perceptions

perceptions
ethnicity, gender and
perceptions of managers
in local government –
360-degree feedback analysis

Perceptions

Gender, ethnicity and perceptions of managers in local government – 360-degree feedback analysis.

This report describes the first UK research investigating the differential findings from 360° feedback reports, depending on the ethnicity and gender of the target manager. It brings up some important issues with regard to performance feedback, competency appraisal, and possible discrimination, and encourages organisations to question whose ratings are most valid. It is based on a sample of over 400 local government managers, and looks at ratings of competence and of competency scale importance by self, boss, peers, and direct reports.

Foreword

Local government has as good a track record as any other sector of society for employing Black and Minority Ethnic staff as well as promoting equality of opportunity for employees of all backgrounds.

Equally, local government has obvious difficulties in securing quality of treatment and outcomes for Black and Minority Ethnic managers, women and other disadvantaged groups of employees into more senior positions in proportionate numbers.

After nearly three decades of anti-discrimination legislation, why is this position still one of great concern? Obviously, prejudice and discrimination are factors that cannot be discounted. This report highlights the fact that it is White male managers who, mostly, make the decisions which ultimately determine that Black and Minority Ethnic and women managers are not as suitably qualified as White males for advancement to more senior positions. Perceptions of each other are a critical factor that determines how people are seen and treated. Not surprisingly, White managers and bosses are seen as 'winners'. Black aspirants, particularly males, are regarded as 'losers' and even a 'threat'.

This report investigates the competency ratings of Black and Minority Ethnic and White, male and female managers. Such ratings are normally a crucial determinant for advancement within an organisation. In this study, additional sources of feedback are considered alongside bosses (i.e. self ratings and those of peers and direct reports).

Crucially, what this report finds is that peers and direct reports appear to rate Black and Minority Ethnic and female managers much more fairly and much more positively than bosses (most of whom it can safely be assumed were White males). It also discusses earlier research, which has provided evidence that ratings given by peers and direct reports might in fact be more valid than bosses' ratings as predictors of managerial effectiveness.

A wide range of other issues has also to be considered. This report highlights the fact that at the heart of the serious failure to utilise the talents of Black and Minority Ethnic and female staff is the communication skill gap. Managers cannot be competent if they are not communicating continuously and consistently with all their staff and providing open and honest feedback on performance.

The communication also has to be two-way so that all sides can listen and learn in order to improve relationships, personal and professional development and improved performance.

Organizations, whether in local government or in any other sector, must value and utilise the diverse talents of all its employees in order to be successful and fair.

Equality and diversity competence must be essential criteria for all supervisory staff at every level in local government, not only to meet legal compliance but in order to provide appropriate public and personal services to diverse communities in order to meet their particular needs.

Herman Ouseley

Lord Ouseley is a former executive chairman of the Commission for Racial Equality. He is president of the Local Government Association.

Executive summary

Introduction

The Improvement and Development Agency (IDeA) commissioned this study to examine perceptions of local authority managers held by themselves, their bosses, their direct reports and their peers. The analysis compared perceptions of male, female, White, Black and Minority Ethnic managers. It was co-funded and conducted by Leadership Research and Development Ltd and is published in tandem with the results of another study: Prospects: diversity and the career progression of local government managers (see separate summary).

Methodology

The perceptions research analysed the relationship between rater and ratee evaluations of manager competence as measured by 42 managerial and leadership competencies.

The evaluation of the manager's performance has for a long time been left to the opinion of his or her line manager, which is subjective in nature and can be subject to a range of personal biases.

In an attempt to remove the subjectivity, organisations are increasingly supplementing the traditional forms of top-down appraisals with multi-rater feedback, also known as 360-degree feedback.

The process involves managers rating themselves on a range of managerial/ leadership competencies and obtaining the input of other individuals as well as their manager. If it is to be effective it should be used for developmental rather than evaluative purposes.

The data used in the research were collected over a nine-year period, with the permission of the 3,001 managers involved. The final sample used in this study comprised 210 White managers and 210 Black and Minority Ethnic managers.

The managers who took part in the study were between middle management and chief executive level. They took part in the 360-degree (multi-rater) feedback process as part of either: a top managers' development programme, a women's leadership programme, a Social Services Inspectorate programme; or as part of an in-house programme.

