

# Multisource Feedback for Executive Development

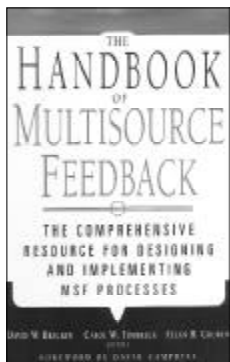
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Today's executives are increasingly seeking relevant, focused and time-efficient development experiences. Multisource feedback (MSF) is fast becoming a preferred "tool" for delivering this type of executive learning. When done correctly, it can be the highest-impact development experience an executive encounters throughout the course of a career.

Peter Drucker has noted, "The leader of the past was someone who knew how to tell. The leader of the future will be someone who knows how to ask" (personal communication, Jan. 1998). The rise of the knowledge worker, interdependent partnerships, shared leadership, and continuous technological improvement (among many other challenges) require leaders to be continuously in tune with feedback from multiple sources in order to maximize individual and organizational effectiveness. MSF is one effective way to deliver this information in a timely and confidential manner.

The ultimate goal of an effective MSF process should be to help individuals achieve *positive, measurable, long-term change in leadership behavior*. We have found that using an "executive-owned" leadership profile, engaging executives in the *process* (rather than creating a one-time event), encouraging follow-up, and providing ongoing coaching are the most critical variables in successfully using MSF as an executive development tool. These key success factors are covered in more detail in this chapter, along with new research findings on the "global leader of the future" (as reported by Andersen Consulting Institute for Strategic Change, 1999; and Keilty, Goldsmith & Company, 1999).

## Developing a Custom Profile for Executives

More and more organizations are choosing to develop custom leadership profiles for their executives. In our experience (through developing more than seventy such profiles and reviewing countless others), we've found that no one profile is the ultimate. What is really important in a custom profile is that the executives and their organizations *take ownership* for them.

With ownership, executives sense that the profile speaks the language of the organization. They will find it intrinsically comfortable, not foreign or irrelevant. Although they may not agree with every item on the inventory, they are likely to find that the majority of items are relevant to the leadership challenges their specific organizations face.

A successful profile involves executives heavily in the development and editing process. Executives should be interviewed regarding their views on successful leadership behavior for the organization. They should then have multiple opportunities to offer input on the various drafts of the inventory. The most critical reason for this approach is that executives have to take ownership for the inventory.

In larger organizations, it is often beneficial to develop multiple (but closely related) profiles. Executives, middle managers and individual contributors may each develop their own inventories. (Johnson & Johnson employs three inventories: executive inventory, advanced manager and individual contributor.) This approach distinguishes the executive profile from those employed in the rest of the organization. Executives will better appreciate the profile's relevance to their unique challenges.

### **The Profile Development Process**

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Custom profiles are not difficult to develop. Assuming relatively unobstructed access to executives' schedules and other materials, one can develop a profile in about a month. Here are the recommended steps needed to develop a custom inventory (see Chapter Six for more on this subject):

1. *Ask.* Conduct interviews with executives, customers, suppliers, and any other key stakeholders. Ask them: "What do you want out of your leaders for the future?" "What specific behaviors would you like to see leaders demonstrate?" "What specific behaviors would you like to see leaders avoid?" Also consider the vision, values, culture and strategy of the organization in the data-collection process.
2. *Create.* Organize the data into key themes and draft the profile based on those themes. Create inventory items that closely match the feel of what was expressed in the data. Use as many "native" words as possible. Create items that are easy to comprehend, avoiding complex phrasing or compound sentences.
3. *Revise.* Gather as much feedback on the profile from as many individuals as possible. It is very important to allow every executive the opportunity to offer input. Their ownership is critical.

4. *Refine.* Refine the inventory to reflect the input received. It may be necessary to gather input several times to get it "just right." The important part is that, in the end, executives feel that it is *their* inventory.
5. *Gain final sign-off.* The CEO of the organization should review and approve the final inventory. In the best-case scenario, the CEO personally endorses the inventory with a signed cover letter.

You may find that one inventory is not significantly better than another; what is really important is that the inventory be designed specifically to capture the language and feel of the organization.

### **Key Competencies for the Future: The Andersen Global Leader of the Future Inventory**

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With all the talk about customization, many executives still prefer a standardized, credible, best-in-class leadership profile. Recent comprehensive research with more than two hundred high-potential leaders from more than a hundred of the top organizations around the world (jointly conducted by Andersen Consulting and Keilty, Goldsmith and Company) has led to development of the Andersen Global Leader of the Future Inventory (Andersen Consulting Institute for Strategic Change, 1999).

