

**360**  
**BUILDING**  
**ASSESS-**  
**BETTER**  
**MENTS**  
**LEADERS**

**ZENGER FOLKMAN**

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## *How can organizations identify a 360-degree assessment that drives impactful leadership development?*

360-degree assessments are a central component in many leadership development programs.

However, not all assessments are created equal. The most impactful ones deliver profound insights, highlighting both strengths and areas for improvement. These insights can be a powerful catalyst for personal growth and organizational success.

With a multitude of 360-degree assessment options available, organizations face the challenge of selecting the most effective tool.

With over 30 years of experience creating 360 assessments for some of the world's leading organizations, this eBook distills our research and insights into what makes these evaluations most effective.

—Jack Zenger and Joe Folkman

# CHAPTER 1

## CREATED SCIENTIFICALLY

Z E N G E R F O L K M A N

# OPTIMAL 360S

## ARE CREATED SCIENTIFICALLY



Zenger Folkman has collected data from over 1.6 million 360-degree assessments of more than 150,000 leaders worldwide.

Our research has identified the key skills that set the best leaders apart. We can share our findings, validate your current leadership model, or help you create a new one tailored to your business needs.

### Components of Optimal 360s

- Use large samples of leaders
- Analyze thousands of items
- Select items that differentiate the top 10% from the bottom 10%
- Factor analyze items to create competencies
- Use competencies that are most differentiating

**THE FOLLOWING IDEAS ILLUSTRATE ZENGER  
FOLKMAN'S APPROACH TO A SCIENTIFICALLY BASED  
360-DEGREE ASSESSMENT EXPERIENCE.**

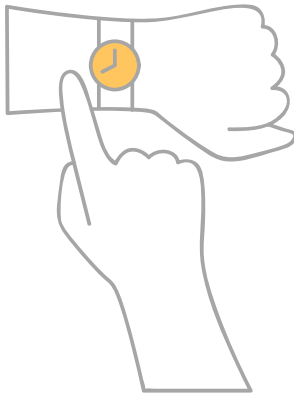
# EMPIRICALLY SELECTED, POWERFUL ITEMS TO BALANCE EFFICACY AND BREVITY

## Measuring Differentiating Behaviors

We have determined, based on research, the competencies that differentiate the world's best leaders from all others.

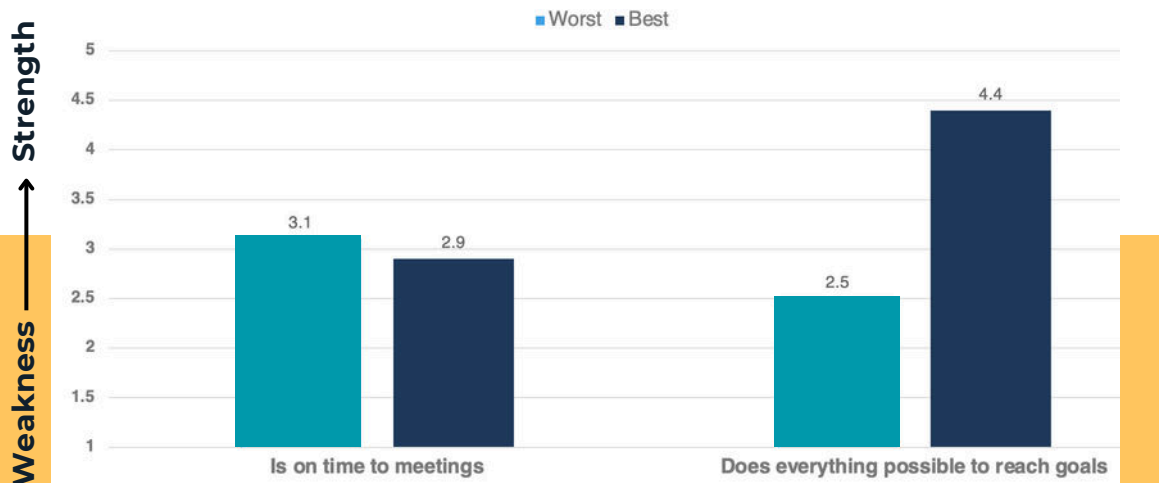
As 360-degree assessments became more popular, many organizations created their own competency models based on what executives thought were critical behaviors.

