



Profiling Online°



Insights and implications
for a changing workplace
- a longitudinal leader
assessment study.



Introduction

Welcome to this research paper that draws on Profiling Online's rich set of 360-Degree feedback data, captured over the past 4 years and spanning over 1 million data points.

The purpose of the research is to answer common questions about 360-degree feedback and explore competency trends and insights in relation to a rapidly changing leadership and business environment.

This paper will take a more descriptive view of the data, exploring question such as:

- Which respondent group rates the hardest?
- What are the highest and lowest rated competencies across different respondent groups?
- Which competencies are more commonly assessed in 360-Degree projects?

Part two of this paper, "A Data Driven View of the Pandemic and Beyond", will dig deeper into the data to explore specific insights and implications for today's workplace.

It will assess the impact of the pandemic on certain competencies and look at the future and what the data tells us about the readiness of leaders to tackle the challenges and opportunities of the future.

About This Research

This research draws on more than 1 million data points from more than 3000 engagements across the globe (2018-2022). While our full data set includes a variety of competency assessments, this research focuses on 360-Degree projects with a 5-point rating scale. This is the most common rating scale used by clients and within the range of scales that [research](#) has found to be the most effective. For this research, we have focused on behavioural/leadership competencies for participants ranging from frontline leader to the C-suite.

This research is not an evaluation of the 360-Degree method. There continues to be a healthy discussion about the [pros and cons of the 360-Degree feedback method](#), and the appropriate use of this method is an important consideration for any organisation planning to introduce 360-Degree feedback. (For more information on best practices check out our eBook, [The Experts Guide to Running a 360-Degree Feedback Process](#)).

360-Degree feedback remains one of the most popular forms of behavioural assessment. According to [Jack Zenger](#), a global expert on organizational behaviour, more than 85% of all the Fortune 500 companies use the 360-degree feedback process as a cornerstone of their overall leadership development process. Our own experience across several regions and industries suggests that most companies use some form of multirater assessment based on their own competency set or leveraging the tools and frameworks from various consulting organisations. And even with the emergence of other employee feedback methods such as continuous feedback, the use of 360-Degree feedback is expected to [stay the same or grow in the future](#) in the majority of organisations.

The Data Set

Many of our clients use their own competency framework or leverage a framework from another source. To allow us to compare data from different organisation, we have reviewed all the competencies and mapped them to a standard competency framework across four leadership domains. The domains and standard competencies are listed below. While some experts in the field provide different interpretations for the terms competencies and capabilities, in our experience these terms are often used interchangeably. For that reason, we have not drawn a distinction between competency and capability assessments. Over time, this distinction may become clearer but for the moment, the definitions and behavioural indicators are far more similar than they are different.

Domains and Competencies Used in this Research

LEADING THE BUSINESS

- Judgement and Decision Making
- Future Orientation
- Business and Market Awareness
- Customer Focus
(Internal/External)
- Leading Change and Transformation
- Digital Acumen
- Global Acumen
- Fostering Innovation
- Planning and Organising
- Entrepreneurial
- Driving Execution
- Leading Through Vision and Values
- Problem Solving

WORKING WITH OTHERS

- Communication
- Influencing
- Emotional Intelligence
- Collaboration
- Building and Maintaining Networks
- Teamwork
- Building Trust
- Managing Conflict

LEADING OTHERS

- Coaching and Developing
- Empowerment and Delegation
- Inspiring Team Effectiveness
- Fostering Diversity and Inclusion
- Maximising Performance
- Building Organisational Talent

PERSONAL LEADERSHIP

- Resilience
- Personal Growth and Insight
- Personal Drive
- Receptivity to Change
- Accountability and Ownership
- Results Orientation
- Courage

We also know that different organisations use different labels for various respondent groups (e.g. manager, supervisor, direct leader etc) so again we reviewed all labels and mapped them to a commonly set of respondent labels based on the most commonly used groups. We also removed all external respondent data choosing in this research to focus on internal stakeholders. The respondent groups for this analysis include:

- Job Holder
- Manager
- Direct Report
- Peers
- All Others

A Quick Word About the Data and Benchmarks

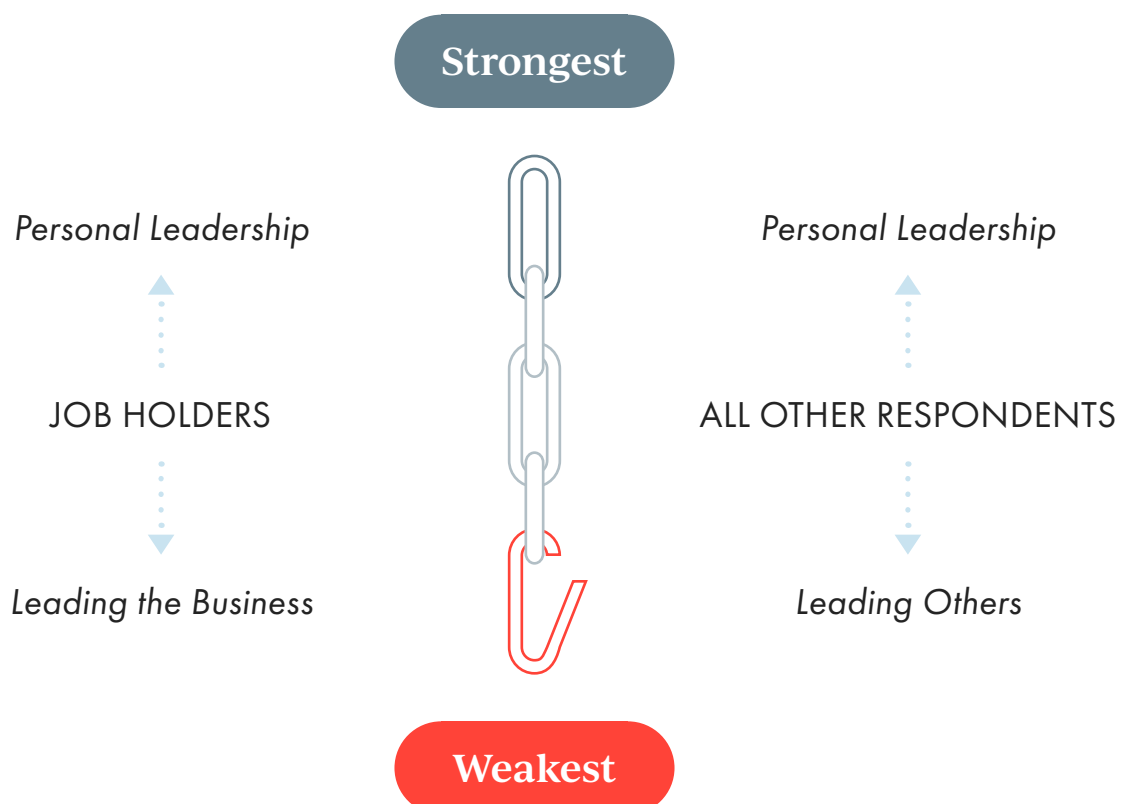
The approach we have taken to this analysis allows us to draw some conclusions based on available data. It also allows us to explore trends across different competencies and respondent groups with the aim of better understanding potential implications for leaders and organisations now and into the future. Group data like this can be compelling and shed light on group strengths and development areas particularly in relation to team and business priorities.

