

How to Conduct a 360-Degree Performance Assessment

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Performance reviews. Managers and employees dread them, and many experts say they do little to improve performance. I've found that when advisory firm employees do well, they shouldn't need a performance review. But they need something that sets expectations and encourages constant improvement.



360° Performance Assessment

Advisory Firm Employee

This survey provides feedback to an employee on areas critical to the success of his or her employment experience. It is important that you provide thoughtful and candid feedback.

Define your relationship with the employee.

- Manager
- Peer
- Self
- Other

Overall, how would you evaluate the performance of the employee?

- Outstanding
- Excellent
- Good
- Average
- Poor (please explain)

Why do you rate the performance as poor?

My 360° performance assessment tool is specifically designed to eliminate the much-maligned performance review. Indeed, it could be called the anti-performance review.

For new employees, it sets professional and personal expectations at the beginning of the employer–employee relationship. In addition, when you're resetting your firm's culture, this assessment will help current employees change direction and adapt to the new expectations that accompany a cultural shift.

Ultimately, the assessment gives advisory firm employees and managers the chance to work together in a positive fashion, leading to quantifiable improvements and better communication. For new employees, the assessment should be used within their first 90 days and at their one-year point.

Step 1: Take the assessment

Here's how it works. An employee and manager will each take the assessment (focusing on the employee).

The assessment is broken down into nine areas of focus:

- Business
- Client
- Results orientation
- Leadership
- Communication
- Initiative
- Planning and organization
- Decision-making
- Interpersonal skills

Using a combination of Likert-scale questions (agree, disagree, don't know, etc.) and open-ended, fill-in-the-blank questions, the assessment asks employees to rate themselves based on their performance. They'll need to honestly answer how well they change and adapt to client demands, how well they provide candid feedback to other employees and how well they innovate and adopt new ideas, among other considerations.

Step 2: Compare notes and discuss results

Where does an employee do well? Where do they need improvement? Unlike a performance review, an assessment is designed to spark a productive conversation, not create the opportunity for a manager to browbeat the employee on what they've done wrong.

If your employee thinks they're doing well in one area, and you think they're not, use this as a teaching opportunity, not a dictation session that takes away their confidence.

Step 3: Deliver expectations

What are some of the building blocks of your company culture? Do you expect your employees to develop creative ways to serve clients, motivate and mentor co-workers or routinely exceed client expectations? Create a list of the most important expectations that you want an employee to focus on.

Your employees should shine in all categories, but helping them as individuals to understand how they can adapt and change is the linchpin of the assessment and of an employee's success.

The outcome!

When you conduct a 360° performance assessment, you set the tone for your employees. Performance reviews take time. When you've set expectations, you should see a marked change in employee performance. You'll no longer need employee reviews, and you'll have more time to work on other projects. You'll spend less time managing and more time doing.

Your clients will also see the difference as they get better service from your employees. Statistics show that employee performance is directly related to profit margins. With employees going the extra mile to please clients, you'll see an increase in profits and better growth as a firm.

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