The inventory anticipates the necessary competencies required to lead the global organization of the future. The research pool was purposely restricted to those identified as "high-potentials" in their organizations. These individuals were handpicked as potential future leaders of their organizations. The data collected from interviews, surveys, and focus groups of these individuals resulted in the Global Leader of the Future Inventory.

Some of the inventory's competencies may initially appear familiar, but research indicates that future executives need to continuously elevate their leadership skills in these and new competencies in order to successfully compete in tomorrow's global marketplace, as this list details.

### *Global Leader of the Future ...*

Thinks globally  
Anticipates opportunity  
Creates a shared vision  
Develops and empowers people  
Appreciates cultural diversity  
Builds teamwork and partnerships  
Embraces change  
Shows technological savvy  
Encourages constructive challenge  
Ensures customer satisfaction  
Achieves a competitive advantage  
Demonstrates personal mastery  
Shares leadership  
Lives values

A few of these key competencies are worth highlighting.

•*Shows technological savvy* (Goldsmith & Walt, 1999). Awareness of how technology can influence the organization and its environment is a necessity and can no longer be delegated to the technical people. Executives must know how to make and manage strategic investments in technology.

•*Thinks globally*. Today's organizations are already competing in a global marketplace. Tomorrow's executives will not only need to understand globalization but also have to continuously make skilled decisions with a global mind-set and regularly help others understand the impact of globalization.

•*Shares leadership*. Future executives need to rely more on influence than authority. The concept of a shared vision becomes an even more critical component in motivating people across boundaries.

The Global Leader of the Future Inventory is one example of a standardized profile. Like others in the field, it represents well-researched findings on the future of global leadership. This adds credibility to the profile, encouraging executives to adopt it for use in their own organizations.

### **Using MSF to Develop Leaders and Executives: A Process, Not an Event**

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Regardless of the customized or standardized approach selected, an MSF process is only as good as its *process*. Multisource feedback should not be viewed as a one-time event to be checked off an executive's to-do list. It is a process that must continue long after the feedback report is delivered.

After consulting to countless executives and their organizations, we've identified six steps to represent the best practice in an effective MSF process:

1. *Solicit feedback*. Begin by distributing assessments. Direct reports, peers, customers, suppliers, "matrixed" direct reports, and others may be asked to give feedback to the executive participant.
2. *Review results*. Participants receive coaching from an outside expert, highlighting the themes of the feedback and assisting the leader in selecting one or two (maximum) areas of development.
3. *Develop an action plan*. A written action plan consisting of specific, measurable goals is necessary. This can be easy to compile. Most people already know what to do; often they just need the discipline to do it.
4. *Respond*. Participants need to follow up with their respondents, thank them for their feedback, share what they're working on, and ask for future-focused suggestions relating to their areas of development.
5. *Follow up*. Every two months, participants check in with respondents to gauge their improvement over time.

6. *Do a minisurvey.* Carry out a brief multisource minisurvey of two to four items, targeted directly at the executive's selected areas of development, to measure improvement over time. Several rounds of minisurveys are suggested. Repeat the full assessment in two years.

Most multisource feedback processes tend to fade away after the initial coaching session or action-planning. This is an incomplete approach and does very little to promise long-term behavioral change (and it may even invite cynicism). Leaders need to execute a sustained follow-up strategy to ensure success. Compelling evidence demonstrates that executives can achieve successful behavioral change through regular follow-up with others.

### **The Impact of Follow-Up on Leadership Effectiveness**

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Over the past several years, we have compiled follow-up data on executives from a number of industries. The same finding constantly reappears: follow-up works.

The graphs in this chapter represent composite follow-up data of executive groups from five major organizations. (Because each organization had a different number of executives in our database, we reweighted the data so that each organization accounted for an equal amount.) In each organization, executives received multisource feedback, selected areas for development, created action plans, and were strongly encouraged to respond and follow up with their respondents regularly.

Approximately three to six months after the original feedback session, the executives participated in a follow-up minisurvey (see [www.bunderhill.com](http://www.bunderhill.com) for a sample). Minisurveys are very short, targeted multisource assessments aimed at measuring change in leadership effectiveness over time. Each minisurvey contains questions relating to the executive's perceived change in overall leadership effectiveness, follow-up behavior, and several specific self-selected items relating to their own personal areas of development.