Having said that, we also caution against using this data as a benchmark without any context. Benchmarks need to be considered in context and organisations need to be cautious about putting too much weight on comparative results. Sometimes, it is far better to build up benchmarks over time within your own organisation, rather than using industry benchmarks without knowing the full detail. Furthermore, 360-Degree feedback is predominantly an individual process that supports individual growth and development.

Domain and Competency Analysis

Starting at the domain level we analysed relative strengths and weaknesses based on the average scores for self and others. We found:

- Job holders (participants) rated *Leading the Business* as their weakest domain and *Personal Leadership* as their strongest domain.
- All other respondents rated *Leading Others* as the weakest domain and *Personal Leadership* as the strongest domain.



The **Leading the Business** domain includes competences that focus on business decisions, actions and strategy. It draws on market, financial, commercial, and organisational knowhow to drive effective business performance and outcomes. Competencies within this domain typically transition from tactical competencies in the early stages of leadership through to more strategic and future oriented competencies at senior levels. The most commonly assessed competencies within this domain include:

- Judgement and Decision Making
- Fostering Innovation
- Future Orientation
- Customer Focus
- Leading Change and Transformation

Personal Leadership competencies focus on a leader's ability to understand and manage themselves. They tend to focus on personal qualities and attributes that help an individual to grow and perform in a variety of contexts. By nature, these competencies are often more difficult to develop as they are more closely tied to underlying personal tendencies. The most commonly assessed competencies within this domain include:

- Results Orientation
- Personal Growth and Insight
- Resilience
- Courage
- Accountability and Ownership

Competencies in the **Leading Others** domain focus on a leader's ability to optimise the performance, growth and engagement of team members. It is the set of competencies related to people leadership and while the scope and complexity of competencies in this domain might change across different levels of leadership, the core demands of people leadership such as coaching and developing do not. The most commonly assessed competencies within this domain include:

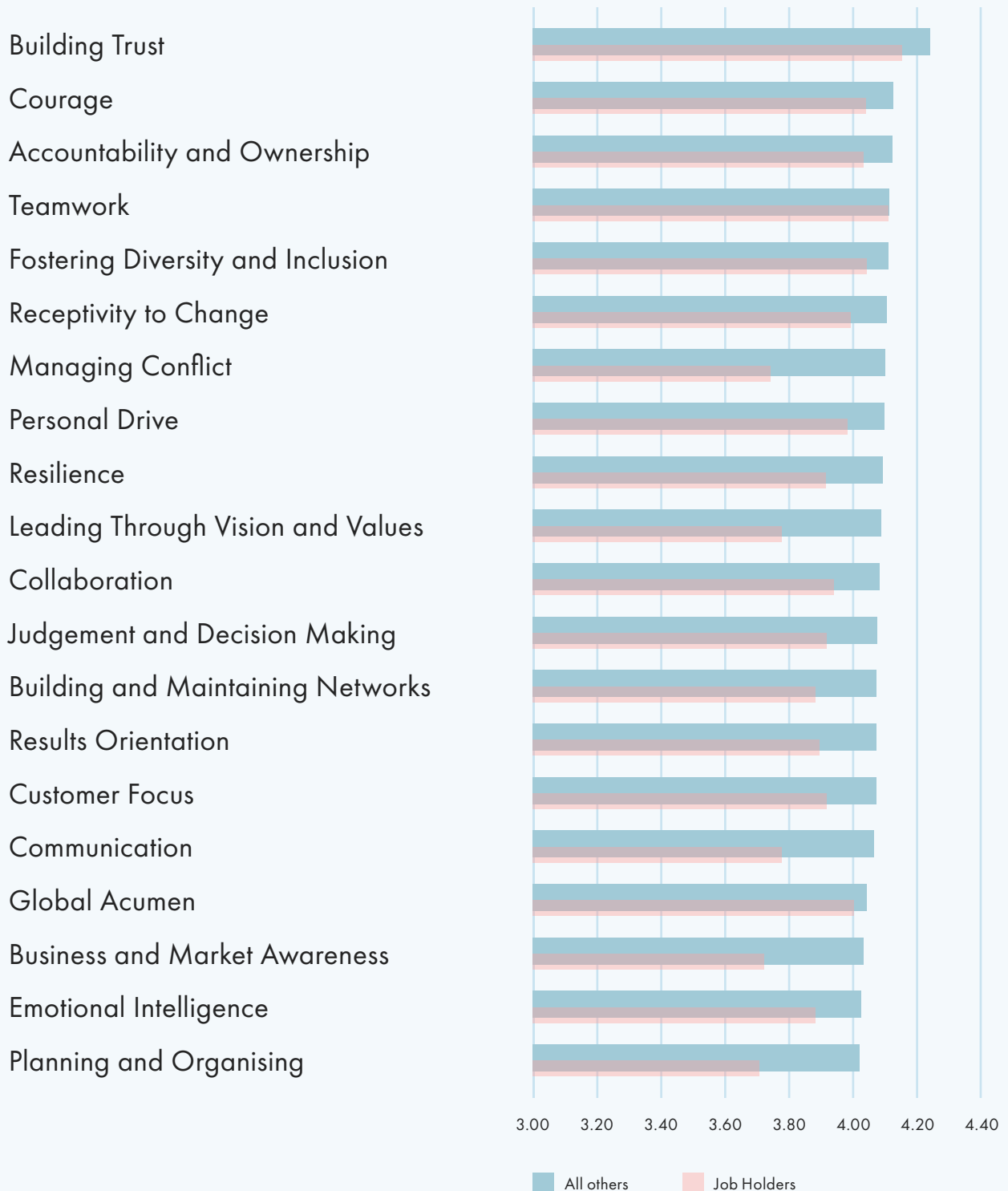
- Coaching and Developing
- Inspiring Team Effectiveness
- Fostering Diversity and Inclusion
- Building Organisational Talent
- Empowerment and Delegation