However, these behaviors were not proven to differentiate high performers from low performers.



For example, punctuality might seem important, but it doesn't distinguish the best leaders from the worst. The data shows that “doing everything to reach goals” is a behavior that differentiates top leaders.

**It's crucial for organizations to define the behaviors of an extraordinary leader based on research, not assumptions.**



# A PROVEN CORRELATION WITH IMPORTANT BUSINESS OUTCOMES

Any truly effective 360 will predict critical business outcomes such as:

- ✓ Profitability
- ✓ Customer Satisfaction
- ✓ Sales
- ✓ Year-to-Year Sales Growth
- ✓ Turnover
- ✓ Discretionary Effort
- ✓ Intent to Leave

**BETTER LEADERS = BETTER RESULTS**

## SUPERIOR 360S IDENTIFY THE MOST IMPORTANT COMPETENCIES FOR EACH LEADER

Zenger Folkman's 360-degree assessments ask raters to identify the competencies they deem most important for the leader's success in their current role.

Because one cannot be the best at everything, this feature helps leaders prioritize their optimum targets for development.



“

There are usually a few pieces of feedback that are confusing and cause the leader to question, “Why would someone think that?” All of this is part of expanding their self-awareness, as they learn more about their strengths and weaknesses **their world makes more sense.**

—Jack Zenger & Joe Folkman



False-positive results happen when responses lead to unintended conclusions. For example, if a rater thinks someone is "adequate" at listening and selects "agree" on a typical scale (see below), the participant might wrongly believe they are highly effective at listening.

**BEHAVIOR: Listens carefully and attentively**

- Respondent: "This person is an okay listener."
- Participant: "I am doing pretty well on listening; I got a four out of five."

This scale created a FALSE positive.

**Agree — Disagree Scale**

5- Strongly Agree

**4- Agree**

3- Neutral

2- Disagree

1- Strongly Disagree

Zenger Folkman uses a "Strength" scale (see below). **This scale reduces false positives by providing more accurate feedback, as a score of "3" indicates competence, not excellence.**

**BEHAVIOR: Listens carefully and attentively**

- Respondent: "This person is an okay listener."
- Participant: "I am okay."

Using this scale, the average score is decreased by .75 indicating competence, rather than strength.

**STRENGTH SCALE**

5- Outstanding Strength

4- Strength

**3- Competent**

2- Needs Some Improvement

1- Needs Significant Improvement

# CHAPTER 2

## PARTICIPANT FRIENDLY

Z E N G E R F O L K M A N



## GREAT 360S MAKE EACH QUESTION COUNT

There is no denying it—a 360-degree feedback process takes time.

Participants and their colleagues will need to step away from their daily tasks for a bit. However, Zenger Folkman has carefully selected validated survey questions to measure key competencies, resulting in a focused and brief assessment.

- Most raters can complete it in about 20 minutes, unlike other assessments that take twice as long.
- We recommend having participants select multiple raters to ensure accuracy and reduce bias.
- Every question is thoughtfully chosen and proven to be important.



When a leader improves their effectiveness, it doesn't just benefit them or their direct reports. Other people throughout the organization benefit, too.

Joe Folkman

*President, Zenger Folkman*

# TAKING 360S MORE SERIOUSLY

**The 360-degree feedback report should be easily interpreted by any participant.**



- The language used should be understandable by every reader and not require special education.
- Charts and graphs should be clear to the layman reading it for the first time.
- A fifty-page report is not necessary or useful in communicating the important conclusions.

## **Reiteration of important messages.**

When a dozen or more people collectively observe that the leader isn't a good listener, for example, the message is loud and clear. The 360-degree feedback process underscores the seriousness and credibility of the feedback.

