



# 360 Review Software Tools: The Complete Buyer's Guide

# Choosing a 360 Review Software Tool: A Buyer's Guide

| Get the greatest possible ROI for your investment with these tips.

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# Purpose

Only 21% of employees say they've heard meaningful feedback over the past week. That means most organizations are missing out on many of these benefits. With clear feedback, self-awareness will grow and employees will thrive.

**What is 360 review software? In a nutshell, these tools help gather a wide range of perspectives on each employee's performance. Everyone from managers to direct reports—and, of course, peers—can share this feedback. Then, the employee can work with a manager to improve based on these results. For these reasons, 360 review software is a core part of a good performance management solution.**

Let's now examine the purpose of 360 software and how to find the right tools to help get you started. Then, we'll explore how to get the most from them.

## The Purpose of 360 Review Software

- Supporting continuous performance management. With a good 360 review system, employees don't just get robust feedback once a year. Instead, they receive 360 feedback in addition to performance reviews. The rich nature of this feedback, combined with its regularity, supports continuous development. You'll be tapping into the wealth of big data that's all around you, then using it to promote this growth.
- Strengthening teams. Through 360 review software, people learn how to work together more effectively. They find out how to leverage and grow their unique strengths for the good of the team. As people learn to support one another's work, relationships also improve. For remote and hybrid teams, this is especially important. They tend to have fewer unstructured feedback conversations, which makes structured feedback even more critical, according to the Society for Human Resource Management (SHRM).
- Enhancing self-awareness. People may set stronger personal goals as their self-awareness increases. They'll both address their weaknesses and play to their strengths more effectively.
- Overcoming manager bias. Often managers inadvertently show favoritism or bias. 360 reviews provide a more well-rounded perspective of each individual's abilities. Furthermore, if a manager's evaluations are unfair, these additional perspectives can shine light on the issue.

- Creating cultural change. When people go through the 360 process together, positive changes can occur throughout the organization. Each person's growth complements their peers' development, making broader cultural change possible.

Only 21% of employees say they've heard meaningful feedback over the past week. That means most organizations are missing out on many of these benefits. With clear feedback, self-awareness will grow and employees will thrive.

Further, less than half of companies say their managers effectively assess their direct reports' performance. And just one-third say employees feel they receive fair performance evaluations. Yet employees crave feedback more than ever—especially Millennials and members of Gen Z, notes SHRM. 360 reviews can address these challenges by providing a thorough and fair look at employees' abilities.

Through these benefits, your staff will hone their strengths and overcome weaknesses. As a result, 360 software can become a key competitive advantage for your organization. Let's now focus on how to select the right software tools.



# Must-Have Features for a 360 Review Tool

What should you look for in 360 review software? The right tool will do all of the following:

- Deepen self-awareness. Good 360 software will compare the results of a self assessment to peers' feedback. This reveals hidden opportunities for growth and strengths the employee may not have noticed.
- Maintain anonymity. Unless you opt not to keep the process anonymous, this is a key feature. Anonymity makes people feel freer to speak candidly, especially when reviewing leaders and peers.
- Offer templates with helpful questions. 360 review software should have templates tailored to different levels and roles.
- Track results from one cycle to the next. This will illustrate professional growth.
- Allow you to customize questionnaires according to employees' roles. This will provide more relevant findings.
- Perform analytics to help you understand results. By pinpointing what needs to improve, the best tools let HR, managers, and employees focus on how to grow. These solutions sift through high volumes of data to detect clear patterns.
- Compare reviewers' rating styles to illuminate any bias. Then you can consider the bias when interpreting results—and address it.
- Send automatic reminders. By doing this, good 360 tools save HR managers a great deal of time and energy.
- Provide customer support when you need it. The best providers are available to answer your questions during or after you implement the 360 software. They want you and your staff to have the best experience possible.

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To choose the right 360 review tool, look for all of these features.

# The Cost of 360 Review Software

Pricing for 360 software can vary widely. In many cases, the cost depends on how many users it must accommodate. Often providers use a tiered payment system that offers lower fees for smaller businesses. Both small and medium-size businesses might pay \$300 a month or less, while corporations with more extensive needs may pay more.

