
THE 360 DEGREE LEADERSHIP DEVELOPMENT PROCESS



Cass Bettinger, Connie Bettinger

Cass Bettinger & Associates

It is well known that the key to success in any endeavor is exceptional leadership. Consequently, it comes as no surprise that those organizations which outperform their counterparts consistently over time are also those who do the best job of developing their leaders – from top to bottom.

The acclaimed leadership expert Noel Tichy makes it clear that truly great companies not only have great leadership at the top but at all levels. And the reason they have outstanding leaders from top to bottom is that they have made a commitment to continuous leadership development. According to Tichy:

“Winning companies value leaders, they have cultures that expect and reward leadership, and they actively put time and resources into developing them. This is what separates the winners from the losers.”

In other words, continuous leadership development has become an integral part of their corporate cultures.

Harvard’s John Kotter and Jim Heskett conducted four major research projects over an eleven year period to quantify the relationship if any, between corporate culture and financial performance. They discovered that the relationship is direct and substantial and that companies with certain specific cultural characteristics “dramatically outperformed” companies without those characteristics. According to the authors, one of the two most significant cultural characteristics of high-performing companies was their commitment to holding managers at all levels accountable for **leadership** – not just management.

The strong, direct relationship between effective leadership development and outstanding financial performance is irrefutable.

Over the past 20 years, we have worked with well over 1,000 community banks throughout the United States. If we had to

point to the one factor which most powerfully differentiates exceptional performers from the average performers it would undoubtedly be leadership excellence *at all levels*, and the powerful impact that leadership has in fostering strong, positive high-performance corporate cultures. Consequently, we recommend strongly to all our clients that they implement and manage a comprehensive ongoing *process* not only for developing effective leaders but for holding every leader accountable for high-performance leadership behaviors. We believe this to be one of the most meaningful steps any company can take to enhance long-term financial performance.

We have also observed that:

1) While most banks have many effective *managers* throughout the organization, they have far fewer effective *leaders*. The distinction between management and leadership has, of course, received considerable attention in recent years. Simply stated, managers manage projects, tasks, and activities, while leaders coach, mentor, motivate, and develop *people*.

2) Those in leadership positions (anyone who supervises one or more people) are rarely held accountable for their leadership effectiveness or for continuous leadership development, and

3) There is typically no *formalized process or discipline* in place to make continuous leadership development and excellence a strategic priority and competitive advantage.

Ulrich, Zenger and Smallwood, in their outstanding book Results-Based Leadership, provide additional insight as to how GE has excelled in developing highly effective leaders at all levels of their organization. First, senior management has made an absolute commitment to continuous leadership development and excellence. Second, a specific

process is in place for developing leadership talent. Third, GE defines leadership attributes “behaviorally.” In other words, the specific leadership behaviors common to highly-effective leaders have been identified and defined. Fourth, GE holds leaders accountable for effective leadership behaviors and for continuous leadership development using a comprehensive 360-degree feedback process.

Leadership Development Is Self Development

James Kouzes and Barry Posner, in their exceptional book, Encouraging The Heart, tell us that leadership development:

...“doesn’t depend on mystical qualities or inborn gifts but rather on the capacity of individuals to know themselves. Leadership development is self-development. Getting feedback in our daily lives, setting self-improvement goals, learning from others and from experience, making changes in how we do things so as to continuously expand our ability, and then getting more feedback to check our progress.”

Clearly the starting point is to have a mechanism in place that will generate the candid and constructive feedback that is absolutely essential for identifying and prioritizing leadership development opportunities. Overwhelmingly, the mechanism of choice for America’s top-performing companies is 360-degree feedback/evaluation.

Mark Edwards and Ann Ewen, writing for The American Compensation association, say:

“No action offers higher motivational impact on behavior than relevant feedback from credible work associates. Many organizations are changing from single-source to multisource assessment – also called 360-

The 360 Degree Leadership Development Process

degree feedback – to enhance the accuracy and validity of the performance feedback process.”

Gary Yukl and Richard Lepsinger in Training magazine concur: *“More than many developmental tools, 360-degree feedback can prompt real, measurable changes in manager’s behavior.”*

Any true personal or professional development, of course, requires behavioral change, which may be the most difficult task any of us faces. To be truly effective, therefore, a 360-degree feedback or evaluation process must focus on specific leadership behaviors that have been confirmed by the company as relevant to its values, culture, and success. In addition, the process must include professional development planning and continuous reinforcement.

The approach developed by **Cass Bettinger & Associates** for our clients involves **five essential steps**.

First, a session is held with all team leaders (anyone who supervises one or more people) to introduce the 360-degree evaluation process; explain what it is, how it works, and how it will benefit them personally; and to answer any questions they may have. In our experience, once leaders, especially those with the greatest leadership potential, understand how they can benefit from 360-degree feedback they cannot wait to get started. Not surprisingly, those who have the greatest need for developmental feedback are quite often those who express the greatest resistance.

