

KETS DE VRIES INSTITUTE
360° Feedback in
Executive Leadership Development

360° FEEDBACK IN EXECUTIVE LEADERSHIP DEVELOPMENT

Although few would readily admit it, many business leaders are a bit like the mythical Narcissus: standing in front of a mirror in the morning, they see the person they love most in the world. At the office, many top executives are surrounded by people who tell them what they want to hear. In most instances, their subordinates do not have the courage to speak critically. Colleagues are happy to work with them as long as they are effective, but if they start to slip, the colleagues are likely to focus on protecting themselves. Other members of the executive team may wait until the board is forced to take action, rather than confronting anyone with their concerns.

The best leaders avoid this trap by creating well-balanced top executive teams, each with skills and strengths in specific areas. They create an organizational culture where executives have a healthy disrespect for their boss. They *want* to have a culture where people speak their mind. Unfortunately, however, few leaders – too few, in our experience – seek honest feedback from their colleagues. In many cases, even the best of them are reluctant to give direct feedback about a CEO or chairman’s seemingly irrational behavior. Though they may not go to the extreme of being pure yea-sayers, it is very difficult for anyone, including members of the top team, to take the distance necessary to reflect on the person’s leadership style and personality characteristics, and even more difficult for a colleague to help a leader change his or her behavior.

Given this reluctance to seek and receive honest feedback, it is not surprising that roughly 70% of executives believe they are in the top 25% of their profession in terms of performance. Many of them are truly unaware of the way in which their behavior impedes functioning – their own, and others’ – in their organization. The result is a serious gap between what many leaders say they do, and what they *really* do; that is, between their self-perception and the perception others have of them. Although many of them say that they want feedback to enable them to learn and develop, it is human nature to accept feedback that is consistent with the way we see ourselves, and reject feedback that is inconsistent with our self-perceptions. Introspection can be, after all, a journey into a dark and frightening place.

Some executives, perhaps more courageous and curious than most, decide to work with a leadership coach, or participate in an executive seminar, in order to receive unbiased advice on their own blind spots. The person may know where they want to go – what their personal goals are – but most likely, they will have little idea of just how to proceed. Like any journey, the process of executive development and change is facilitated by the use of robust instruments that can guide them on the journey from where they are to where they want to be.

We have found that properly designed 360-degree feedback questionnaires and assessment tools can be very useful. They can be the beginning of an introspective journey, and set into motion changes in behavior. How do 360° instruments help us arrive at an understanding of individual character and leadership strengths and weaknesses? They are not diagnostic or navigational tools in an empirical sense, but they provide a useful way for leaders to compare their self-perceptions with the observations of colleagues or others who know them well. The results of a 360° survey exercise give ample insights for a constructive dialogue about the way the leader functions, and insights into those aspects of his or her implicit and explicit behavior that need further development. They can help redefine superior-subordinate relationships, setting the stage for a more open, network oriented organizational culture. They can be used to create more effective executive teams. And last, but certainly not least, they can contribute to establishing a better work-life balance, for example, by helping the person deepen their relationship with their significant other, or accept the need to take time to care for an aging parent.

WHY USE FEEDBACK INSTRUMENTS IN A MORE CLINICAL WAY?

There are a number of so-called diagnostic tests around of debatable value. It is not enough to label someone as, for example, “timid,” “controlling” or “honest”. Simply declaring, “The results of the survey show that she is not the best candidate for CFO”, for example, is not enough. The unanswered

question is: “What exactly are her strengths and weaknesses?” To complicate matters even more, until we understand a person’s inner theatre – the dramas and major scripts that play within all of us from birth – we will not have a holistic understanding of her behavior and character attributes, let alone be able to establish how those attributes affect her leadership style, and how to change it where necessary.

How deep can we go? Outside a psychotherapeutic context, not very far. One of the first rules of executive coaching is to do no harm, to avoid going deeper than the coaching relationship, and the leadership coach’s training, allows. But, using leadership diagnostic tools as a starting point for observation and reflection, we *can* identify behavior and action patterns, and compare these with individual self- perceptions. Most of us want feedback about our effectiveness. We want to know how we can change, if change is needed, either for the better or simply to adapt to changing circumstances. However, since most academic studies on leadership pay attention only to surface manifestations, most leadership feedback instruments, in turn, are not concerned about the psychodynamic processes that underlie leadership rationale.” To address this gap, we develop and use 360° feedback instruments based on the clinical orientation to the study of leadership. This approach provides not only insight about leaders’ manifest behavior but also a more complete analysis of their driving forces. The clinically oriented feedback process that includes specially designed 360° survey instruments, face-to-face presentation and discussion of results (often in a group setting), and resolution through the development and follow up of action plans, can have a significant behavioral impact and will have action implications. The process, similarly to what is described in the chapter on the systems approach to developmental coaching, is rather like peeling an onion: as the outer, superficial layers come away, our core life experiences are steadily revealed. With this new insight, we can design action plans for development, and ask our family, friends and colleagues for support as we implement these changes.