The **Working with Others** domain includes competencies that deal with an individual's ability to establish, leverage and maximise relationships across the organisation. While these competencies are vitally important for how a leader manages their own team, they are the foundation of effective interpersonal relationship across the whole organisation (and outside the organisation). The most commonly assessed competencies within this domain include:

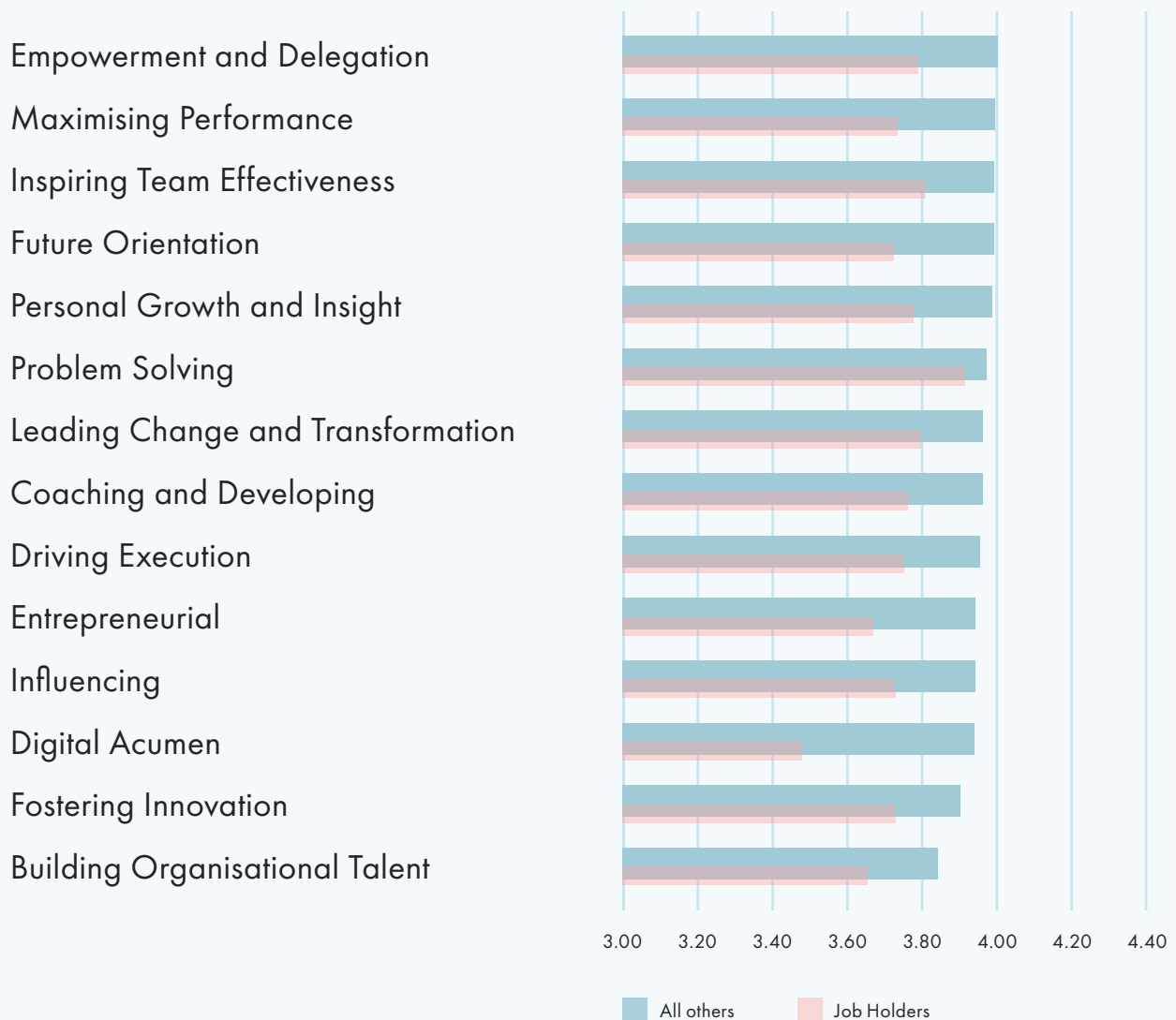
- Collaboration
- Communication
- Influencing
- Building Trust
- Emotional Intelligence

The chart on the following page shows the lowest and highest rated competencies sorted by the average score for All Other respondents (i.e. managers, direct reports, peers and others).