In all cases, the participation in 360-degree feedback was used only as a developmental tool for managers to identify their managerial and leadership development needs, rather than as any part of a formal appraisal process. Furthermore, the participants were assured that no one within their organisation but themselves would see their report.

This was the first piece of research in the UK to gauge the effects of ethnicity in 360° feedback.

The study found:

Black and Minority Ethnic managers rated themselves higher in seven out of eight competencies than their bosses – principally White males – rated them. White male bosses were likely to give White male managers, followed by White female managers, a higher competency rating than Black and Minority Ethnic male and female managers.

Closely related research published simultaneously by the IDeA (Prospects: diversity and the career progression of local government managers) also shows that Black and Minority Ethnic managers reported significantly less constructive critical feedback and less specific, high quality feedback as well as an increased likelihood of receiving unexpected critical feedback in performance appraisal situations.

When bosses' ratings are compared with ratings given by peers and direct reports, peers' and direct reports' ratings of Black and Minority Ethnic and female managers were significantly higher in a number of areas.

Why these disparities exist is not clear. Discrimination may well be an underlying factor, together with a lack of sufficient training for assessors in avoiding unconscious bias in appraisal situations. What is clear, however, is that the findings of this study provide an opportunity for local authorities and other organisations that champion the case for valuing diversity, to begin to respond positively to the challenges it presents.

Introduction to 360-degree (multi-rater) feedback

One of the most important advances in the field of management development over the last two decades has been the introduction of 360-degree feedback.[1] Also known as multi-rater feedback, the process involves managers rating themselves on a range of managerial and/or leadership competencies and dimensions, and asking individuals with whom they work – typically this includes their boss/line manager, peers/colleagues and direct reports/staff – to also rate them, anonymously.

A report is then produced, which usually displays, in graphical form, the comparison of self-ratings against the average ratings of the various groups of work colleagues. It may also include the ratings of other individuals to whom the individual relates in the course of their work, such as clients, service users, elected members, and so on.

One of the major reasons for the popularity of 360-degree feedback is increasing dissatisfaction with the quality of appraisal systems in most organisations. Traditional forms of top-down appraisal have become seriously discredited on several grounds, including their lack of quality and substance, or their perceived lack of fairness and validity.[2]

Criticisms of top-down appraisals have included a number of points:
– since the appraisal is based on the view of one person, it is intrinsically subjective in nature, and consequently is subject to a range of personal biases of the appraiser who is usually the individual's boss
– various research studies have shown that performance appraisals are often lacking in objective rigour, in part due to the absence of clear guidelines or quality control, which can result in bias occurring[3]
– since the typical appraiser is the manager's boss, s/he usually has limited opportunities to view the manager's behaviour; furthermore, behaviours enacted in the presence of one's manager are affected by the situation[4]
– providing feedback to a manager from the single and particular perspective of their boss is no longer regarded as sufficient basis for high-quality, valid feedback to enable the manager to be more effective[5]
– increasingly, managerial effectiveness relates to success in managing teams so feedback from team members would be more valuable than from their boss alone[6]
– the views of peers are seen as more relevant in providing team-related feedback and more useful if developmentally focused rather than evaluative.[7]

London, Wohlers and Gallagher (1990) state that since the use of multiple appraisers (e.g. boss, peers, direct reports) includes perception from raters 'who have had opportunities to observe different aspects of a person's behaviours, the use of multiple raters would also increase the reliability, fairness and acceptance of the data by the person rated'.

In addition, the use of multiple appraisers demonstrates that the organisation 'wants to encourage managers to emphasise the importance of effective management of people and positive relationships with peers within and between departments'.[8]

Another major factor to influence the views of the critics has been the developments in the field of leadership research. The 'new paradigm' models of leadership that emerged in the 1980s, such as 'charismatic', 'visionary', and 'transformational', have shifted the traditional view of the role of a manager as primarily one of controlling subordinates to one of empowering staff/direct reports. The model of 'transformational leadership' emphasises the importance of direct reports as 'constituents' of managers, who ultimately legitimise a manager as a 'leader'.[9] Thus, it also follows that the most important sources of

feedback a manager should obtain in ascertaining his/her areas of strength and development in their leadership role is from those for whom they are responsible for leading and managing – their staff.