WHY 360° FEEDBACK?

In designing our instruments, we have emphasized the importance of including observers in the process, which is why this type of instrument is called *360 degree* or *multiple source feedback*. The multiple feedback approach minimizes the phenomenon known as the *social desirability factor*, which reflects the conscious or unconscious tendency among many people to present themselves in a more positive light by scoring themselves favorably on many of the questions they reply to.

Research clearly indicates that 360° feedback systems give a much more accurate picture than self-assessment of what executives really do and how executives actually behave¹, and so for us, 360° feedback became the operational method of choice for the instruments we design and develop. Some of the most interesting and useful information is gathered not from the individual scores, but from a gap analysis, or close study of the *differences* between self and observer scores. When interpreting the results of the questionnaires, however, we also remind participants that people are too complex to be summarized in a simple 360° questionnaire. We also emphasize that no single person is excellent in all dimensions measured. It is perfectly normal to be stronger in some areas than in others. Furthermore, we also point out that many developmental areas are really strengths overdone. Our goal is to help participants identify personal strengths and weaknesses, and then consider action plans to “fill in the gaps” through personal development, or in other cases, by creating well-balanced executive teams whose members complement each other’s strengths and weaknesses in specific areas.

In sum, our survey instruments are designed to help people:

- Deal with the “shadow side” of their personality
- Gain insight into their strengths and weaknesses
- Expand their behavioral repertoire and discover more creative ways of solving difficult interpersonal problems
- Become more effective at career management and professional advancement
- Become more effective at operating in teams and organizations
- Acquire a greater capacity to cope with stress
- Better manage the tensions between their professional and private lives
- Draft a developmental agenda and a program for change

A WORD ABOUT THE PSYCHOMETRIC DESIGN OF OUR INSTRUMENTS

Given a target audience of executives from around the world, our objective is always to construct simple, conceptually sound diagnostic instruments with a psychodynamic focus. The questionnaires are aimed at a “normal” population (that is, our norms and standard deviations are constructed using our database of high-achieving business leaders from many national cultures), and are to be used as the basis for a discussion about individual behavior. We strive to develop tests that are easy to complete, easy to understand and interpret, and easy to translate into action aimed at improvement. *We strongly discourage people from using them as a basis for performance review.* Using this type of 360° instrument can be a delicate proposition, as many people fear that the information gathered will be used as fodder for demotion, unwanted lateral moves, or other unpleasant consequences. Therefore, we only give the feedback report to the individual concerned, and let him or her decide with whom they wish to share the information.

We are also extremely rigorous when it comes to the psychometric properties of our instruments. In fact, we began designing our own instruments because we were unable to find instruments that were robust enough, or comprehensive enough, to meet the needs we perceived among the executives we work with. Our development team consists of Professor Manfred Kets de Vries, Professor Pierre Vriegnaud, and several other colleagues with academic backgrounds and psychological training. We use specific psychometric analysis and methods that respect the data structure (dependency between observers who are observing the same individual) of the 360° process.

In designing a new survey instrument, we begin by studying top executives from all over the world who have participated in leadership programs at INSEAD, where Professor Manfred Kets de Vries founded the INSEAD Global Leadership Center. Leaders who participate in these seminars are typically at a very senior level of their career ladder. They come to the program with the intention of taking some time to reflect on their life goals, both professional and personal. Therefore, this group of leaders is the ideal place to begin testing our theories on leadership behavior, and to distil the theories into measurable dimensions for 360° instruments.

Identifying the dimensions. To identify the dimensions we wish to measure in a specific questionnaire (for example, dimensions of global leadership, personality traits or leadership styles), we have interviewed hundreds of senior executives to uncover what issues are most important to them in their day-to-day work, and what kind of behavior contributes to their effectiveness. In some cases, they are also asked to discuss concerns about life balance and stress.