Average Score - Self vs Others



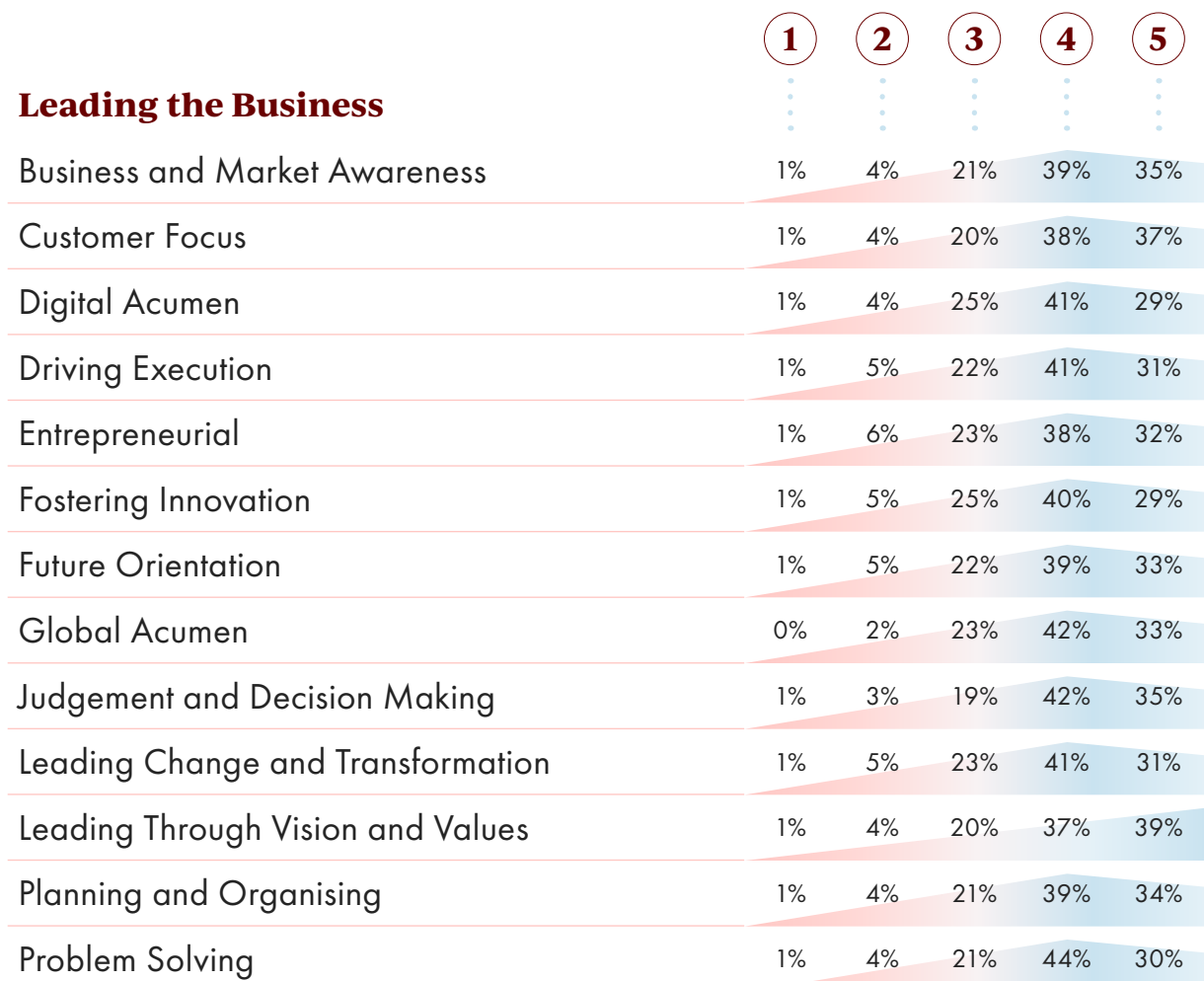
Average Score - Self vs Others (*continued...*)



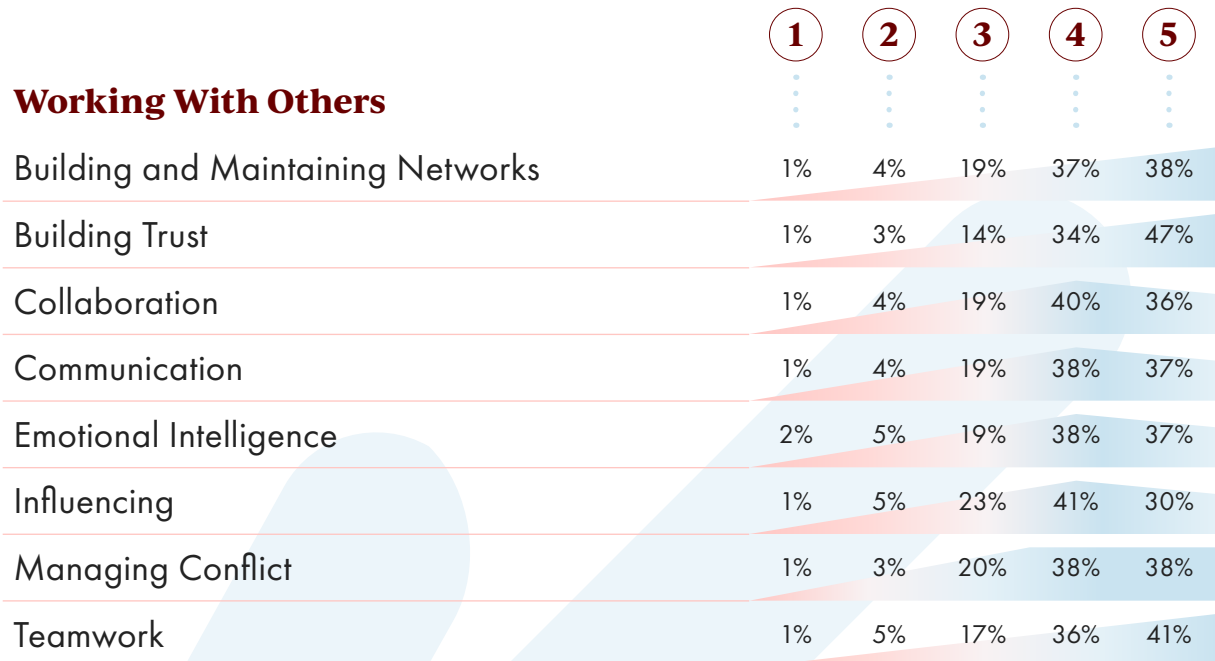
It is worth noting that the average scores sit within a relatively small range (3.84 to 4.24). This tends to happen when averaging scores across a large data set. The table on the next page shows the distribution of ratings for each competency based on All Other respondents.