It is also important to bear in mind that most writers in the field of management development do not suggest that 360-degree feedback should replace the traditional organisational one-to-one appraisal/development review. They are viewed as very different processes and should not, therefore, be seen as interchangeable but rather as complementary.[10]

Additional benefits of 360-degree feedback

In the USA, various surveys have estimated that between 10 and 30 per cent of organisations have used or are in the process of introducing 360-degree feedback. A recent UK survey suggested that around 50 per cent of large-to medium-sized organisations currently use the process, and of the remaining organisations, around 75 per cent were seriously considering its use.[11]

Its use is led by the most successful organisations in the commercial sector.[12] One of the major rationales for introducing 360-degree feedback is the belief that feedback on behaviours from work colleagues, to their manager will act as a powerful catalyst for behavioural change.[13]

Data are now available from several studies to support the assertion that 'exposure to multi-rater feedback may have a significant impact in managerial behaviour and self-awareness over time'.[14]

Two of the most important principles of best practice in 360-degree feedback are that the raters' individual ratings should be anonymous and only shown as an average score combined with the ratings of other colleagues, and that the process is used solely for developmental purposes.

There are at least two major benefits of this practice. The first is that anonymity may lead to greater objectivity or honesty on the part of the raters in a 360-degree feedback process. The second reason is that previous research into the factors affecting raters' behaviour in appraisals has found that when the purpose of the ratings was for developmental, as opposed to evaluative, feedback, raters are more likely to use the whole range of low to high scores and are more likely to rate individuals more conscientiously on the different dimensions.[15] This is often said to be because raters feel that they can be honest because their feedback will aid rather than harm the manager.

Ethnicity and performance appraisal/ evaluations

There is considerable evidence to suggest that Black and Minority Ethnic employees are rated lower in performance evaluations than White employees,[16] especially when the raters themselves are White.[17]

A study of appraisal ratings conducted in the UK Civil Service across 13 Government Departments[18] found that, in general, White staff received a better average performance mark than Black and Minority Ethnic staff across all age groups. The study concluded that the patterns of ratings observed suggested that a performance disparity between Black and Minority Ethnic and White managers could not have been the main cause for these lower ratings. Additional studies have found that Minority Ethnic managers generally receive lower quality feedback (i.e. less detailed, or less substantiated) than White managers.[19]

This factor of lower-quality feedback, coupled with the research findings indicating lower performance ratings given to Black and Minority Ethnic staff, is disturbing. From this it could be argued that Black and Minority Ethnic staff are disadvantaged by both distorted ratings and a lack of feedback discussion that means they have little opportunity to discuss or challenge perceived performance problems before final judgements are made of them. These factors could seriously prejudice the development, promotion and careers of employees from Black and Minority Ethnic groups.

Given the wealth of evidence of the existence of bias in performance appraisals (see above references and IDeA and LRDL report Prospects: diversity and the career progression of local government managers section *"Appraisal and Performance Review"*), it could be assumed that the majority of Black and Minority Ethnic managers are **not** receiving accurate, or adequate, feedback on their performance strengths and weaknesses.

This could result in limited development opportunities, less chance of increased responsibility, fewer invitations to work on important, high-profile projects and less access to prestigious projects and other career-enhancing activities.

In addition, if the boss of the Black and Minority Ethnic manager believes that the perceived lack of effectiveness is due to reluctance, or an inability to perform the job effectively, there will almost inevitably be an increase in tension in the relationship between the two individuals. This can then further exacerbate the problems for the Black and Minority Ethnic member of staff.

Given the range of potential benefits offered to managers by the 360-degree feedback processes compared with typical performance appraisals, it also seems to offer greater fairness to Black and Minority Ethnic managers.

Ethnicity and 360-degree feedback

Despite the rapid rise in popularity of 360-degree/multi-rater feedback processes and the resulting research interest in the subject, there has until now been a conspicuous absence of research investigating the effect of ethnicity.

This is surprising, given the supposed increasing importance of 'valuing diversity' initiatives in organisations, and the increasingly multi-ethnic workforce.[20]

In the case of Black and Minority Ethnic managers it appears that feedback of this type is essential to allow them to develop effectively; given the bias they typically encounter in performance-appraisal processes.