The **anonymity** of the process means that the feedback is given by colleagues with the understanding that their identity will be confidential. The result? Far greater honesty and candor.



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We're happy to say that after decades of conducting and reviewing thousands of 360-degree feedback reports, we almost never see messages that are intentionally barbed or mean-spirited.

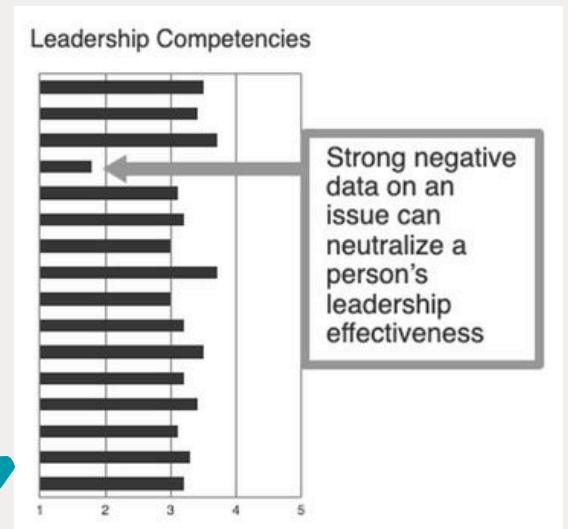
—Jack Zenger & Joe Folkman

# FOCUS ON STRENGTHS VS. WEAKNESSES

A great 360-degree assessment leads to a personally relevant, strengths-based development plan for the leader.

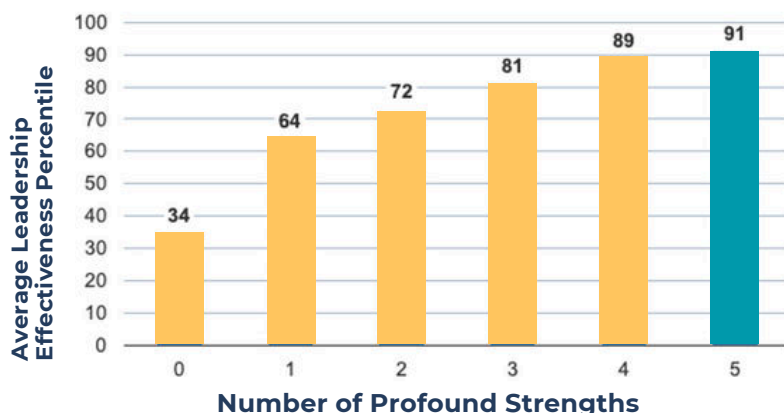
Feedback from a 360-degree assessment becomes valuable only when the leader understands how to use it to be successful. We encourage organizations to implement the 360-degree assessments to help leaders build actionable, strengths-focused development plans.

However, focusing development on weaknesses works well when people have FATAL FLAWS.



Our research shows that it is the presence of a few profound strengths, not the absence of weaknesses, that makes leaders highly effective.

Individuals are more motivated to work on something they are good at than an area that doesn't interest them. **Your strengths will separate you from average performers.**



Those who **master** a few key behaviors score in the 90th percentile on leadership effectiveness, and it is their strengths that got them there.