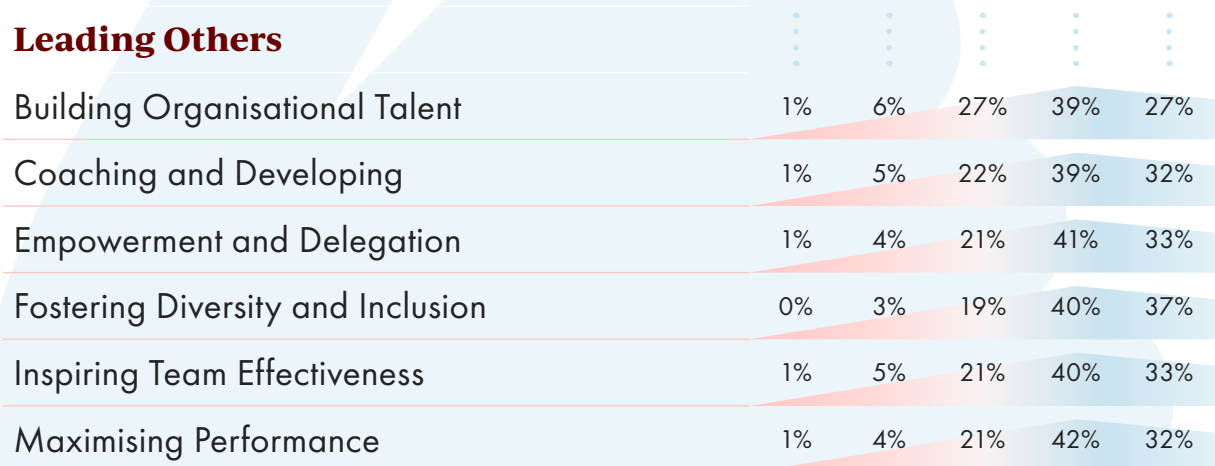
Leading the Business



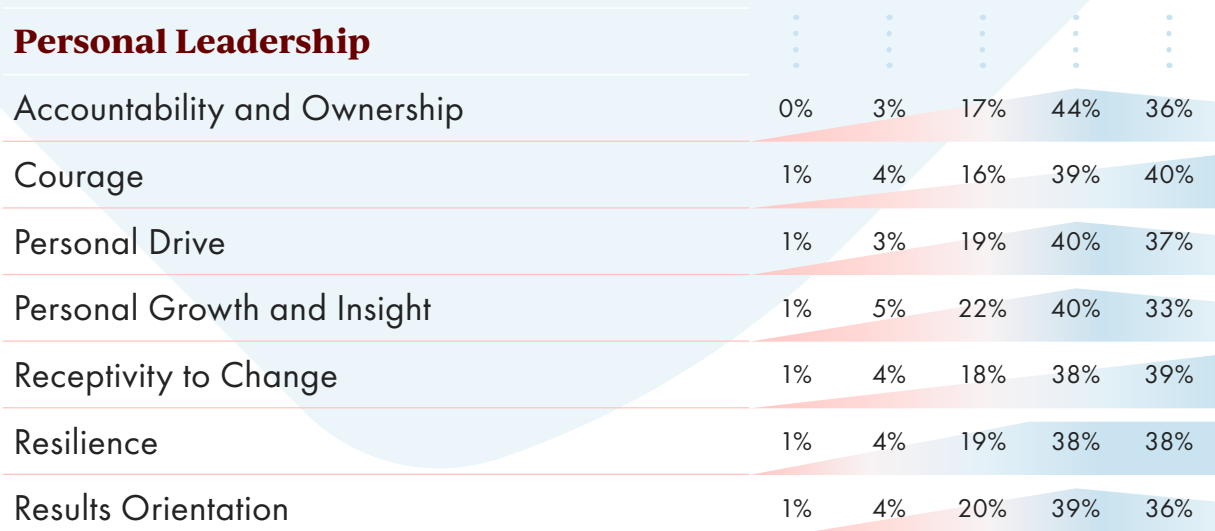
Working With Others



Leading Others



Personal Leadership



Exploring Rater Differences

360-Degree feedback is a competency or behavioural assessment tool that gathers feedback and observations from a variety of people including managers, peers, and direct reports. Assuming respondents have sufficient opportunity to work with the participant or job holder, the feedback is based on what they observe and therefore allows individuals to identify areas where their perception of their own behaviour may be different to others.

While high levels of interrater reliability are necessary for other types of assessments such as assessment centres, 360-Degree feedback assessments assume that respondents from different groups may bring different perspectives based on their own experience. As such, some degree of disagreement across rater groups is to be expected and is not an indicator of poor-quality ratings. But does any group consistently rate harder than others and to what extent are self-ratings consistent with all others?

Based on our data here's what we found:

- When compared to ratings for direct managers, direct reports and peers, **the average score for job holders was lower than all other respondent groups for 15 of the 34 competencies reviewed. For 18 of the 34 competencies reviewed, direct managers rated lower than all other respondent groups including job holders.** In just one competency, peers rated the lowest and, in all competencies, direct reports rated the most favourably. Refer to following page.
- When we compared the average rater score for all others combined to that of the job holder (self-rating), **job holders rated themselves lower in all 34 competencies.**
- When we examined scores for individual projects, **we found that in 61% of projects, job holders on average rated themselves lower than the average score of all other combined.**