It was against this background that the IDeA commissioned an investigation into the analysis of data collected from a 360-degree feedback instrument that has been used extensively in local government over the last six to seven years.

It focused on the analysis of self-ratings versus the ratings provided by others with whom the managers worked, including their bosses, peers, and staff/ direct reports. It made comparisons by ethnicity of ratee and by gender of rater. This is the first UK study of its kind to compare the ratings given to White managers together with Black and Minority Ethnic managers.

The analysis of managers' self-rating, compared with the ratings given to them by others, begins to build a picture of the relative self-awareness of competence within the various demographic groups of managers studied (White males, White females, Black and Minority Ethnic males, Black and Minority Ethnic females). It also begins to identify whether certain groups are receiving adequate feedback from current organisational feedback processes such as formal appraisal procedures.

Analysis of the ratings given to managers by their boss, compared with the ratings given to them by 'others' (i.e. peers and direct reports), begins to build a picture of whether bosses' ratings generally tend to concur with those of 'others'. It could be argued that as 'others' work more closely with the ratee and see them in a variety of different situations on a more regular basis, their input is more valid.

The analysis also provides data on whether managers are perceived similarly by various groups of co-workers and colleagues and could highlight differences between how White and Black and Minority Ethnic managers are perceived with respect to strengths, weaknesses and development needs in their jobs.

Equally, the analysis of the **importance** ratings given to the 42 managerial and leadership competencies within their particular job, as rated by their 'others' (i.e. bosses, peers, and direct reports), compared with their assessments of managers' performance, begins to build a picture of how the competence of different demographic groups of managers are viewed by those with whom they interact.

The investigation

Methodology

The sample:

The total sample providing the data comprised four groups of local government managers who had participated on management and leadership development programmes.

Data bank one: the Top Managers Programmes

This bank of data came from a sample of local government managers who attended a year-long senior management programme developed and run initially by the *Local Government Management Board* (*LGMB*) and then by its successor, the *Improvement and Development Agency* (*IDeA*). The 360-degree feedback was an intrinsic component of each participant's personal development planning process.

Data bank two: the Women's Leadership Programme

This bank of data came from a local government programme designed specifically for women managers who attended a year-long management programme. The programme was developed and run by the LGMB. The 360-degree feedback was a core component of the programme.

Data bank three: the SSI-sponsored 'Career Development Programme for Black and Minority Ethnic Managers'

A programme for middle- to senior-level managers working in Social Services, sponsored by the *Social Services Inspectorate*. Again, the 360-degree feedback process was a core component of the programme.

Data bank four: various in-house leadership and management development initiatives for top-, senior-, and middle-level managers.

Again, the same 360-degree feedback instrument formed the core of these programmes, which were run in a wide range of local authorities.

Of the 3,001 managers within the data bank, the investigation included a comparison of patterns of ratings from a sample of White managers and a sample of Black and Minority Ethnic managers in local government. It was decided to include all the data obtained from Black and Minority Ethnic managers and to select a random sample of White managers, matched by gender. The final sample comprised 210 Black and Minority Ethnic managers, and 210 White managers.

The 360-degree feedback Instrument:

The instrument, called 'Synchrony™', was originally developed by a US organisation, Development Dimensions International, and in its original form comprised 40 managerial and leadership competencies. It was evaluated for 'face', 'content', and 'concurrent' validity with a local government population and subsequently modified and anglicised for local government.[21] Several existing competencies were redefined and two additional competencies added. In its final form, it comprised 42 managerial and leadership competencies. These are described in Appendix 1.

The investigation

Synchrony™

The 360-degree feedback instrument requires the manager and each of his/her raters to respond to three questions in relation to each of the competencies. The first question relates to the **importance rating** of the competency in the context of the particular manager's job. This takes the form of a four-point rating scale:
– essential
– important
– useful, but not important
– unnecessary.

There is one other option, 'don't know'. Every rater, apart from the manager her/himself, has this latter option to select from.

The second question to be answered by all raters relates to the **expected level of proficiency required** to perform the job. This question has a 5-point rating scale:
– very high
– high
– moderate
– low
– not required.