These exploratory interviews are conducted in a semi-structured fashion over a period of many years. Each respondent is approached with a list of open-ended questions pertaining to major concerns. Depending on the responses of the group as a whole, themes are dropped, revised or retained. Supplemental observational data is collected in the form of notes taken while studying the various executives in meetings and while participating in a large number of action research projects and strategic interventions. In the course of this fieldwork, we arrive at a set of hypotheses about various preoccupations of the participating executives; in other words, while engaged in the process of hypothesis-formulation, the researchers delineate connections, patterns and themes, continuously modifying their hypotheses as dictated by emerging material.² The observed patterns of behavior are then integrated with knowledge about the growth and psychological development of people and the findings of developmental and clinical psychologists on the functioning of human personalities. The constructs that emerge from the in-depth interviews with top executives are content-analyzed by our research team, and then grouped in terms of themes relevant to leadership.

Writing the questions. We then proceed to design the survey instrument itself. We devise a series of statements that reflect the constituent constructs in each dimension. These statements are triangulated during group discussions.

Developing a pilot questionnaire. In order to turn the statements about leadership into a questionnaire with a minimal amount of ambiguity about each of the items, the questionnaire is pre-tested. The initial pilot questionnaires are distributed to a large group of CEOs who comment on the

clarity and the face validity of the questions. After two or more subsequent pre-tests with other top executives and MBA students (for a total of at least 200 respondents) the number of questionnaire items is narrowed down.

Validating a new questionnaire. The psychometric reliability and validity of each new questionnaire is studied in three stages: 1) by checking the internal consistency within each dimension using a classic psychometric approach; 2) by evaluating the structure of the questionnaire through confirmatory factor analysis at both the item level and the dimension level; and 3) by conducting a study of the effects of the characteristics of subject groups (gender, nationality, age and experience, among others).³

Translating a questionnaire. Creating new language versions of a questionnaire requires another lengthy process. First, the items are translated into the target language, then back translated. The back-translated version is compared with the original language version, to control for errors of meaning. Then, the new language version is beta-tested with a large group of native speakers. If psychometric analysis shows that the new version is equally robust, then it is released for use.

Once the questionnaire has passed these stringent tests, norms and standard deviations are calculated. Feedback pages are designed, using graphs that show percentile rankings, allowing the test-taker to compare his or her scores with those of the large group of high-achievers from all over the world in our databases. Finally, the questionnaire is approved for use in executive seminars and courses, and by leadership coaches and consultants in companies. The questionnaires are also adapted for web-based, on-line use.

INTERPRETING 360° FEEDBACK SURVEYS

Just as leaders come in many different forms and shapes, many different combinations of scores on the various dimensions can make for leadership effectiveness. Because the dimensions on the various instruments described above are highly independent, an “excellent” or “to improve” score in one dimension does not imply a similar score in other dimensions. Similarly, it is common for an individual to have a more pronounced tendency towards one pole in some dimensions of a personality test, and be rather nearer the center of other scales. And, of course, a well-balanced team by definition requires people who have clear abilities some areas, but not all. By comparing scores and dimensions, in fact, we can differentiate leadership styles and encourage a person’s natural tendencies and inclinations.

Furthermore, depending on the position of the individual in the organization and the type of organization, certain dimensions will be more relevant than others. For example, dimensions such as Global Mindset or Outside Orientation may be of less importance to some people. It should be remembered, too, that leadership must always be considered in the context of a specific situation. The socioeconomic and political environment in which a leader operates helps determine which leadership style is more appropriate in a given situation, as do the nature of the industry and the life stage of the company. In addition, one should keep in mind that the data on which the normalization process for these feedback instruments are based are *not* from a random sample of the working population, but rather a large number of top executives. In the case of the Global Executive Leadership Inventory, it is important to keep in mind when using this comparison base means that an *average* score is already quite high.

The objective of the 360° feedback process is to deepen the individual’s understanding of the importance of the various dimensions and to encourage test-takers to examine their own capabilities in each of these critical areas. Although there is no such thing as a perfect score on all dimensions, a high score on certain dimensions can indicate greater leadership effectiveness (again, depending on the context). Insight into one’s position relative to the norm comes through such questions as these: Which scores are high, which are average? What leadership style do these results describe? Is this style congruent with the environment in which the person works? Once again, what is important is not only the test-taker’s relative position compared with the norm but, in particular, the comparison between the Self and Observer scores. Are the differences higher or lower? Are there similar or different amplitudes across the dimensions or scales?

OBSTACLES TO IMPLEMENTATION

The introduction of a 360° feedback process frequently triggers resistance. One perceptive cartoon has two executives talking in a hallway. One says to the other, “It’s not the 360° appraisal that worries me; it’s the 360° reprisals that follow.” This highlights a very real problem: human nature being what it is, negative feedback can lead to defensive reactions on the part of the person being assessed, dooming the development process in that organization.