Second, a 360-degree evaluation is conducted for each team leader using a survey instrument designed by **Cass Bettinger & Associates**. The survey contains 52 statements, each of which covers a specific leadership *behavior* common to highly-effective leaders. Each statement has been validated as important and relevant through the extensive body of

leadership research available, and by our clients themselves.

Also included are two very important open-ended statements: “Having reviewed all 52 statements, what, in your opinion, is this individual’s greatest leadership quality?”, and “Since each of us can become a more effective leader, what one suggestion do you have for this individual that would enhance his/her leadership effectiveness?” Most 360-degree instruments do not include open-ended statements because this adds complexity and cost to the tabulation process. We have discovered, however, that the most valuable feedback often comes from the constructive commentary from those with whom the leader works on a daily basis.

The survey is completed by the team leader (self-evaluation), by the team leader’s boss, by two or more peers, and by each of the team leader’s direct reports. All responses are sent electronically to **Cass Bettinger & Associates** for tabulation. The results of the survey are delivered in report form electronically.

Section one of the report contains detailed information to help the team leader understand and interpret the information in the report. Section two includes the evaluation results. Each statement will show scores for self, boss, peer (average) and direct reports (average), along with a total score and ranking (1-52) for each statement. The statement with the highest score (presumably the team leader’s greatest strength) will be ranked number 1 while the statement with the lowest score will be ranked 52.

Also shown for each statement is a gap score which quantifies the difference between the team leader’s self-evaluation and the *average evaluation* from boss, peers, and direct reports. Large gap scores, either positive or negative, can lead to extremely valuable introspection and discussion.

Step Three is the thorough review and assessment of the feedback data; the identification and prioritization of developmental opportunities; *and the creation of an individualized professional development plan.* Generally, the team leader's boss will have an important role to play as mentor/coach in developing and approving the plan.

Opportunities will come from several sources. First, the team leader's strengths may not be fully utilized and, by focusing on those strengths, opportunities can be identified to enhance leadership success. Peter Drucker, in "Knowing Oneself" (Harvard Business Review; March-April 1999), advises:

"Several implications for action follow from feedback analysis. First and foremost, concentrate on your strengths. Put yourself where your strengths can produce results. Second, work on improving your strengths."

Each leader will also want to focus on statements with a low ranking and/or a large negative gap (self score significantly higher than boss, peer and direct report average). Opportunities will also be identified through careful and thoughtful attention to the open-ended responses.

Most leaders will also benefit greatly from using a validated personality or behavior profiling instrument, such as the Predictive Index, to help in interpreting the 360-degree feedback. We have discovered a strong, direct correlation between developmental opportunities revealed by the 360 process and an individual's personality or behavioral profile.

Finally, reviewing the results of the 360 with one's direct supervisor will often turn up one or more additional leadership development opportunities.

The 360-degree evaluation report from **Cass Bettinger & Associates** also includes a comprehensive Professional Development Plan

outline, along with two 120 day progress reports.

Step Four is behavioral change. Because few things are more difficult than modifying one's behavior, support will be needed. According to Turnow, London and CCL (Center For Creative Leadership) Associates in **Maximizing The Value of 360 Degree Feedback:**

Clearly, change is the name of the game for the individual receiving feedback and for the organization interested in having such change translated into improved organizational functioning. Organizational support systems have to be in place if change is to be obtained and sustained. Further, supervisors and others in the organization associated with an employee's development have important roles to play as coaches and supporters to provide follow-up support."

The 120 day progress report system built into the 360-degree evaluation process provides a critically important support mechanism. These progress reports, which are completed by the team leader and his/her boss in formal development planning sessions, will help to reinforce a sense of urgency regarding behavioral change.

Step Five is continuous coaching and mentoring, with the emphasis on positive reinforcement, from the team leader's direct supervisor and from any other leaders who, for whatever reason, have taken an interest in the team leader's development. To be effective, any 360-degree evaluation process must be ongoing. Most companies, in fact, conduct 360-degree evaluations annually. As Conger and Benjamin stress in **Building Leaders:**

"The expertise literature would argue that leadership, like any form of expertise, requires intensive, focused learning over extended periods of time." Leadership development, to be effective, must be viewed as an

The 360 Degree Leadership Development Process

organization-wide, lifelong process. There are simply no shortcuts.”

We believe that implementing a comprehensive 360 degree leadership development process represents perhaps the greatest performance enhancement opportunity for any company.

Cass Bettinger & Associates is also available to provide additional support through leadership development workshops, one-on-one executive coaching, teambuilding sessions using our **Maximizing Team Effectiveness** process, and, in a more macro-context, corporate culture assessment and modification consulting and strategic planning.

For Additional Information

Cass Bettinger & Associates

239-596-2890

cassbettinger@gmail.com
