finally, in Bass's list is *individualized consideration*. This has to be an essential prerequisite on which the other qualities must be based. It is a disregard for status and a fundamental belief in the value of others in the organization. It embodies a respect for, and valuing of, differences, and a support for the development of others, based on identification of people's strengths and development needs and creating opportunities for growth.

Consistent with the 'empowering' tone of the model of transformational leadership, modern writers on leadership are almost turning the historical notion of management, as fundamentally a top-down influence process, on its head. Leadership is being conceptualized and extolled as an authority 'bestowed' on a manager by her/his followers (e.g. Kouzes and Posner 1987, 1993; Bennis 1997). Before one may be tempted to dismiss such exaltations as the utterances of somewhat 'liberal, humanistic' gurus, it is important to note the substantial evidence emerging from recent studies (for example see Bass and Avolio, 1996 for a recent review), particularly in the US, but by no means restricted to the US, which have shown that transformational leadership is significantly related to a variety of objective outcome measures. These include:- high levels of commitment, motivation, job satisfaction, and performance of staff; employee innovation, harmony and good citizenship; financial performance of organizations in the private sector, and performance in the public sector. Organizations studied have ranged from manufacturing, retail, and financial institutions in the private sector, to primary healthcare, and education institutions in the public sector.

Research on 360 degree feedback and transformational leadership

What then is the importance, if any, of 360 degree feedback to transformational leadership? To explain this, it is important to be aware of some research findings. Remarkably persistent themes have emerged from research using 360 degree feedback. These can be listed as follows below: Managers, in general tend to rate themselves higher in management competence and leadership effectiveness than do their colleagues who also rate them (i.e. their boss, peers, and staff) (A caveat will be added to this statement below).

- Managers' self-ratings are less highly related to the ratings others make of them than peers', bosses', and staffs' ratings are with one another.
- Managers' self-ratings are less accurate than others' ratings when compared to 'objective criterion measures'.
- Taken together, the ratings that the managers' 'others' provide for the manager, predict team performance.
- Staff are more satisfied with their manager and their job when their perceptions of their manager matched the manager's self-perceptions. More 'successful' managers (as rated by their staff and their boss) are less likely to inflate self-ratings of leadership.
- Managers who have 'inflated' self-ratings:
 - (i) over-estimate their influence
 - (ii) are likely to misjudge and misdiagnose their own need for improvement.
- Staffs' perceptions of a manager's effectiveness relate significantly to bosses' ratings of performance and promotion, but managers' self-ratings of leadership are not related to these measures.
- The stronger the relationship between a manager's self-perceptions with that of their staff, the more likely they are to be perceived by their staff as transformational. (e.g., Bass and Avolio 1994b; Bass and Yammarino 1991; McEvoy and Beatty 1989; Wohlers and London 1989; Smither *et al.* 1995).

It follows from this list of findings that, generally speaking, managers appear to have little knowledge of their own strengths and development needs.

How to assess leader effectiveness?

This is a notoriously difficult question to answer. If one is attempting to measure a manager's effectiveness in motivating his/her staff, then soliciting staffs' views through a 360 degree feedback process is not simply obvious, it is an imperative.

However, if one was to suggest that leadership is judged by some measure of the team's performance, one must also allow for the fact that there will be many factors which may affect the performance which are out of the manager's realm of control. But what are the most effective measures for predicting a manager's effectiveness, as measured by his/her boss(es) and staff, *in the future?*

Currently, in the complex field of managerial assessment, the most valid technique that exists for assessing an individual's potential for senior management is the assessment centre (AC) methodology, which typically involves a day

or more of a variety of relevant assessment techniques, including perhaps psychometrics, interviews, and simulation exercises observed by trained assessors. How do ratings by others provided by 360 degree instruments relate to ratings of managers' performance on an AC?

As yet, there appears to be no substantial research in the area, however, a US study (McEvoy and Beatty 1989) comparing AC ratings of managers obtained in 1977 and ratings provided by their subordinates in the same year, found that the subordinates' ratings were better predictors than the AC scores of how the managers were rated in terms of their managerial effectiveness by their bosses and subordinates 2 and 4 years later.