Some executives – those for whom position and authority are important – view this type of exercise as the overstepping of boundaries by subordinates. Others fear that the process will jeopardize working relationships by delving into problem areas; they would rather let sleeping dogs lie. Finally, some people worry that there might be negative political implications, scores might be manipulated, or misused as a part of a performance review.

If the feedback process is launched without acknowledging these issues, people may resort to a multitude of defense mechanisms to deflect attention from their feedback results. Among the most common defenses we see:

- *The mathematics defense*: calculating and recalculating the numbers in an attempt to make them add up differently; questioning the validity of the norms and standard deviations
- *The bad-timing defense*: blaming poor results on upheaval in the organization
- *The negligence defense*: not following up with observers to be sure they fill out their questionnaires
- *The scapegoat defense*: attempting to guess which observer was responsible for a low score, and arguing that this individual’s score skews the graph unfairly
- *The IT defense*: “I couldn’t make the web platform work, so I gave up.”

Even though most people agree that 360° feedback is valuable to both individuals and organizations, for most people, it requires a great leap of faith to really listen to feedback and use it as a part of their personal development journey. To start a constructive dialogue even before the process begins, we ask executives: How often do you elicit feedback? How do you feel when you receive feedback? We feel it is essential to take the time to build an environment of trust before asking people to embark on this type of journey. Constructive dialogue *before* and *during* the process helps to build a foundation of commitment and accountability to the action plan and change process.

THE IMPORTANCE OF FOLLOWING UP

The real challenge of 360° feedback is to do something with the information received. The value of the questionnaire is that it offers a jumping-off point for reflection and discussion leading to a development plan for improvement. For example, a discussion about the dimensions with fellow respondents helps clarify the different sides of an executive’s personality: the one she shows, the one she has, and the one she thinks she has.

For the process to be successful, executives need to do the following:

- Pay attention to the feedback, keeping an open mind and striving to minimize defensive reactions. Executives should ask themselves such questions as, “Does the feedback make sense? Is the information to the point? Does it reveal a new perspective? Does it provide useful data about my possible blind spots?”
- Thank the respondents for their efforts, to validate the candor and courage that are required of observers (particularly when the feedback is given by subordinates).
- Share the feedback with others – their spouse or significant other, their manager or their coach. This process of exchange serves as a reality check and helps the executive identify possible routes to improvement.
- Return to the people who gave their feedback, sharing with them ideas for improvement, asking for their reactions, and enlisting their help to work towards change.
- Develop and implement a plan for change.
- Review progress every three to four months; consider taking the same 360° survey again, with the same observers if possible.

LEADERSHIP COACHING GUIDELINES

A critical part of the leadership development feedback process is ensuring that it is constructive. We use these instruments as a part of a group intervention process: leaders discuss their feedback results with their peers (from the same or different organizations) in a group, guided by an executive coach who facilitates constructive discussion, praise and criticism, and the identification of concrete action steps. By creating a safe, transitional space for the members of the group, the executive coach taps into the powerful group effect on supporting change through engaging the collective mind, heart, and experience of the group. Here are some suggestions for making the most of the 360° feedback process:

Take the executive's perspective

Look at some weaknesses as exaggerated strengths. For example, conscientiousness, one of the character traits measured on the PA, is important for a finance executive. The numbers must add up. However, when it is overdone, conscientiousness can lead to micro-management and a lack of delegation, both of which can have a stifling effect on subordinates.

Remember that persistent behavior patterns must have had benefits at one time. But behavior that was effective for someone at one point in his or her career might not be effective at another point. As the person moves forward, other qualities increase in importance.

Keep in mind that assuming that others think and act like we do can lead to unrealistic expectations. People do not usually think and act the same way, and that is especially true when we deal with people from different cultures.

Be aware of outdated, distorted perceptions that an executive might have of herself. For example, parents or teachers may have stated that a person is not very good at certain things. Such statements often become self-fulfilling prophecies, with the result that the person stays in her comfort zone and avoids experimentation. Your task as a coach is to challenge such assumptions.

Facilitate reflection

Ask lots of open-ended questions. Closed questions – those that can be answered “yes” or “no” – provide little useful information. Open-ended questions encourage people to decide what issues are important.

Ask executives to evaluate their own performance. Evaluating themselves offers people an opportunity to assess their ability to be discriminatory and permits insight into their capacity for reality testing.

Encourage people to develop their own solutions. Only in rare circumstances, such as critical situations, should executive coaches prescribe what their clients should do. The task, instead, is to encourage clients to find the solutions by themselves, making for greater commitment and a greater likelihood that things will change.

