

Effective multi-rater feedback: focus on the user

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More and more organizations are using professional instruments to collect and process behavioral feedback on the performance of their employees. One widely used method is multi-rater feedback, also known as 360-degree feedback. This type of feedback is based on assessments by various peers and colleagues of the individual receiving the feedback. Although the principle is certainly not new (Edwards & Ewen 1996), the effectiveness of this type of instrument is still debated. Various researchers have studied this question focusing on the reliability of the methods and the applicability of feedback instruments to evaluate training effects (see e.g. Jellema 2003), for selection purposes (see e.g. Hedge & Borman, 1995) and assessment of cultural changes (see e.g. McLean 1997)

In this paper we concentrate on a less frequently explored, but in practice at least as important aspect of feedback: the user.

In the process, we define the effectiveness of (multi-rater) feedback as the degree to which the feedback leads to (positive) changes in the behavior of the individuals being assessed.

That feedback does not automatically lead to the desired change in behavior is apparent from a study by Kluger and DeNisi (1996) into the effectiveness of performance feedback. On basis of an extensive meta-analysis they conclude that in 30% of cases feedback has a positive effect, but in 38% of cases the effect on the behavior of the subject of the assessment is in fact negative. The explanation for this large variation in effectiveness of feedback lies to some extent in personal factors, such as motivation and personality traits of the subject, and partly in situational factors.

On the basis of evaluation in practice we have observed that certain interventions targeted at the user can increase the effectiveness of multi-rater feedback. These interventions relate to a number of specific situational factors in the feedback process:

1. the pre-feedback commitment of the employees receiving the feedback;
2. the selection of competent respondents;
3. the form of presentation of the feedback;
4. the support provided in interpreting the results;
5. the personalization of feedback by providing open comments;
6. repetition of feedback.

In the following sections we will look at these factors in more detail and show how they can affect the effectiveness of multi-rater feedback. In doing so, we will also use the findings collected online from users of 360-degree feedback in our own long-term study (textbox 1).

Box 1: Evaluation among users of 360-degree feedback

This paper is based on an on-going evaluation of the use of online 360-degree feedback for the purposes of training and coaching. The aim of this study is to establish the extent to which 360-degree feedback is felt to be effective by participants in (training) programmes in which they take part. At the moment we have evaluations from around 7500 providers of feedback from around 35 (large) industrial enterprises and non-profit organisations in our database. The study commenced in 2001 and is still continuing. The evaluation study establishes aspects such as the time required to complete a form, the level of non-response and the satisfaction of users with the instruments and the technology. Most users (95%) complete the questions via Internet. As well as the general study we have carried out a number of case studies, including one of a 'management development' programme for project managers and of a number of programmes for middle managers in production organizations. These case studies looked specifically at the effects of targeted selection of respondents and the use of facilitators in providing feedback and formulating learning and development goals.

1. Pre-feedback commitment

Commitment is an important condition for the effective use of 360-degree feedback. Research has shown that prior commitment among the subjects of assessment results in a more positive attitude to the results of the process (e.g. Atwater & Brett 2003; Kluger and DeNisi 1996). The recipients of feedback develop an understanding of what they can expect and thus find it easier to accept less positive or negative feedback.

Commitment among subjects of assessment can only be stimulated by communicating openly about the various aspects of the feedback process. There must be clarity in advance about the process, the objectives and the behavioral criteria or competencies used, as well as the guarantee of privacy and the selection of assessors. This openness will remove the element of fear and increase the willingness of the subject to cooperate.

In our study we have found that the execution time of the process is significantly longer and the non-response is higher if the process is not properly explained in advance to the individuals or groups that are being assessed. Since in our method the individuals receiving the feedback have to approach respondents and are themselves responsible for fixing the deadline for the completion of assessment and ensuring it is met, we can conclude from this that the commitment of the recipient of the feedback can be positively influenced by instruction and communication.

One factor that indirectly influences the commitment to and acceptance of multi-rater feedback is the way in which the data is collected. Over the years we have seen a growing acceptance of the Internet as a medium for collecting feedback. This is reflected in shorter times taken to complete forms by assessors (which have declined on average by around 20%) and an increase in the average number of respondents for each individual being assessed (from 5.7 to 7.6 in four years). More than 97% of the respondents also say they would prefer to fill in the feedback forms online if asked again.