The authors concluded: "This study places subordinate ratings in the upper echelons of predictors of managerial performance, along with ... assessment centres." (ibid., p.50).

Leadership and self-awareness

'Self awareness' is about seeing oneself as others see us. It involves modifying one's perceptions of oneself as a result of receiving feedback from others, and modifying one's behaviour as a result. It is therefore, not surprising that those managers who see themselves most similarly to how their 'others' see them, are also perceived as most effective. Studies have been undertaken to investigate the effect and degree of a manager's 'self-awareness' on various other factors. One study based on a sample of US Naval Academy students (Atwater and Yammarino 1992), investigated whether the degree of a manager's self-awareness of adopting transformational leadership behaviour, affected the power of commonly used selection devices (such as ability tests and previous experience) to predict evaluations of leadership by subordinates and supervisors on the job. Using the Multifactor Leadership Questionnaire (MLQ), which was developed by Bass and Avolio (1995) to measure frequency of use of transactional and transformational leadership behaviours, the 92 individuals were divided into those who over-estimated, under-estimated, and agreed, in relation to their subordinates' and supervisors' ratings of their transformational leadership behaviour.

There is insufficient space to report the findings in detail here other than to offer the researchers' conclusions, which were: 'the trend appears to be that predictors (i.e. tests and previous experience) are more positively related to leader behaviours for those most likely to use information from their abilities and experiences to modify their behaviours (i.e. the under-estimators and those in agreement)'. (Bass and Avolio 1995, p. 155.)

Another study using the MLQ (Bass and Yammarino 1991) involved 155 male US naval officers who were rated by an average of four subordinates who were *randomly* selected and asked to provide anonymous ratings of their superior. Again, a discrepancy score was obtained by subtracting the average of subordinates' scores from the senior officers' self-ratings of transformational and transactional leadership. Two measures of the officers' success were also obtained from personnel records. These were (1) the average number of times an officer had been given the highest performance scores and (2) the average number of times an officer had been recommended for early promotion. The findings were that the 'more successful officers displayed lower discrepancies between their self and subordinates' ratings of leadership; less successful officers displayed greater discrepancies'. Interestingly, 'self-ratings were generally inflated in comparison to subordinates' ratings of leadership across all officers – successful and unsuccessful'. (ibid., p. 450).

Unsurprisingly, therefore, the results indicated that self-ratings of leadership failed to correlate with performance and promotability of the whole group of officers, whereas the subordinates' ratings did significantly correlate with these measures.

The authors of the study state that these results would appear to suggest that self-awareness, that is, a more accurate insight into one's own leadership behaviour, may be importantly related to one's performance and potential. Lack of self-knowledge may lead to inappropriate behaviour or incorrect assumptions in relation to subordinates, which may also be noted by their superiors.

The authors go on to suggest the possible value in further training and development of leaders by focusing on how they might close the gap between self- and others' ratings, particularly with that of their staff. They also warn against the acceptance of self-report data for screening job applicants. Clearly this latter point could have considerable implications for some recruitment practices.

In summary, the issue of self-awareness would appear to be a promising area for research into the nature of leadership, but more importantly, from a practitioners' perspective it suggests an important area on which to target development activities.

Differences in Self- vs. Others' Perceptions

Recently published research studies have focused specifically on the issue of discrepancies between self- and subordinates' ratings of leadership behaviour.

Several reasons may exist to explain why such discrepancies emerge so regularly in the literature, including the well-known phenomenon of defensiveness in self-perception (Holzbach 1978; Steel and Ovalle 1984) and the inclination to maintain a positive self image and thus maintain self-esteem (Gioia and Sims 1985; Baird 1977; Kay *et al.* 1965). In addition, there is 'Fundamental Attribution Error', which refers to the tendency of individuals to attribute negative outcomes of their behaviour to factors external to themselves and positive outcomes to personal attributes, whilst other raters are more likely to do the opposite. Managers and subordinates are also likely to have different frames of reference (Hauenstein and Foti 1989) which leads to differences in perceptions of behaviour. We also are aware that different individuals working together may have different ideas of what they regard as appropriate leadership behaviour (Implicit Leadership Theories, e.g. Lord and Maher 1993).