J = Job Holder | **M** = Manager | **P** = Peer | **D** = Direct Report



Domain	Competency	Lowest Rater	Highest Rater
LEADING THE BUSINESS...	Fostering Innovation	M	D
	Entrepreneurial	J	D
	Digital Acumen	J	D
	Leading Change and Transformation	M	D
	Driving Execution	J	D
	Future Orientation	M	D
	Global Acumen	M	D
	Problem Solving	M	D
	Business and Market Awareness	M	D
	Planning and Organising	J	D
	Customer Focus	M	D
	Judgement and Decision Making	M	D
	Leading Through Vision and Values	J	D
WORKING WITH OTHERS...	Influencing	J	D
	Emotional Intelligence	M	D
	Building and Maintaining Networks	M	D
	Managing Conflict	J	D
	Collaboration	M	D
	Communication	J	D
	Teamwork	M	D
	Building Trust	J	D
LEADING OTHERS...	Building Organisational Talent	J	D
	Maximising Performance	J	D
	Coaching and Developing	J	D
	Empowerment and Delegation	J	D
	Inspiring Team Effectiveness	J	D
	Fostering Diversity and Inclusion	M	D
PERSONAL LEADERSHIP...	Personal Growth and Insight	J	D
	Receptivity to Change	M	D
	Results Orientation	M	D
	Courage	P	D
	Personal Drive	M	D
	Resilience	M	D
	Accountability and Ownership	M	D

Research has found that self-ratings in general are modestly correlated with other rater perspectives with a greater convergence between peer and manager ratings. This is consistent with our findings. While job holders tended to be harder on themselves the difference between self and other ratings ranged from just 0.002 to 0.460 on a 5-point scale.

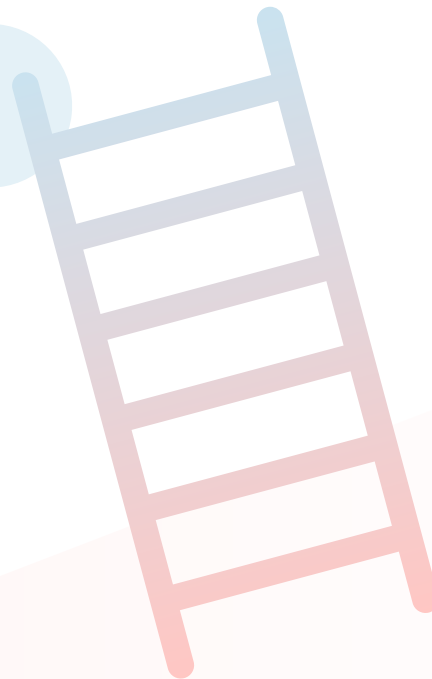
Research also suggests that manager ratings are more closely related to other indicators of job performance such as promotions. They are more likely to emphasise business and performance related behaviours. Direct reports tend to emphasise competencies in the interpersonal/leadership domains. Based on our data, the five lowest rated competencies by managers included Digital Acumen, Building Organisational Talent, Fostering Innovation, Entrepreneurial and Business and Market Awareness. Four of the five competencies come from the 'Leading the Business' domain.

Highest Rated Competencies by Respondent Groups

	Job Holders	Direct Reports	Manager	Peers
1	Building Trust	Managing Conflict	Building Trust	Building Trust
2	Teamwork	Building Trust	Courage	Accountability and Ownership
3	Fostering Diversity and Inclusion	Personal Drive	Fostering Diversity and Inclusion	Resilience
4	Courage	Receptivity to Change	Teamwork	Leading Through Vision and Values
5	Accountability and Ownership	Courage	Accountability and Ownership	Teamwork

BUILDING TRUST

(Working With Others)



BUILDING ORGANISATIONAL TALENT

(Leading Others)

Lowest Rated Competencies by Respondent Groups

	Job Holders	Direct Reports	Manager	Peers
34	Digital Acumen	Building Organisational Talent	Digital Acumen	Building Organisational Talent
33	Building Organisational Talent	Coaching and Developing	Building Organisational Talent	Fostering Innovation
32	Entrepreneurial	Driving Execution	Fostering Innovation	Entrepreneurial
31	Planning and Organising	Problem Solving	Entrepreneurial	Influencing
30	Business and Market Awareness	Influencing	Business and Market Awareness	Digital Acumen

• A Few Final Observations and Takeaways from the Analysis

- Job holders and managers tend to be the 'harder' raters, however when the data for all 'other respondents' is combined, job holders rate themselves lower in the majority of competencies.
- Consistent with other research, job holder ratings are modestly correlated with other rater perspectives with a greater convergence between peer and manager ratings.
- On a five-point scale, the majority of respondent ratings fall between 3 and 5. This is consistent with other [research](#) that has found 360 degree ratings are skewed to the positive and organisation often struggle to get respondents use the full scale. Interestingly, some [research](#) has found that using positively worked response scales increases the standard deviation across competencies and as such might be a better way to increase variability in rater responses.
- While direct reports consistently rate higher than other respondent groups, they see opportunities for improvement in areas that impact them the most, such as coaching and developing and building organisational talent. Other opportunities identified by direct reports speak to more tactical needs such as driving execution and problems solving.
- Managers identify opportunities in competencies that are more aligned to new and emerging business needs such as digital acumen, fostering innovation, entrepreneurial and business and market awareness. This is similar to the results for peers.
- Building trust was identified as a strength by all respondent groups. Other competencies that were consistently rated as strengths included teamwork, courage and accountability and ownership.

In future pieces we will explore the implications of this data and examine and trends across the last three years including any differences across the period of the pandemic. We will also explore any implications for the future.

An analysis of this kind can provide powerful insights into the application of 360-Degree feedback across organisations. What we know though, is that no two processes are the same and maximising the impact of your 360-Degree initiative requires careful thought and planning. With that in mind, we close out this piece with three things to consider when implementing a 360-Degree feedback process.

- Are you clear about the purpose and importance of the 360-Degree feedback process and have you developed a strategy and plan to communicate expectations and support for the implementation?
- Have you considered all the logistics associated with the implementation of the 360-Degree process such as the configuration of the survey, technology, scope and scale of the project (e.g., staging the rollout so people don't get overwhelmed by the volume of assessments), feedback process and report protocols (e.g., who, when and how reports are accessed)?
- What support and resources are in place to action the feedback (e.g., development resources, coaches, follow up surveys).

A data driven view of the pandemic and beyond

- There is no question that the last 24 months has been one of the most difficult times for organisations, leaders and employees. The conditions thrown up by the pandemic, have transformed the workplace, relationships at work and the nature of work itself.

In the end, some of these changes, such as the shift to hybrid work, have been positive, while others have created challenges that very few of us would have anticipated or been prepared for.