2. Selection of competent respondents

Information for the assessment from multiple sources is more credible and is more likely to be accepted by the recipient of the feedback than information from a single source (Kluger and DeNisi 1996). An important condition for acceptance is that there are similarities between the assessments of the various providers of feedback and the self-assessment of the individual receiving the feedback, in other words that there is a significant correlation between the two assessments (the so-called inter-rater correlation). If the assessment of one or more of the raters has a low correlation with that of the others some recipients of feedback have a tendency not only to reject the feedback that is out of step but also to question the

instrument itself. This is especially true if the views of the assessors concerned are less positive than those of the other raters.

Various studies of multi-rater feedback have shown that the statistical inter-rater correlations Self – Others and Peers - Superiors are on average around +0.4 (e.g. Jellema 2003; McLean 1997). This is a weak basis for making firm judgments (and decisions regarding selection, outplacement, etc.) or for making the results of the feedback acceptable for the individual being assessed.

Our research shows that more careful consideration of the assessors who are selected and approached leads to higher correlations between the different types of assessors. Another important factor is the capacity of respondents to give an assessment: is the person concerned capable of giving a 'balanced' judgment of the behavior of the subject? This is connected with the working relationship and the associated interactions between the assessor and the recipient of the feedback. Inter-rater correlations among recipients of feedback who are instructed to select assessors from inside the 'inner circle' are in practice between 0.15 and 0.3 higher than among groups that have received no instructions on the selection of respondents.

Respondents can grow in their role as assessors. A case study we conducted among a group of 56 managers – who were assessed on the same competencies on two occasions during a management development programme – showed that the providers of feedback were more competent in providing assessments the second time around. This emerged from the comments they made (see also point 6) and the higher correlations between the different categories of respondents in the T2 measurement. The correlations between Self-Peers and Self-Superiors were on average 0.3 and 0.1 higher respectively than in the first study 15 months earlier.

3. The form of reporting

The purpose for which feedback is collected and processed is crucial for its effectiveness. Feedback addressing work-related issues appears to be more effective than feedback concerning personal traits of the individual being assessed (Kluger en DeNisi 1996). Descriptive feedback is in practice more effective than normative feedback, such as the ranking of individuals (Jellema 2003). Feedback given in the form of figures and graphs is more effective for the user than textual feedback (Atwater & Brett, 2003).

Our users' survey shows that the recipients of the feedback reports found "neutral" reporting of the (self) scores, using some relevant statistical techniques (such as Z-scores, correlations, significance limits, etcetera), to be very valuable and useful for the feedback process. The majority of the users describe the process of analyzing and interpreting the results themselves on the basis of the visual components we offer them, as beneficial for the acceptance of the feedback and the motivation to use it. This in turn benefits the effectiveness of the feedback.

(Annex 1 contains an example of the format of our reports.)

4. Facilitating analysis and interpretation of the feedback

While the assessors who are selected should be mainly "insiders", two-thirds of the recipients of feedback surveyed by us wanted to discuss the feedback reports with more neutral parties who establish a framework for the interpretation of the results. These more neutral parties may come from within the individual's own organization, but 65% of the group surveyed in

our study wanted external (professional) support. According to them, their own manager or a senior colleague only plays a role in the post-feedback coaching and training phase.

Opinions differ quite sharply about the involvement of immediate superiors in follow-up actions. In one organization 70% of the respondents said support from their own superior or a more senior manager was desirable or necessary, while in another organization fewer than 25% said they wanted coaching in follow-up actions to the feedback. We believe that this variation is due to culture-specific factors such as familiarity with counseling and coaching, power, management style et cetera.

Looking at the effectiveness of external support in reporting feedback it is important that the facilitator can respond to both situational and personal aspects of the process. For example, defensive reactions are likely if the feedback report contains “bad news”; for example where the personal scores of the individual concerned differ significantly from the scores of the other respondents or the manager gives a very poor rating (see also DeNisi & Kluger 2000). A neutral facilitator gives a balanced presentation of both the positive and the less positive points. He also helps to translate points made in the assessment in terms of behavior in specific situations and assists the individual being assessed to formulate targets for development or improvement.

Finally, if we look at the setting of support provided we see that the preferred method among subjects of assessment is equally divided between the options ‘individual’ and ‘in groups’. The latter option might include a workshop with a lot of individual exercises for the recipients of the feedback.