Situational Factors

A study of 92 first line managers and their 853 subordinates (Baril *et al.* 1994) obtained self- and others' ratings of the managers' leadership behaviour, using the Leadership Behaviour Description Questionnaire (LBDQ). The managers also completed an instrument which measured their perceptions of their degree of situational control (Fiedler and Chemers 1984).

Situational control refers to the degree to which managers feel confident, clear and in control of what they are doing (Fiedler 1973). The study found that the degree of situational control had a significant effect on closeness of agreement between managers' self-description of leadership and that of their staff. The higher the degree of situational control, the closer the match.

The researchers comment that their findings are consistent with Fiedler's notions, namely, that managers 'describe themselves as they would behave in high-control situations. In such situations, the relationship between self-description and actual behaviour would increase as would the relationship between self-description and subordinate descriptions' (Fiedler 1973, p. 90). This might, therefore, contribute to our understanding of the often wide discrepancies between manager's self vs. others' perceptions. Managers' 'others' are presumably less selective in their perceptions of the manager.

This is a most interesting finding, particularly for those involved in management and leadership development and the use of 360 degree feedback, since if we are to extrapolate from the findings it possibly suggests the value of considering the use of various situations as a

basis for seeking descriptions, or ratings of particular behaviours, rather than simply using general competencies.

It also may help us understand why those individuals who are perceived as more transformational have a closer match between their self-perceptions and the perceptions of their others – particularly staff. Transformational leaders, by definition, are more likely to seek feedback from colleagues and to be concerned with the needs of staff.

Does 360 degree feedback lead to improvement in performance?

The good news is that studies published in the last couple of years have found that individuals whose performance was originally rated low by their staff, were rated higher when rated again, several months later. This suggests that these individuals had modified their behaviours in the direction of perceived greater effectiveness by their staff.

However, it is worth noting that in a study cited in Bass and Avolio (1996), improvement was noted in managers who attended a leadership training programme after receiving 360 degree feedback, *but only on those dimensions that the participants had selected to work on*. Thus Bass and Avolio state: "Those 54 who did not mention individualized consideration in their planning did not change from before to up to 2 years after training. To become a more effective leader one must decide what is desired change, plan for it, learn how to do it and then transfer learning to the job" (p. 11).

Gender, Leadership and 360 Degree Feedback

Up until the early 1990s most studies investigating whether there are significant sex differences in leadership style concluded that there were no major sex differences. Such reviews of the literature often combined data from managers' self-reports with those involving staffs' ratings of their manager, most commonly using the Leader Behaviour Description Questionnaire or the Supervisor Behaviour Description Questionnaire, both of which were designed in the 1950s and 1960s when transactional leadership was the model.

Sex differences, however, started to emerge from the 1990s. One study of particular importance, written by American Professor Judy Rosener was published in *Harvard Business Review* in November/December 1990. Using the relatively new leadership instrument, the Multifactor Leadership Questionnaire (described

earlier), which incorporated both transactional and transformational leadership scales, plus Management by Exception measures, she asked senior US female managers, and senior male managers to describe their leadership style. For the first time in a leadership study, significant sex differences emerged. Rosener found men were significantly more likely to prefer to use rewards and punishments as a means of influencing performance. Women preferred to adopt a different strategy which employed an 'interactive leadership' style in which power and information were shared. The women believed that people perform best when they feel good about themselves and their work, and hence they attempted to create an environment which enhanced self-worth. Rosener adds: 'In describing nearly every aspect of management, the women made reference to trying to make people feel part of the organisation ... from setting performance goals to determining strategy'. (ibid., p. 120).

