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## Not Just for HR: Boards Can Use 360 Assessments for Actionable Insights on Operations and Leadership

April 25, 2013 by [Lori Dernavich](#)

As more private companies embrace governance practices, their boards are taking on a larger role in tracking long-term strategy and performance. We all know that financial reports tell just part of the performance story. But for board members, it can be a real challenge to get credible, actionable insights about an executive team's ability to execute on the strategy the board has approved.

In working with clients over the years, I've found that 360 assessments can provide more than just verbatim feedback on an individual leader's progress. They are also an effective way to uncover valuable details about a company's operations. I'm not talking about the online numerical ranking-type 360s that are easy to administer but often yield frustratingly inadequate results. Instead, I'm referring to a 360 conducted in an interview-style format. It provides the opportunity for depth and clarity of answers, specificity of examples, and the flexibility to alter a course of questioning based on real-time feedback. Board members can learn where to focus their expertise in order to make the greatest impact on the executive team's success.



In this model, board members, executives and a variety of key employees participate in 60-minute interviews with an outside objective party. Typically, board members want answers to the following questions.

1. **How can the CEO be a more effective leader?** Interview style 360s can actually uncover answers to this question that can't be answered in a simple online format. If employees don't perceive their CEO as a strong leader and communicator, they'll look elsewhere for guidance or fill the void with worry and confusion about who's in charge. And if they feel like no one is steering the ship, they'll think about jumping. It's important to stay on top of employee perceptions, and their comments will often provide actionable steps for improvement.
2. **Are our operational processes creating opportunities or obstacles?** Your review of last quarter's financials can't explain what's driving success or where the company missed growth opportunities. Managers often avoid sharing people or process problems with the CEO. In a 360, you can ask people to discuss the efficiency of the company's internal or customer-facing processes and talk freely about redundancies. You can also collect insights about how to capture new ideas or foster innovation. With these details, the board can help the executive team see past blind spots and focus on critical improvements.
3. **How can we help executives understand the impacts of their behavior?** It's difficult for many executives to fully trust the board's behavioral feedback if they think it's based on hearsay. One CEO client commented that board members don't work with him every day, so how could they really know how he works with employees or what the culture is like? The 360 provides a channel of credible feedback from a diverse group of employees that can provide specific examples of behaviors so boards can effectively make the case for change.

Board members are typically surprised that they can gain such valuable insights with such a minimal investment of time. If your board is looking for new ways to improve its governance in 2013, let's talk. An interview-format 360 of your CEO may help you mitigate risks and uncover the strengths and talent that will deliver the best returns.

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