The key survey question asks, "Do you feel this person has become more or less effective as a leader

in the past six months?" Respondents rated the executives on a scale from -3 (less effective) to a +3 (more effective).

The results are quite impressive (see Figure 17.1). Overall, 42 percent of the executives improved at +2 or +3 level. An impressive 76 percent improved at a +1, +2 or +3 level. Only 4 percent got worse.

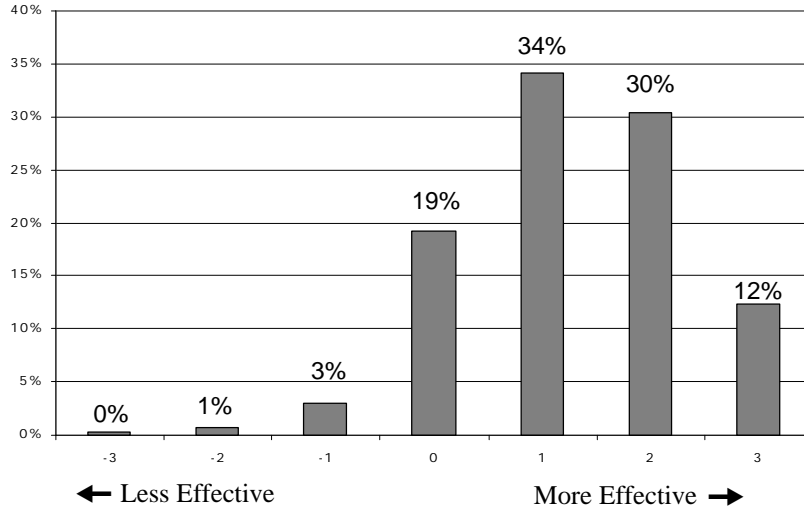
However, a striking difference appears when the results are separated between those who followed up with others and those that did not (see Figure 17.2). Respondents were asked to indicate if the executive had followed up with them regarding what he or she learned from their leadership feedback.

The differences are compelling. Forty-nine percent of leaders who followed up improved at a +2 and +3 level, compared to 35 percent of leaders who did not follow up. Eighty-four percent of leaders who followed up improved at a +1, +2 or +3 level, compared with 67 percent of those who did not. Sixteen percent of leaders who did follow up stayed the same or got worse. For leaders who did not follow up, the figure more than doubles: 33 percent of those leaders stayed the same or got worse.

Clearly, following up with others is a key success factor in positively altering people's perceptions of leadership effectiveness. We've also discovered that the *amount* of follow-up is positively correlated with perceived change in leadership effectiveness (Keilty, Goldsmith & Company, 1992). Similar research with leadership groups around the world reveals surprisingly similar results. Additionally, findings from nonexecutive leaders are also very similar to the data presented here.

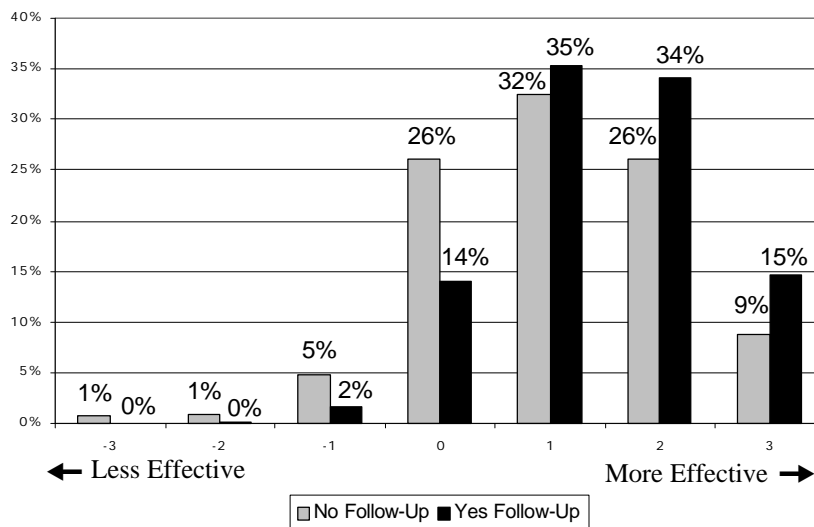
This degree of success at the executive level has far-reaching benefits for the organization. Executives receiving positive minisurvey results are more likely to continue practicing their new behaviors, follow up regularly, and enthusiastically support the multisource assessment process as it proceeds further into the organization. Additionally, the executives are seen as role models for encouraging feedback, successfully changing behavior, and following-up; in short, they perpetuate the positive benefits of the MSF process for the rest of the organization.