Find out if providers you're considering require setup fees. For some, setup is included, while others charge \$1,000 or more for this service.



# 360 Review Software Trends

The 360 review software market has been steadily growing. This growth will likely continue through at least 2030. A study by Fortune Business Insights predicts that use of this software will increase across all industries, with the most growth in the travel and hospitality industry.

Furthermore, demand for 360 review software will remain highest in North America. The Asia Pacific region will experience the second-highest growth.

The wide-spread availability of cloud-based tools will fuel this popularity. So will increased use of 360 software by small businesses, made possible by the accessibility of these web-based tools. From 2022–2029, the market will have an 11.2% CAGR.



# Adopting and Launching 360's

You've found the right software. Now how do you go about launching and using it successfully? We'll cover all the ins and outs of successful implementation in this section.

## Persuading Decision-Makers to Invest in 360 Software

- Explain how analytics can become your competitive advantage. Discuss the types of findings 360 software can produce by quickly processing big data. How would your organization benefit from these insights? Discuss how they'd enhance leadership's decision-making process for promotions, for instance.
- Discuss pain points the software would help solve. What key deliverables will it help you produce? How will it help overcome barriers to do so? State how the software will help HR carry out its mandate more effectively.
- Show how it will affect the bottom line. Persuade them that they have a duty to adopt the software because of how it will benefit the business. Share examples of how 360 software will save costs and increase revenue by supplying strong insights and helping you solve problems. For instance, by helping managers improve their skills, the software could help increase profits substantially. Perspectives can shine light on the issue.

## Implementing 360 Review Software

- Hold an all-staff meeting to explain how the process works and clarify its purpose. This way, HR can make sure the whole workforce shares this understanding. Explain the value of the feedback people will be giving and how it will support colleagues' growth.
- Coach managers on how to discuss the process with their teams. You'll increase buy-in by enlisting managers to act as ambassadors.
- Train raters on how to use the rating scale. During the all-staff meeting, HR can discuss this with employees. They can also make sure the software shares a detailed rubric for the rating scale.
- Select enough reviewers for each employee to form a comprehensive sample. We suggest 8–12 reviewers. Having fewer than that could skew results.
- Help people block out time to complete the 360 reviews. If they're feeling rushed, they might hurry through them just to meet the deadline. Instead, clarify a set amount of time that you think it will take. Encourage them to set aside this time and use it to focus exclusively on the 360 review.

# Maximizing the ROI of 360 Software

1. Discuss the results thoroughly. Managers should meet with each employee to discuss their personal results. Be sure to share praise, as well as pointing out areas for growth. As Gallup says, strengths-based feedback will play a key role in nurturing growth.
2. Craft a professional development plan with employees. Set up to 3 main goals for improvement. More than that will create confusion and reduce focus.
3. Prompt teams to discuss their individual plans together to build accountability. People will then be able to support each other's growth, sharing continuous feedback and encouragement. Managers and leaders can share the goals they've set in response to the feedback as well. By doing so, they can model enthusiasm for the process, as described by SHRM.
4. Mentor and coach employees to success. Empower managers to do this effectively with regular leadership development training. Managers should follow up with employees on a weekly basis and share feedback throughout the week.

# Making the Most of Your 360 Review Tool

By using these tips and strategies, your organization will gain maximum ROI from your 360 software investment. As a result, you'll strengthen team performance across the organization. And in the process, you'll gain a more satisfied workforce that seeks continuous growth. Use performance management software to track your results and continue to illustrate the ROI to company leadership.

By developing a culture of sharing feedback, you'll strengthen the results you get from 360 reviews. People will feel empowered to speak openly, knowing their colleagues welcome their feedback. As a result, you'll see stronger progress from one review cycle to the next.



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# About Primalogik

At Primalogik, we believe that happiness is key to unlocking your team's full potential. We understand the importance of creating a healthy and happy workplace to optimize employee performance and engagement. Our mission is to help companies create a more positive work culture with our world-class HR software. That's why we keep our solution simple so you can focus on what truly matters – providing a great environment for your workforce.

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