Again, there a further option of 'Don't know' for raters other than the manager her/himself.

The third question relates to the current level of proficiency. This also has a 5-point rating scale:
– very high
– high
– moderate
– low
– very low.

There is a 'don't know' option for raters other than the manager.

The analysis rationale

As a first step, analyses were conducted (independent t-tests) to see whether there were any significant differences between the **self-ratings** of Black and Minority Ethnic managers compared with White managers for the 42 competencies.

t-tests are statistical tests designed to show the researcher whether there are any statistically significant differences between the mean scores given to certain items. If a statistical significance emerges from the test, it means that the researcher can say with confidence that the differences are real (i.e. they have a less than 5 per cent, 1 per cent, or .01 per cent, likelihood of happening by chance, depending on the result).

The second step in the analysis involved the use of t-tests to see how managers' self-ratings compare with the ratings given to them by:
a) bosses
b) peers
c) direct reports.

This was intended to see how similarly managers' perceptions of their own performance compared to others' perceptions of their performance.

Analysis of competency scale ratings

Explanation of the basis for this analysis

'Competency scales' are groups within the 42 managerial and leadership competencies that cluster together statistically. They cluster together because the competencies in the group are interrelated; if a manager performs well on one of the competencies in the group it is likely that s/he will perform well on all of them.

For example, one of the competency scales contains the following items:
– objectivity
– sensitivity
– integrity
– judgement
– collaboration.

Given that statistical analyses indicate that a manager who performs well on any of these five competencies probably performs well on all of them, the scale can be given a name to describe the overall competence that is made up of its constituent parts. In this case, the competency scale has been named **Character**.

The competency clusters, or scales, are based on a previous statistical test of the ratings given to 862 local government managers by their male bosses through a 360-degree feedback process. These data were used because the majority of bosses at the most senior levels in local government are male[22] and, given that the managers in the sample were middle to senior level themselves, the bosses in the sample were therefore all at a senior or very senior level.

The bosses' ratings of managers led to the clustering of the 42 competencies into eight separate groups or 'scales'. Statistical analysis showed that a high rating on one of the items within a group predicted a high rating on the rest of the items in the group. The same was the case for low ratings.

Although the ethnicity of the bosses is unknown in this type of 360-degree feedback, it can be safely assumed that the vast majority of bosses are White, given the very low representation of Black and Minority Ethnic senior managers in local government.[23]

The competency scales (or groups of competencies) that have been used in this analysis, are labelled:
– development of others
– communication and influencing
– risk taking/independence
– analytical skills
– character
– organisational acumen
– managing the job
– responsiveness.

Ratings for these competency scales were calculated by totalling the ratings given for the constituent single-item competencies. These were calculated for:
– self-ratings
– bosses' ratings
– peers' ratings
– direct reports' ratings.

A full list of the single-item competencies that make up the competency scales is given in the Findings of Competency Scale Ratings by Ethnicity and Gender section of this report.

Method for competency scales analysis

For the first stage of this analysis, managers' self-ratings on the above competency scales (see p18 for a more detailed break-down) were compared to see whether there were any differences based on ethnicity or gender, or by a combination of these two variables.

In the second stage of analysis, bosses', peers', and direct reports' ratings of the managers' performance on the competency scales were examined to determine whether there were any differences in rating by ethnicity or gender.

The bosses' ratings were also compared with ratings by peers and direct reports. This was to determine whether there were any differences in ratings given to the managers by these three groups of raters.

During the third stage of the analysis the importance ratings given to the eight competency scales were calculated as given by:
– self
– bosses
– peers
– direct reports.

Raters give importance ratings for each of the 42 competencies. In the 360-degree feedback process they allow managers to see which competencies are most crucial to their particular job, those they might need to work particularly hard on improving, and where they are doing particularly well.

On the basis of the importance ratings, the competency scales are listed in order of most to least important, as rated by the above four groups of raters, depending on the ethnicity and gender of the managers.

For the fourth stage of the analysis, the managers' average ratings were used to work out which groups of managers were rated most and least capable by the three groups of raters for the most and least important competency scales noted by the third stage of analysis.

This analysis was performed to provide an overview of what demographic type of manager the raters generally viewed as most and least competent in terms of the most important criteria for performing the job well.