**Figure 17.1. Change in Overall Leadership Effectiveness.**



*Note:* N=3,838 respondents.

**Figure 17.2. Change in Overall Leadership Effectiveness (Follow-Up).**



*Note:* N=3,655 respondents.

## Why Does Follow-Up Work?

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Leaders who follow up create an expectation for change. They then check in regularly with others to see if the change has been noticed. In doing this, the leaders are working not only to change their behavior but to change people's *perceptions* of their behavior as well.

Consider two illustrative examples.

*Scenario A:* "Joe" receives feedback indicating that he's making too many destructive comments. For the next six months, he doesn't make a single discouraging remark. In the sixth month, Joe slips and makes a destructive comment. What do people around him think? "That Joe, he never changes!"

*Scenario B:* "Joe" receives feedback indicating that he's making too many destructive comments. He does not make a destructive comment for six months, *and* he follows up with his co-workers every two months, asking, "I've been working on not making destructive comments. How have I been doing?" In the sixth month, Joe slips and makes a destructive comment. What do people think? "Joe may have slipped recently. But he's really improved over these past few months."

In Scenario A, Joe's behavior changed. People's *perceptions* of his behavior did not. In Scenario B, Joe's behavior again changed, but now people's perceptions of his behavior also changed. As executives follow up and ask others whether or not they have perceived improvement efforts, they are changing perceptions. Successfully changing perceptions empowers the executive to continue making positive changes over a longer period of time.

## Using MSF With Executive Coaching

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In recent years, MSF has been more frequently used with long-term executive coaching engagements. This business is growing rapidly; requests for ongoing, behavioral coaching are increasing swiftly among multisource feedback clients. Assigning credible, external coaches to work with executives is

an effective strategy for maximizing the value of feedback in driving behavioral change. The coach works as an objective third party, extending unbiased analysis, suggestions, and observations on the executive's behavior.

The coach is also there for the long run. He or she serves as the leader's conscious, providing on-the-job tips, observations and instructions. In many ways, a coach serves as a "behavioral personal trainer," reminding the leader to continuously work toward his or her developmental goals and to follow up with others. Through coaching, organizations ensure that they are creating the greatest amount of behavioral change from the multisource process.

Coaching should be frequent but brief. It should not waste time. Executives want to improve, but they don't want to spend an inordinate amount of time trying to do so. After a few up-front visits, coaching should continue mostly by phone, email or videoconferencing, with the primary purpose of monitoring follow-up activities. Executive coaching should be specific, targeted, and just-in-time. The behavioral-change coaching process should be followed, as we highlight next.

## The Behavioral-Change Coaching Process

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The steps in the behavioral-change coaching process are not unlike those presented for the multisource feedback process; they're just more in depth (see also Goldsmith, 1996).

First, identify raters. Prior to feedback collection, the coach and the executive work together to determine who should provide feedback (direct reports, peers, customers, suppliers, members of the management team, and so on). It is important to select a good mix of individuals.

Second, gather feedback. The MSF inventory is used for this purpose, however some coaches may choose a qualitative multisource data-gathering process as well (say, interviewing key stakeholders confidentially to gain insight on the participant's positive and negative behaviors).

Third, analyze results, and get buy-in. Review the feedback report. Look for themes. The individual

must accept that he or she needs improvement in a few areas. Select one or two areas of development that represent both the largest gap and the greatest potential for success.

Fourth, create an action plan. The most appreciated outcome of any executive coaching program is specific advice. Coaches should work with executives in offering specific tips and suggestions. SMART goals (specific, measurable, actionable, relevant and time-bounded) should be outlined.

Fifth, respond. The executive should speak with each respondent, indicate her or his selected areas of development and collect additional suggestions for improvement. The coach needs to monitor and ensure that the executive conducts these conversations with every member of the key stakeholder groups.

Sixth, follow up. The executive should regularly follow up with everyone regarding his or her development action plans. At this point, the coach serves more as a personal trainer, reminding the leader to continuously work the action plan goals and follow up regularly with others.

Seventh, use minisurvey measurements. Ongoing, follow-up minisurveys constitute a measurement of improvement. Success is defined not necessarily by the individual being coached, but by those key “customers” of the coaching process: direct reports, peers, boss, internal customers and others.