5. Unstructured personal comment by assessors

The online instruments that are used include an option for giving general comments. At the end of the list of closed questions the rater can make separate comments or recommendations and indicate whether they should be included in the report. Experience shows that respondents who provide feedback frequently use this option. Over the years we have seen an increase in the quantity and volume of this personal feedback. At the moment, on average 15% of the respondents include personal comments at the end of the feedback forms.

Familiarity with 360-degree feedback and the method of reporting is certainly a factor in this increase.

Unstructured personal comments contribute to the credibility of the feedback because it personalizes the feedback. A majority of the recipients of feedback evaluate the personal comments as a positive contribution to the analysis and interpretation of the feedback. In our practice we observe that recipients of feedback are often positively surprised by the personal comments of assessors.

In the case study involving the group of 56 managers, which was mentioned under point 2, we can see clear differences in the number and the content of comments between the first measurement (T1) and the second (T2). The table below shows the distribution of the different categories of comment in T1 and T2.

Category of comment	T1	T2
1. Substantive comment and tips for the subject of the assessment	60	96
2. Comments about the way in which the respondent has completed the assessment	28	29
3. Criticism of the instrument and/ or the methods of 360-degree Feedback	3	6
4. Comments about the organization as a whole	1	1
5. Reactions to the training programme	0	3

Taking into account minor discrepancies in the number of respondents, 23% of the respondents in T1 and 30% in T2 used the possibility to give comments. This increase can be attributed almost entirely to the increase in the number of respondents from the *inner circle* (immediate colleagues, subordinates and managers) who provided comments. The table shows that in particular the substantive comments and tips for the subjects of the assessments increased in T2. As regards the content, the comments in the T2 measurement focused more on competencies and the development of the subject of the assessment than in T1.

6. Repeated feedback: T1-T2

Repeated feedback has a number of advantages. First and foremost, it gives the recipient of the feedback the possibility to measure progress or to complete a learning process and to draw up the balance after a certain period (see also DeNisi & Kluger 2000). In this way, feedback provides an impulse for the learning and development process and the transfer to the working situation. Another advantage is that it stimulates the commitment from the work environment.

The previously mentioned case study involving 56 managers in a heavily decentralized government organization shows that the degree and nature of changes can vary sharply at individual level. This accords with the study referred to earlier by Kluger and DeNisi (1996) of the variation in effectiveness of feedback. At organizational level we see a more consistent trend: the average scores on the behavioral criteria have risen significantly in T2 compared with T1, while the correlation between the first and second measurement is high. The inter-rater correlation has also risen significantly in the second measurement.

If we compare the average scores with those of a reference group (n=15) that still has to start the same training programme it is noticeable that the difference between the scores of this group and those of the 56 managers in the T2 measurement is just as large as the difference between the T1 and T2. We conclude from this that the development in any case took place in the period between T1 and T2. We have not determined whether this development took place thanks to the development programme or whether it arises from the increased commitment of assessors and commitment of the subjects of the assessments (increased 'Self Awareness') as a result of the 360-degree feedback cycles. Our analysis of the comments made does in any case show that in the course of the programme the providers of feedback did become more competent in assessing persons from their inner circle.

Conclusions

Interventions targeted at contextual variables lead to a greater commitment by the individual being assessed and hence to greater effectiveness of multi-rater feedback processes:

- providing explanation and information in advance increases the commitment to the feedback process;
- the inter-rater correlation between the personal score and the scores of other respondents rises to .3 with the selection of competent assessors; this means the feedback will be more easily accepted;
- acceptance of the results increases if they are presented neutrally and facilitating their analysis and interpretation makes it easier to formulate goals and points requiring attention;
- the personal comments of assessors make the assessment more credible and are appreciated by the subjects of the assessments;
- T1-T2 measurements give the individuals concerned the opportunity to measure their progress / development.

Future Research

This paper outlines the factors that we have found increase the effectiveness of multi-rater feedback in practice. Further research could possibly be carried out into the specific impact of contextual and personal variables on the behavior of the recipient of the feedback.

It would also be interesting to learn more about the cause of the development that occurs between two measurements in a process: to what extent is it due to the output of the training or development interventions, and in how far is the effect of providing and receiving feedback sufficient to explain the higher scores and inter-rater correlations. What is the role of increased Self Awareness in this process ?

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