# 3

CHAPTER

## PRACTICAL DEVELOPMENT PLANS

Z E N G E R F O L K M A N

# LEARNING HOW YOU COMPARE WITH THE BEST

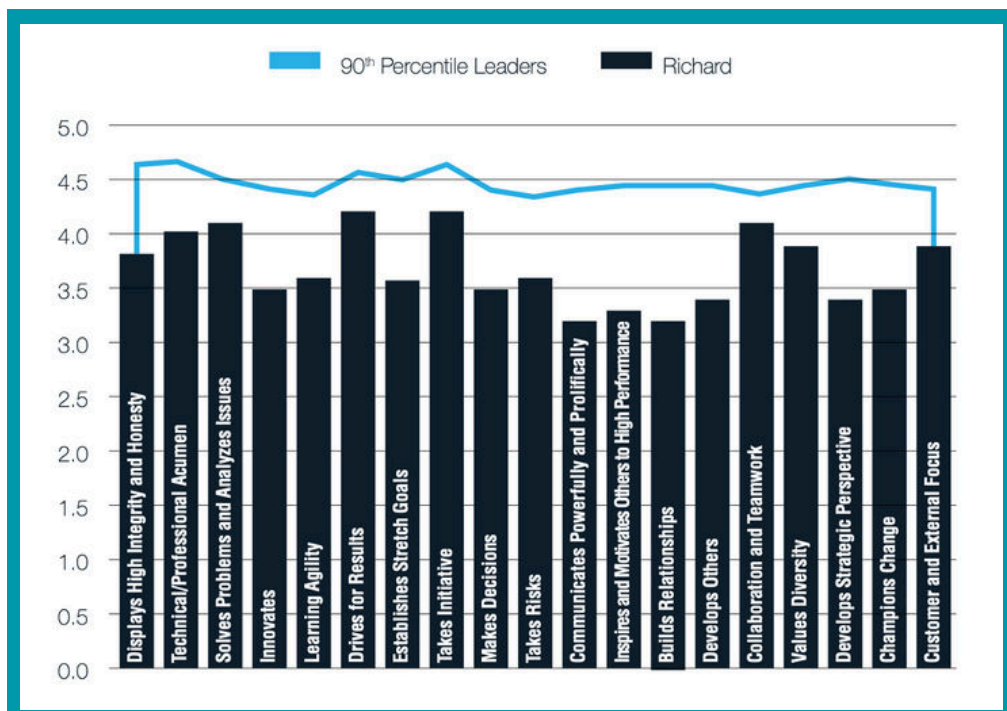


Studies show that leaders who perform exceptionally well (in the top 10%) have the most significant positive impact on their company's success.

When leaders compare their performance to these top performers, they realize that their **company expects them to be exceptional, not just average.**

Our 360 provides data on top performers to help companies set high standards for their leaders.

*In the graph below, Richard can clearly see how his scores on different leadership behaviors compare with those at the 90th percentile in effectiveness.*



# CAPTURE THE LEADER'S IMPACT ON EMPLOYEE ENGAGEMENT

Zenger Folkman's research indicates a very strong correlation between a leader's effectiveness and the level of satisfaction and engagement of their employees.

Our 360-degree assessments include six questions that measure the levels of engagement and satisfaction that direct reports feel toward the organization.



I feel confident that this company will achieve its strategic goals.



My work environment is a place where people want to go the extra mile.



I would recommend this company as a good place to work.



I rarely think about quitting my job to go to a different company.



All in all, I am satisfied with this company as a place to work.



Each person is treated with dignity and respect.



## Measuring Engagement

Many factors influence employee commitment, including working conditions, compensation, benefits, and the organization's culture. However, our research has shown that the most significant influence on the level of employee commitment is the **behavior of their leaders.**

## Social Reinforcement

There's an increased likelihood of change if **several leaders go through this process together**. Social reinforcement makes it easier for everyone involved to be more receptive to new ideas and feedback.

# ADDITIONAL INSIGHTS

## Focus Written Comments on What Matters Most

Written comments in a 360-degree assessment should provide clear guidance on important issues.

For example, when a written comment asks, "Is there anything this person could do to improve?", raters generate a lengthy list of development suggestions.

Zenger Folkman's 360-degree assessments ask raters, "**Is there anything this person does that might be considered a significant weakness or fatal flaw?**" This question draws attention to the most pressing issues.



CHAPTER

ORGANIZATION  
BENEFITS

Z E N G E R F O L K M A N

# ORGANIZATION INVOLVEMENT 360 FEEDBACK PROCESS



Organizations that take the 360 process seriously, of course, get much better results. The 360-degree feedback instrument may be exactly the same, but how it's administered can have completely different outcomes.