The findings caused a furore. Much of the correspondence published by *Harvard Business Review* in the subsequent issue criticized the study for extrapolating from self-descriptions of leadership style to the managers' *actual* behaviour. This is of course an entirely valid criticism, however, it is worth noting that previous studies using self-report measures of leadership to describe managers' leadership styles have not attracted such vociferous criticism.

Since Rosener's article appeared, there have been a few studies in which MLQ has been used to compare male and female managers' self-perceptions of transformational leadership with those of their staff. The findings have been consistent. Women are significantly more likely to be perceived as transformational than are male managers, irrespective of the sex of the subordinates rating them. For example, in a study by Bass and Avolio (1994b) of 150 male managers and 79 female managers, (between top and third levels of management) in six US Fortune 500 corporations, each was rated by between three to five subordinates (anonymously). The sample of subordinates included 582 males and 219 females. The instrument used was the MLQ. Several significant sex differences emerged. The authors concluded:

"Contrary to the shibboleths that women dislike working for women or the converse, that each sex will favour its own kind, results were the same whether the followers rating their respective managers were men or women. Women managers, on average, were judged more effective and satisfying to work for as well as more likely to generate extra effort from their people. Women were also rated higher than men on three of the '4Is'

comprising transformational leadership. Such female leaders were rated as having more idealized influence or charisma, being more inspirational and individually considerate than were their male counterparts. Although rated higher on intellectual stimulation, this difference was not large enough to be considered reliable. ... the profile that emerges here is of a female manager who is seen as a more proactive role model by followers, who is trusted and respected, and who shows greater concern for the individual needs of her followers" (ibid., p. 554-556).

Bass and colleagues have conducted two further studies in which women and men were rated by their staff (Bass *et al.* 1996).

Reporting on all three studies, the researchers drew several conclusions from their findings which included:

- data from the three studies represent the first substantial empirical investigation of sex differences in leadership style, including transformational, transactional, and *laissez-faire*.
- the women managers were rated higher (by followers who were either randomly selected or chosen by their leader), on leadership factors that have been shown to predict individual, group, and organizational performance. They were rated higher on both transformational and transactional dimensions.

As stated earlier in this article, one of the most consistently stated findings from 360 degree feedback studies is that managers' self-ratings are inflated.

That is, managers tend to rate themselves as more competent than their others rate them. This would indeed appear to be a remarkable example of selective perception on the part of writers, including academic scholars. In fact, with the same degree of consistency, (although the studies investigating possible sex differences are relatively uncommon) the findings are that women tend to rate themselves *lower* than do their subordinates.

One reason why this observation is not noted may well be that, as has been the case with the bulk of published literature on management and leadership, sex differences are *not* investigated. This of course does not mean that our knowledge of management and leadership is not gendered. It is. But it has been the case that since most of the groups studied have contained significantly larger numbers of men than women, trends in the data reflect male managers and have been expounded as 'truths' about managers in general.

Implications of the Sex Differences

There are several important implications from these findings. If such sex differences are emerging then it will be important information to consider when designing appropriate follow-up support for individuals receiving feedback. Rather than focusing on areas for development as solely those dimensions/competencies where others rate individuals *lower* than they rate themselves, for some managers it might challenge/require them to accommodate their views of themselves and their levels of competence to 'own' strengths that they may not have recognized. It would be dangerous to assume that it is any easier for an individual to modify their self-perceptions due to underestimated competences, than it is for those to modify their self-perceptions in relation to their overrated competencies, but different strategies for development may well be required.

Bearing in mind the fact that in a study of managers' experiences of appraisal interviews (Alimo-Metcalfe 1994a) (at which future career development decisions may be discussed) women found it significantly more difficult than did men to identify their strengths. This aspect of personal development may be particularly important for women in general.

