

HOGAN 360 GLOBAL PICTURE

The 360 market continues to grow and is now well established in HR practices.

The 360 multi-rater assessment has evolved from being simply a development and feedback assessment for individuals to a mainstream HR practice. It was originally designed to create self-awareness but there was often no obligation to have in place a development plan and measures of success. The 360 assessment is now being used for performance management, talent identification, promotion and even salary reviews. The 360 is being used to drive behavioural and reputational change to improve individual and team performance around employee engagement and business outcomes.

There has been growing support for the philosophy of leadership driving engagement and engagement driving performance where leadership at the team or organisational level has the biggest impact on engagement. However, the goal when using 360 assessments is not simply to improve engagement results but to link it in the strongest possible way to the strategic business plan and the delivery of key performance indicators.

A growing trend when using 360 assessments is to look for a return on investment. This can be measured by individual and team performance and ultimately by employee engagement. This is best understood and managed by using people analytics. The challenge is being able to connect people data with operational and financial data. A huge opportunity in the future is to measure leadership and team effectiveness and track and improve employee engagement and organisational performance.

Understanding self-awareness is an important part of the 360 journey. Some people may have blind spots, derailers or be lacking in confidence. A 360 should measure self-awareness by comparing the self-ratings against the ratings by selected raters. These are typically managers, peers and report ratings. The ratings from direct reports can provide a key insight as to whether the manager is leading an engaged team. Strategic self-awareness comes from benchmarking one's results against an external benchmark.

Personality plus chosen behaviour equals workplace reputation. Leadership is observable, measurable and improvable by understanding personality, performance

and reputation. The 360 assessment is best used in conjunction with a well-validated personality assessment where the tests have been developed according to established psychometric procedures. This is the most effective way to assess leadership capability. It will explain the 'what' one does and the 'why' one does it. It gives a complete picture of personality and behaviour which constitute one's brand. Together, the assessments expand the learning and coaching journey aimed at delivering greater leadership effectiveness and improved business results.

Global engagement surveys show that 30-35 percent of employees are disengaged. They are ready to quit their manager, team or job.

"PBC's leadership research based on their 360 process is first rate."

Dr. Robert Hogan

Shell use the Hogan 360 and their research shows that leadership at the team or organisational level accounts for a large proportion of engagement. Gallup research shows that 70% of the variance in engagement can be attributed to the team manager.

The 360 market will continue to grow as will coaching and leadership development programs. One study found that 92% of organisations use a 360 assessment for coaching. Measuring and improving leadership effectiveness will increasingly be tied to return on investment data by combining people and business analytics. The two key metrics will increasingly be employee engagement and organisational performance.

Not all 360 assessments are created equally.

When choosing a 360 provider look for:

- 1.** A technical manual to demonstrate reliability (consistent information about performance) and validity (accurate assessment of performance).
- 2.** Validity coefficient between the 360 and personality assessments.
- 3.** Global benchmarks (updated annually), across industries, sectors, job levels and at top quartile percentiles.

It is essential to establish scientific evidence for the quality of the 360 assessment.