Furthermore, the timing, volatility and length of the crisis has meant most organisations and people have been taken on an economic and emotional rollercoaster, unlike any other crisis (including the GFC) we have seen before.

Leading Through a Crisis

A lot has already been written about the pandemic and the skills required by leaders and employees to navigate through and out of this crisis. A review of various studies and whitepapers from experts such as [McKinsey](#), [Deloitte](#) and [DDI](#), reveal some common themes. They include:

Empathy – At the heart of empathy is the ability to understand the impact you have on others, understand how others are feeling and most importantly the ability to act on that understanding. The growing body of research into empathy, shows that leaders who are strong in this area, not only develop better working relationships, but they also drive better outcomes in areas such as innovation and decision making.

Communicate to Build Trust – Communication is a broad capability, that includes several elements. The key through a crisis is the ability to build trust through open, transparent, and frequent communication, with individuals, teams, and the broader organisation.

Decision Making and Judgement – In a pandemic, decision making is based on the ability to rapidly assess a situation, anticipate possible scenarios and act with an appropriate level of urgency. All of this within a context that is often unfamiliar, uncertain, and ambiguous. Survival through a crisis calls for bold, courageous, and sometimes unpopular decisions.

Empowerment and Delegation – With few or no past examples to draw on, leaders must be comfortable sharing decision making and actions. Leaders simply don't have the portfolio of skills, knowledge and experience to navigate every possible scenario. As such they must be prepared to let go and empower others individually and collectively.

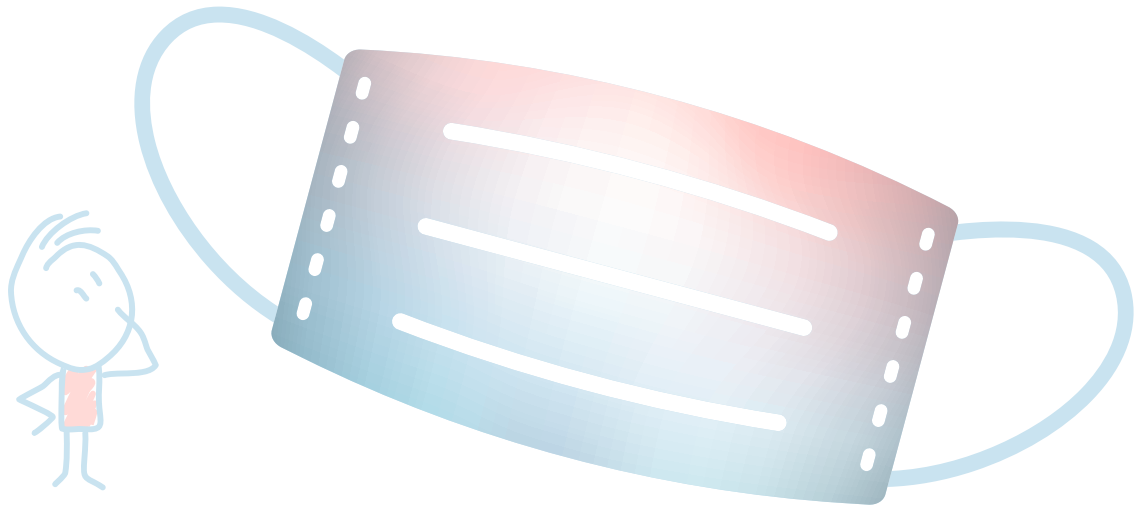
Resilience – Resilience is the ability to maintain composure through challenging times as well as the ability to recover quickly from setbacks. Through a crisis a key element of resilience is redefining our relationship with failure. According to Dr. [Sandra Peter, from the University of Sydney](#) “failure should not be looked upon as a dirty word, but rather a vital tool for learning resilience and survival.”

Adaptability – Change through a crisis like this pandemic is inevitable. From ‘small’ changes to the way people work, through to major disruption to industries and organisations, the ability to move with these changes allows individuals and organisations to quickly respond to challenges whilst seizing new opportunities for individual and organisational growth.

What The Data Tells Us

The [Australian Leadership Index](#) (ALI), presented by Swinburne University provides an interesting perspective on leadership across the pandemic. The index captures public perceptions of leadership across different sectors based on several factors including transparency, responsiveness to people, economic outcomes, and ability to balance needs of different groups. While the index tends to focus on factors associated with broader public interest, it provides an indicative view of perceptions of leadership across multiple sectors including public, private, and not-for-profit.

According to the ALI 2020 Australian Leadership Index Annual Report, “COVID-19 was a turning point. In 2020, for the first time, public perceptions of leadership... began trending positively”. However, since the start of 2021, perceptions have started to fall again. This data suggest that through the early stages of the pandemic, leaders were responding positively to the challenges and pressures they faced (or at least that was the perception of others). However, through the course of the last 9-12 months, perceptions of leadership have once again declined. The ‘new normal’ is already here and people are expecting more.



“The ‘new normal’ is already here and people are expecting more.”

This finding is also supported by [DDI's Global Leadership Forecast](#), which found that the percentage of leaders rating leadership quality within their organisation as ‘high’ increased through the early stages of the crisis. Leadership ratings peaked 14% higher at the onset of the COVID-19 crisis but fell away in the later part of 2020.

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Having continued to collect **360-Degree feedback** across the period of the pandemic we wanted to see if there were any insights and trends that might shed light on how individuals and leaders have responded to the crisis and in particular the competencies outlined above. And as we emerge from the crisis, we also wanted to assess the readiness of leaders and organisations to step into what has been described as the ‘new or next normal’. When working with 360-Degree feedback data, the difference may be subtle but the trends profound. Small shifts can reflect significant changes in perception.