What we also do not know at the moment from 360 degree feedback research is whether there are sex differences between bosses', peers' and subordinates' perceptions of female and male managerial/leadership competence. Nonetheless, it may be reasonable to make some assumptions from previous and recent research in the area of gender and performance evaluation. For example, since there is substantial evidence that women receive lower performance evaluations than do men, despite evidence of equal competence (see literature on appraisal and performance related pay, (e.g. Alimo-Metcalfe 1994b), it may be that male bosses tend to rate female managers (particularly senior ones) lower, generally speaking, than male senior managers. However, given the increased use of subordinates rating managers on management and leadership, together with the findings from studies using the MLQ which show greater self/subordinate agreement for female managers, the data may show different patterns and trends from those previously cited, which have ignored the variable of sex.

Implications of research on gender and 360 degree ratings of leadership

This new development in research on perceptions of women's competence in leadership could provide a major breakthrough in reversing the pervasive trend in the literature which shows with remarkable consistency that:

- (1) The qualities associated with effective managers appear to relate strongly to those commonly associated with men, and are generally perceived as unrelated to those of women (e.g., see Schein 1994).
- (2) Previous research examining sex differences in performance evaluation have found that, generally speaking, women are rated lower in competence than men of equal levels of competence (e.g. Nieva and Gutek 1980; Alimo-Metcalfe 1993).

Traditionally, and certainly historically in organizations, managerial performance and effectiveness has been judged by the manager's boss. Given the distribution of men and women at senior levels of management, in which men predominate, women in middle to senior levels are more likely to be judged by a man. We also know, as stated above, that men, generally speaking, do not perceive women as possessing the characteristics they associate with effective managers. Now, however, with the growth in the use of 360 degree rating procedures, staff can also have their say. Furthermore, it must be self-evident that when judging leadership, the people to ask are the managers' staff. Furthermore their perceptions of the manager's leadership style predict the manager's effectiveness in the future. What is now emerging is that women are significantly more likely to be perceived by their staff as adopting the model of leadership that has been found to be most effective in dealing with the current turbulent environments which organizations face.

Before celebrating this major development and the possible implications, it would be wise to be wary since there is little reason to believe that such findings will be warmly embraced by all managers who currently occupy senior management positions.

How the author has used 360 degree feedback in public sector organizations

After conducting a validation exercise, followed by a pilot study of a US-designed 360 degree feedback system, we have amended it for use in the NHS and local government and it has now been used by around 2000 individuals in the public sector.

It has always been adopted as part of a development intervention, typically in the early stages of a management development programme for top, senior or middle level managers, or to support the development of top teams.

Participants have included managers, doctors and a wide range of other professionals with managerial responsibilities. We were also commissioned to pilot it with a large number of women in first-line management positions in the

NHS, including nurses, therapists and administrators. The data are used by individuals to prepare personal development plans, and as a basis for designing group and team development activities. Major lessons we have learned concern the following issues:

- how it is introduced to individuals
- how the feedback workshop is handled
- the crucial importance of follow-up support for individuals.

How it is introduced to individuals

The introductory workshop includes a critical look at the limitations of typical top-down appraisals and the common sense of involving a range of others as possible sources of feedback on one's management and leadership behaviours and competencies. There is a brief explanation provided of the difference between management/transactional leadership and transformational leadership.

The fact that the 360 degree feedback data are by no means devoid of sources of error is stressed, however, this is coupled with brief descriptions of research findings on the validity of ratings by 'others', in particular those of staff whom one manages.

The fact that this is not a psychometric instrument, in the typical sense of the words, and that it is all about *perceptions* is emphasized. However, the point is also made very strongly that perception equals reality in the context of relationships between individuals. We discuss the potential benefits of locating the source of disparities in perception and attempting to reduce negative consequences through discussion and subsequent possible changes in behaviour. The Johari Window is a very valuable model here.

Examples of reports are shown and discussed. We also talk about the value of selecting 'others' from a wide range of colleagues and 'clients and customers', and emphasize the need to approach them personally to explain the importance of honesty in their responses, assuring them of anonymity of ratings and the fact that the individual may well want to discuss their report later.