Although it is not difficult to understand change in behavior, it’s difficult to *do*. Nonetheless, leaders who want to improve, create action plans, and develop a disciplined follow-up plan almost always improve. The good news is that as they improve, their self-confidence increases. They keep practicing the new behaviors, and they keep improving.

### **When Feedback and Coaching Do *Not* Lead to Behavioral Change**

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Feedback and coaching do not always lead to behavioral change. We’ve found four roadblocks that interfere with successful behavioral change efforts (see also Goldsmith, 1996).

The first roadblock occurs if the leader is not willing to make a sincere effort to change. Consider the old adage “You can lead a horse to water, but you can’t make it drink.” If people do not truly want to change, they won’t. This point is exactly similar to the critical first step in Alcoholics Anonymous: participants must admit, “I’m an alcoholic.” If this step is missing (or faked), behavioral change will not occur.

The second is if the person isn’t given the opportunity to succeed. If the rest of the organization has written off or otherwise given up on the individual, behavioral change is unlikely. Others won’t be willing to give the person a fair chance to make changes and experience success.

In the third situation, the individual lacks the intelligence or functional skills to do the job. Behavioral coaching can not fix gaps in intelligence or requisite functional skills.

The fourth roadblock occurs when the individual lacks integrity. These individuals are not worth employing in your organization. Behavioral coaching does not help them. Most people will not give them a chance to change.

### **Conclusion: Living Up to the Promise of MSF**

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A danger with any popular organizational improvement tool is the risk that it could be labeled a fad. Multisource feedback at this point may very well be a fad, in the sense that the increasing frequency with which it is being used can produce careless administration, underqualified practitioners, and executive cynicism (or even disdain) for the process. The summarizing points here are well worth keeping in mind when undertaking such an effort.

•*Creating ownership.* An inventory that is not relevant to executives and their organization is likely to fail. As soon as executives complete the process, they may likely tell others, “Yes, I took it. It wasn’t really relevant.” It is critical to develop an inventory that the organization owns. If this is not possible, select a well-established standardized inventory with a positive reputation.

•*Attention to the process.* If executives go through the process in a half-committed way, the process may likely stall thanks to ambivalence. Participating executives should be made aware of the entire process before embarking on a feedback experience. They need to understand all the expectations; they can't just receive the report and check it off their to-do list. Coaching, action planning, and follow-up are all critical and required components of the process.

•*The oversurveyed problem.* Increased MSF administrations result in more surveys for people to complete. Many organizations also regularly conduct an employee opinion survey, a culture survey, a values survey, customer satisfaction surveys, etc. Each survey process then repeats itself every year! Regarding multisource feedback, we strongly suggest using more frequent minisurveys and less frequent full multisource administrations. Leaders can only keep a few key developmental areas in mind at any given moment; targeted minisurveys help keep them focused. Minisurveys also generate motivation. People are more likely to work harder at something if they know it is going to be measured.

•*Coaching.* Behavioral change requires ongoing support. Without the support, participants are likely to falter and blame the process (rather than their own failings) as the culprit. Behavioral coaching is a highly effective approach to providing ongoing support.

When done correctly, the promise of multisource feedback is extremely obtainable and well worth the effort. Executives regularly solicit the input of others to increase their effectiveness. Organizational members are more actively in tune with their strengths and areas of development. Participants regularly follow up with each other to support their developmental goals. And leaders successfully achieve positive, measurable, long-term change in leadership behavior.

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**Marshall Goldsmith, Ph.D.** is widely recognized as a foremost authority in helping leaders achieve positive, measurable change in behavior: for themselves, their people and their teams. In 2000, *Forbes* listed Marshall as one of five top executive coaches and *Human Resources Magazine* ranked him as one of the world's leading HR consultants. Marshall has been ranked in the *Wall Street Journal* as one of the world's "Top 10" consultants in executive development. He is one of the few consultants in the world who has been asked to work with over 50 CEOs. He has co-authored or co-edited nine books in the past five years including the Drucker Foundation Future Series: *The Leader of the Future* (a *Business Week* "Top 15" Best-Seller), *The Organization of the Future* and *The Community of the Future*, which have sold over a half million copies in 16 languages. Marshall's new books for 2000 are *Coaching for Leadership*, *Learning Journeys*, and *The Leadership Investment*.

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