Establish a relationship of trust. The relationship of trust and mutual respect within a group helps individuals move beyond their comfort zones and take the risk of exploring new behaviors. A positive working alliance is essential for the 360° process.

Address defensive reactions immediately. An executive coach needs to acknowledge and address negative feelings, in whatever form these appear, immediately. In dealing with defensive reaction, the coach should not address these head on, but play “resistance judo” by doing it in a subtle way. As the saying goes, “strike when the iron is cold.” When the iron is too hot – when people get too emotionally wound up – they stop listening. The coach should not be sidetracked by requests to recalculate the scores, or identify the one Observer who brought the executive's average down.

Encourage leaders to experiment with new approaches and strategies. In the group discussion of feedback results, people can help each other explore different options for new ways of thinking and acting. The group can provide a safe environment for individuals to test some of these new approaches.

Reinforce learning from each other's experience in a group coaching session. Group members serve not only as powerful supporters in the process of a group coaching session, but also provide great material for vicarious learning based on each other's varied experiences.

Allow executives time to change. The "working through" process takes time because people need to take small steps to build up their self-confidence in finding new directions. We strongly recommend follow-up sessions, and regular communication among members of the group.

Strive to create greater self-awareness. The goal is for the executive to become a reflective practitioner, a person who doesn't merely act, but also reflects on the implications of his actions.

CONCLUSION

In a global environment characterized by continuous and discontinuous change, successful organizations are characterized by a distributive, collective and complementary form of leadership. To create and maintain these forms of leadership within an organization, we must identify leadership role configurations that contribute to greater performance and adaptability within a specific context. 360° feedback instruments are among the tools that help us engage in this type of leadership design, by informing us about the qualities, skills, and competencies leaders must have to be effective, the roles they must play, and the way these various roles complement each other. In addition, because a clinically oriented 360° feedback process provides feedback from both the private and the public spheres, it can help executives make connections between patterns of conflict at work and interpersonal and emotional problems within the family.

Although individuals on their own can use 360° instruments, these tools are used most effectively when working with an executive coach, a counselor, a consultant, a psychotherapist, or in group settings such as workshops and retreats where a facilitator can help the executive understand and apply the results. In general, discoveries about oneself are difficult to process unless they are shared with other people, whose observations help to clarify personal reflections and encourage new ways of thinking, feeling and behaving, enabling a coming to terms with the difficult task of identifying previously unacknowledged parts of the self.

In the case of senior executives, self-reflection facilitated by a clinically oriented feedback process may well have a beneficial effect on overall organizational functioning, not the least on the multitudes of stakeholders – employees, customers, suppliers and shareholders, and even family members – who are affected by the leader's decisions.

ENDNOTES

- ¹ London, M., A. G. Wohlers, et al. (1990). "360-Degree Feedback Surveys: A Source of Feedback to Guide Management Development." *Journal of Management Development* 9: 17-31; Hazucha, J. F., S. A. Hezlett, et al. (1993). "The Impact of 360-Degree Feedback on Management Skills Development." *Human Resource Management* 32: 325-351; Kluger, A. N. and A. DeNisi (1996). "The Effects of Feedback Interventions on Performance: A Historical View, a Meta-Analysis, and a Preliminary Feedback Intervention Theory." *Psychological Bulletin* 119: 254-284.; Walker, A. G. and J. W. Smither (1999). "A Five-Year Study of Upward Feedback: What Managers Do With Their Results Matters." *Personnel Psychology* 52: 393-423.
- ¹ Glaser, B. G. and Strauss, A. L. (1967). *The Discovery of Grounded Theory: Strategies for Qualitative Research*. Hawthorne, NY: de Gruyter; Argyris, C. and Schön, D. (1978). *Organizational Learning: A Theory of Action Perspective*. Reading, MA: Addison-Wesley.
- ¹ For greater detail on the psychometric design and testing of IGLC 360° survey instruments, see: Kets de Vries, M. F. R., Vrignaud, P., Korotov, K., and Florent-Treacy, E. (2006). "The Development of The Personality Audit: A Psychodynamic Multiple Feedback Assessment Instrument," *International Journal of Human Resource Management*, 17 (5): 898-917; Kets de Vries, M. F. R., Vrignaud, P., and Florent-Treacy, E. (2004) "The global leadership life inventory: Development and psychometric properties of a 360-degree feedback instrument," *The International Journal of Human Resource Management*, 15 (3): 475-492; Kets de Vries, M. F. R., (2005). "Leadership Archetypes: An exposition," INSEAD Working Paper 2005/75/ENT.

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