A handout on criteria for selecting 'others' is also discussed. Only after individuals have had an opportunity to discuss all the questions they raise are they asked whether they wish to participate in the process.

We do not accept any contract with an organization if we have any reason to doubt that the terms for its use are not being respected. These include:

- The process is voluntary.
- The process is to be used for developmental purposes only.

- The data are owned by the individuals (apart from a group report of a minimum of four participants which is available to all participants).
- Confidentiality is assured for every individual involved, whether 'self' or 'other' rater.
- Individuals select their own others.
- Others' scores are produced as averages (a minimum of three is necessary). Since we can also produce a 'self' against a particular group of 'others' (e.g. peers, staff, 'customers'), there must be a minimum of three in any such group. 'Self' against 'boss' can also be produced, but since this may well affect the ratings the boss provides (his/her permission is essential), we encourage individuals to consider such a choice carefully. Interestingly, no one has taken up this latter option.
- The process *must* be supported by a feedback workshop, to be provided by an experienced facilitator who has considerable knowledge and understanding of the limitations of the data, as well as the potential benefits. This feedback workshop is not sufficient support for participants. In addition there must be some additional support following the workshop which might include:
 - a development programme;
 - regular mentoring arrangements with an appropriately skilled individual;
 - involvement in action learning sets or some other process for supporting self-managed learning;
 - a careers counselling event at which the individual receives some personal support.

We cannot over-state the importance of the follow-up support.

One very important lesson learned was the disappointment of participants in a particular organization following the collapse of a promised management development programme. Unbeknown to us, the senior individual who had responsibility in the organization for the introduction of the 360 degree feedback process, left the organization a few months after a group of participants had received their reports. This appears to have been an isolated event, however, it is well-worth considering how one can try to ensure that organizations fulfil a 'contract' with individuals for an appropriate replacement as soon as possible.

Feedback/interpretation workshop

This takes place 2 to 3 days after individuals have received their reports.

- Before discussing the group data (produced by averaging all participants' data), a fuller description of transformational leadership and its relation to self–other agreement is provided and discussed.
- We return briefly to the Johari Window as a model for looking at how others' perceptions might differ from our own. The importance of investigating surprises in 'blind spot' strengths and possible development needs, is discussed, together with possible benefits of reducing the 'facade' by discussing differences in perception.
- It is stressed that the report is merely a starting point for focused discussions on areas of self–other differences and that one should always ask for specific, behavioural examples of 'strengths' and 'development needs' before determining a development plan.
- Since the reports provided also show differences between self- and others' ratings of the importance of each dimension, we encourage individuals to discuss those dimensions where there are particularly large differences since they may well reveal differences in expectations which could affect judgements made of individuals' performance, or their approach to their job.
- Again, use is made of examples from anonymous reports which may reflect patterns in the individuals' data. The way one may approach discussion with others is raised with the group.
- Finally, it is emphasized that data from 360 degree feedback only forms one element of the basis for creating a development plan. Other considerations include the need to consider personal values, interests, motivations, career aspirations, and the changing nature of jobs and organizations.

It takes time, possibly weeks, to gather more specific information and to reflect on the data and other personal and organizational considerations, before individuals may feel that they are in a position to discuss their personal development plans.

Some programmes, including the Local Government Management Board's Top Managers' Programme, in which the author is involved as the 360 degree feedback tutor, place considerable emphasis on individual support for participants following the receipt of their reports. One-to-one discussions are offered by the experienced programme tutors. Participants also complete leadership style and other diagnostic exercises and are provided with time within the programme modules to reflect on and consolidate their personal development plans.

Factors to consider when introducing 360 degree feedback

We have learned a great deal from being involved in the introduction of the process in several organizations. There is only space here to describe very briefly some of the issues and I would strongly encourage readers who are interested in introducing it to talk to those who have used it. There are also some very helpful articles available which contain several relevant topics. (e.g., London *et al.* 1990; Redman and Snape 1992; and this journal).