## The process we recommend for organizations...

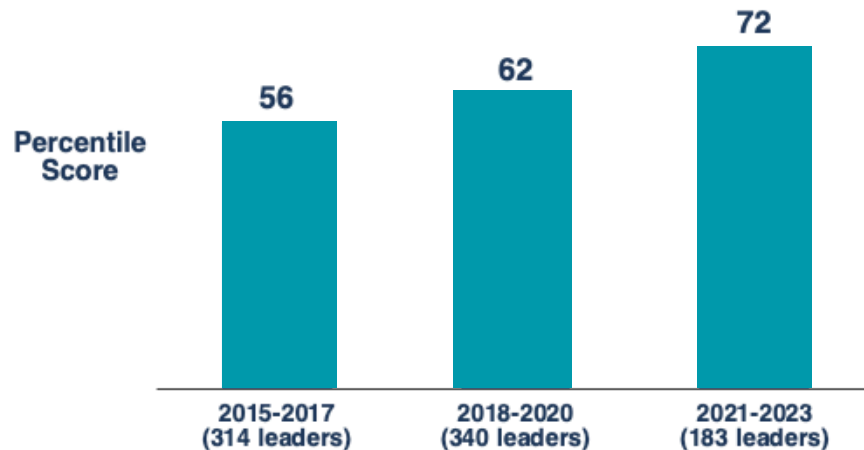
- The **leader helps choose** who among their colleagues should respond to the survey.
- The leader personally communicates with those respondents, asking them to provide their **candid observations**.
- The report is presented to the leader, either in a **group setting** (if multiple people are taking the instrument at the same time) or in a **one-on-one coaching conversation**.
- The leader is provided with context and guidance to **understand the data**.
- The leader also receives a **customized set of developmental recommendations**, mapped to the company's leadership competencies, to help them create a personal development plan.
- There is **follow-up** from the talent professionals to ensure **accountability**.

# OPTIMUM 360S TRACK ORGANIZATIONAL LEADERSHIP

When appropriately collected, 360-degree assessment data offer organizations valuable insights into their talent landscape. The data to know how well a leadership pool is managing change, valuing diversity, or any number of other behaviors relevant to the organization, are available at the touch of a button.

## Corporate Case Study

This graph below is an example of one of our corporate clients over eight years. You can see the improvements in these leaders as they were reassessed throughout the years. This data captures the contagious, extending effect of leadership development on all managers in the organization.



## Measuring Team Effectiveness and High Potentials

**25%**

of the high potentials organizations select do not belong in the program.



We eliminate this selection problem by leveraging the 360-degree data collected inside their organization to better understand their talent pools.

# CONCLUSION

When a leader improves their effectiveness, it doesn't just benefit them or their direct reports. **Other people throughout the organization benefit, too.**

In fact, all levels of leadership in an organization are influenced by the collective capability of the top team. We've seen in our research that if the top team scores just above average in overall leadership effectiveness, each successive layer below them will have lower scores. In contrast, if the top team has aggregate scores at the 80th percentile, it creates an "updraft" in the organization. This, of course, means that **investing in leadership development at the top can pay big dividends.**

Companies continue to use the 360-degree process year after year because it works.

But for it to have the outcomes we've outlined, it has to be implemented in a way that engages participants in the process so they are motivated to become better leaders. When leaders receive feedback on how others perceive them, identify areas for improvement or strengths to build on, and understand their impact on team productivity and engagement, they can act on that information to enhance both their leadership and the company.

Excerpts from: *What Makes a 360-Degree Review Successful?*, by Jack Zenger and Joe Folkman, Harvard Business Review, 2020.

# N E X T **360** S T E P S

- 1** LEARN MORE ABOUT ZENGER FOLKMAN'S 360 ASSESSMENT EXPERIENCE.
- 2** WATCH A SHORT WEBINAR ON ZENGER FOLKMAN'S 360 ASSESSMENTS.
- 3** SCHEDULE A CALL TO SEE HOW WE CAN BRING OUR AWARD-WINNING ASSESSMENT TO YOUR ORGANIZATION.

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