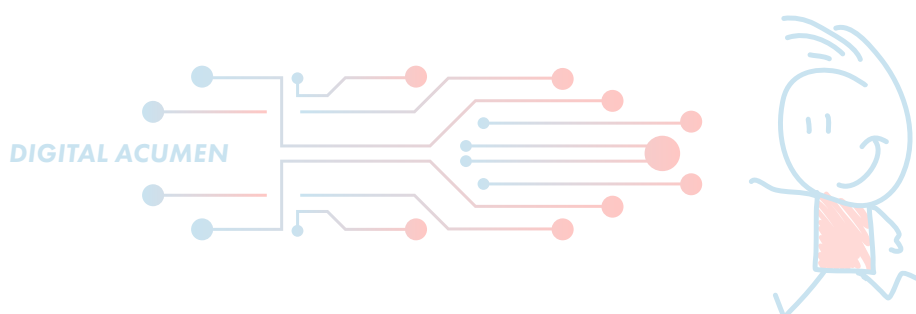
Here's what we found.

- At the start of the pandemic and through 2020 we found self-ratings on personal leadership competencies such as resilience and personal growth and insight increased. However self-ratings for resilience and personal growth fell away in 2021. It suggests that individuals responded well under the pressure of the first wave but have struggled through more recent stages of the pandemic. This finding is supported by other [research](#) that has found people remained relatively resilient through the first wave of the pandemic but struggled as the year went on.
- While resilience and personal growth have been tested, job holder scores for **receptivity to change** and **adaptability** have increased through the course of the pandemic suggesting individuals are becoming more comfortable with a constant state of change. Job holder and other scores for **leading change** also increased slightly through the pandemic and have remained relatively stable since.
- Job holder scores for **leading through vision and values** increased quite significantly in the early stages of the pandemic suggesting leaders mobilised around a common purpose, i.e. navigating the pandemic. Scores have since fallen again as leaders try to reignite meaning and purpose for their teams and organisations. We know that purpose and meaning at work is currently being tested and many [experts](#) believe we are on the verge of the 'great resignation' that will see people leaving organisations in search of opportunities that are more deeply aligned to their needs and aspirations.
- The pandemic became a catalyst for a new foundation of trust. For decades, organisations had the technical ability to switch businesses to a virtual workplace but only a small percentage of them made the leap; why? Much of the resistance was driven by fear. Fear that leaders couldn't tell if their employees were really working. Fear that they would lose control of their teams. Scores for **building trust** remained relatively strong and stable through the pandemic.

While we haven't yet witnessed any drop off in building trust, things may be about to change if leaders are not prepared for the critical conversations and moments that will inevitably play out over the coming months. A recent [study](#) by the Stephenson Mansell Group found that leaders are struggling with conversations like return-to-work discussions. For many leaders, having to confront differing perspectives on an issue like this without the skills, can lead to increased anxiety. This anxiety can quickly escalate with a fight response where a leader becomes overly assertive, intolerant, or frustrated. There is a risk that the trust built up over the last 12-18 months may quickly be eroded.

- According to [McKinsey](#) a crisis like the pandemic requires a very different style of leadership, underpinned by a willingness to empower others. "In crises characterized by uncertainty, leaders face problems that are unfamiliar and poorly understood. A small group of executives at an organization's highest level cannot collect information or make decisions quickly enough to respond effectively". Throughout the pandemic we have seen both job holder and other scores for empowerment and delegation go up, suggesting leaders have been more willing and prepared to let go. In fact, empowerment and delegation is one of the few competencies that has continued to rise through the various phases of the pandemic.
- Many would argue that the most important leadership skill through the pandemic and beyond is emotional intelligence and in particular empathy. Along with empowerment and delegation, **emotional intelligence** is one of the few competencies that has continued to rise through the pandemic for both job holders and others. This suggests that leaders are far more aware of the importance of emotional intelligence and perhaps given their own state of mind are more acutely aware of how others may be feeling. In a crisis like this, we sometimes forget that leaders are also participants in the crisis and struggling with their own emotions and responses. In fact, [research](#) points to the fact that 60% of leaders feel 'used up' at the end of each day; a strong sign of burn out. While scores for emotional intelligence have continued to rise this competency must continue to be a priority for leaders and organisations.

- As the world shifted to digital and virtual, job holder scores for **digital acumen** increased through the early stages of the pandemic. Leaders and employees across all industries and levels found themselves having to quickly develop new digital skills. [DDI research](#) found that digital acumen became 25% more important for leaders responding to the crisis. However, digital acumen stabilised in the later part of the pandemic and remains one of the lowest rated competencies across our full data set. In the context of the 'new normal', this represents a serious gap and leaders, and organisation must continue to enhance their digital capability. The pandemic has brought on the 'future of work' much faster than expected and digital will be a key factor.
- Our traditional approach to decision making has focussed on the application of rational models that define a series of predictable steps. Yet many would argue in the context of a pandemic, leaders and executives are rarely able to apply a rational approach. Leaders are faced with multiple, even competing and unclear challenges and objectives. Across the various stages of the pandemic, we saw scores for **decision making and judgment** remain relatively stable. However, scores for **problem solving** increased. This suggests that leaders became more adept at solving problems in this unfamiliar and constantly evolving context. What we also observed however was that job holder scores for **future orientation** have continued to fall through the period of pandemic, suggesting leaders are more focused on current business challenges. As we emerge from the pandemic, this focus needs to shift to the future to ensure organisation are prepared to seize new and emerging opportunities. Many of these will be 'digital' so with scores for **digital acumen** also low, more work is needed if companies are flourish in the future.



The last 24 months have been very tough on organisations, leaders and employees. And while, the business context is starting to get back to some level of normality, the business and leadership landscape will remain somewhat volatile and uncertain for the foreseeable future. The test for many organisations and leaders is how do they start to turn their attention to the future. According to [Larry Clarke](#), managing director, global learning solutions, at Harvard Business Publishing corporate learning, “Underlying all of this is the need to let go of any expectation of certainty. Leaders need to become more comfortable with the idea that they’re not always going to have clear answers to provide, that they won’t always be able to project certainty.”

Leadership is all about judgement across multiples domains including markets, relationships, people, and self. Given the scope and speed of change, errors of judgment are inevitable. However, if there is one key message in our data, it is that we must now turn our attention to the future, rather than the past.

About the Data and Analysis

This research draws on more than 1 million data points from more than 3000 engagements across the globe (2018-2021). For this analysis we split the data in to three periods: pre April 2020, April 2020 to December 2020 and 2021.

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