I would like to emphasize the following points of advice:

- Clarify the reason why the organization wishes to introduce the process. Is it for assessment purposes, e.g., for selection, promotion, or for pay for performance, for example? Or is it for purely developmental purposes? I believe passionately that it should only be used for the latter, and am encouraged that at recent conferences in the US, this point was made by all, bar one presenter. Its value in personal, team and organizational development can be considerable, but associating it with administrative purposes, such as selection or performance-related pay, for example could create considerable damage, as has been evidenced in the area of appraisal.
- How will it be introduced; who will start, and how much top management commitment is there to the process, are all vitally important issues to discuss. It should start from the top, not least of which because top and senior managers will then have had direct experience of the process, and also hopefully, the great value of the exercise.
- Ensure a clear contract with users regarding confidentiality and ownership of the data.
- Encourage participants to give considerable thought to their choice of 'others'.
- There must be initial workshops clearly explaining the nature of the data collected, the potential sources of error in the assessments made by one individual of another, but also the considerable potential benefit of gathering such data.
- Emphasize the fact that the feedback reports are really just the starting point in personal development planning, rather than the completion of the process. Perhaps the most important overriding value of the exercise is that it encourages colleagues to discuss their perceptions of each other and how these may affect motivation, expectations, performance, and relationships in general.
- Do not start the process without having thought through the nature of support being

offered to individuals after receiving their reports. This should take the form of a formal contract between work colleagues, and with the organization. Who will monitor the adherence to the contract?

- Make sure that there is at least one senior person, for example, in the HR Department, who understands the complexity of issues surrounding its most effective use and who has formal responsibility for designing the introduction and feedback workshops, creating contracts, gathering feedback from the process for organizational development purposes, and monitoring the whole process. They should also plan in advance how the process will be evaluated.
- Introduce the process gradually so as to build in time to gather personal feedback from participants and to review, monitor and evaluate it regularly.
- Be extraordinarily sensitive to the possible effect that the process could have on some 'vulnerable' individuals. Anticipate the need to offer support to those who might be most 'surprised' by the feedback.
- Don't be bureaucratic in your approach. The best organizational culture to support and benefit from it is that of the 'learning organization'. Bear the principles and philosophy in mind at all times.
- Enable the process to 'empower' individuals in the real sense, by providing them with the opportunity, if they so choose, to seek feedback of their competence in their job, and strongly encourage participants to create a personal development plan following discussions with others following receipt of their reports.
- Finally, it is important that the organization carefully reflects on the data from the group reports, realizing that it can provide invaluable information as to perceived strengths and development needs within the organization, which can form the basis for designing individual, team and organization development interventions. It may also provide a very useful snap shot of where there may be differences in espoused organizational values, and how the 'reality' is perceived by staff.

Current Research

Over one thousand managers and professionals in the NHS and local government organizations have now used the instrument we utilize. We are currently in the process of undertaking several analyses of the data, including factor analyses to investigate what are the differences, if any, between the patterns of correlations between the

dimensions of effectiveness adopted by managers' themselves to rate their effectiveness, and the patterns that emerge for their bosses, peers and subordinates.

Interesting differences and similarities are emerging for these groups. From these analyses we should have a clearer understanding of which competences appear to reveal the greatest variations in ratings of effectiveness. Initial findings will be available from the Local Government Management Board as part of their evaluation of their Top Managers' Programme.

Conclusion

This article has described some of the research relating the use of 360 degree feedback to leadership development and briefly outlined some of our experiences gained from its use over the last few years. We have no doubts as to the considerable value of the process, however, as I have tried to stress, all stages must be handled thoughtfully.

As with any new HR management or organizational development process, the introduction of 360 degree feedback may be perceived as representing a fashionable fad or a major development. Mishandled, it could be interpreted at worst as a 'Big Brother is Watching and Noting' intervention, or sensitively and skilfully handled it could represent a major organizational transformation towards greater empowerment of staff. We cannot afford the cost of the former in either economic or psychological terms, but I believe that in ethical, psychological and financial terms we should very seriously consider the latter.

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