Findings by ethnicity and gender

Differences in single-item competency ratings

Self-ratings
Black and Minority Ethnic managers

Mean scores indicated that Black and Minority Ethnic managers rated themselves **higher** than White managers rated themselves, on 23 of the 42 competencies.

Statistically, 14 of these differences were significant, where p< .05* or below (i.e. the findings have a less than 5 per cent likelihood of being an artefact/due to chance).

White managers

No significant statistical differences were found in how White managers rated themselves higher than Black and Minority Ethnic managers rated themselves, for any of the competencies.

Bosses' ratings versus self-ratings
Black and Minority Ethnic managers

Bosses rated Black and Minority Ethnic managers **lower** than they rated themselves on 34 out of 42 competencies, and **equal** on the remaining eight competencies. Thus, on none of the competencies did bosses rate Black and Minority Ethnic managers higher than they rated themselves.

For 21 of the competencies, where Black and Minority Ethnic managers had rated themselves **higher** than their bosses had rated them, the difference was statistically significant (i.e. there is a less than 5 per cent likelihood that this was an artefact).

White managers

Bosses rated White managers **higher** than they had rated themselves on 13 of the 42 competencies, and **equally** on 21 dimensions. Bosses rated White managers **lower** than they had rated themselves on the remaining eight competencies.

For six of the 13 competencies where bosses rated White managers higher than they had rated themselves, the differences were statistically significant.

Peers' ratings
Black and Minority Ethnic managers

Peers of Black and Minority Ethnic managers rated them **lower** than they had rated themselves on 21 out of 42 competencies and **equally** on 16 competencies.

Peers rated Black and Minority Ethnic managers **higher** than they had rated themselves for the remaining five competencies.

For eight of the competencies where peers rated Black and Minority Ethnic managers **lower** than they had rated themselves, the differences were statistically significant (again these had a less than 5 per cent likelihood of being due to chance).

White managers

Peers of the White managers rated them **lower** than they had rated themselves on eight of the 42 competencies, and **equally** on 16 of the 42 competencies.

Peers rated White managers **higher** than they had rated themselves for the remaining 18 competencies. For six of these competencies the differences were statistically significant.

Direct reports' Ratings

Black and Minority Ethnic managers

Direct reports rated their Black and Minority Ethnic managers **lower** than they had rated themselves for 25 out of 42 competencies and **equally** on 11.

Direct reports rated Black and Minority Ethnic managers **higher** than they had rated themselves on the remaining six competencies.

For 12 of the competencies where direct reports rated Black and Minority Ethnic managers **lower** than they had rated themselves, the differences were statistically significant.

White managers

Direct reports rated their White managers **lower** than they rated themselves on five of the 42 competencies, and **equally** on 18.

Direct reports rated White managers **higher** than they had rated themselves on the 19 remaining competencies. For nine of these competencies the differences were statistically significant.

Differences in competency scale ratings

Composition of the scales

Below is a list of the scales that emerged from the previous factor analysis of male bosses' scores. Underneath the name of the scale is a list of the items that make up the scale. For an explanation of why male bosses' scores were used as the basis for this analysis, see previous section entitled " *The analysis rationale: Analysis of competency scale ratings*" .

1 Development of Others
– appraisal
– coaching
– establishing performance goals
– developing organisational talent
– follow up
– delegation
– empowerment
– individual leadership
– project planning
– selection and promotion

2 Communication and Influencing
– oral communication
– oral presentation
– impact
– persuasiveness
– meeting leadership
– written communication
– negotiation

3 Risk Taking/Independence
– risk taking
– independence
– initiative
– entrepreneurial insight
– innovation

4 Analytical Skills
– analysis
– fact finding
– quantitative analysis
– technical/professional knowledge

5 Character
– objectivity
– sensitivity
– integrity
– judgement
– collaboration

6 Organisational Acumen
– business strategy awareness
– organisational systems awareness
– political skills
– strategic planning
– visionary leadership

7 Managing the Job
– managing the job
– tolerance for stress
– decisiveness

8) Responsiveness
– adaptability
– ability to learn
– customer service orientation

Self ratings
Black and Minority Ethnic female managers
In terms of specific scales, the self-ratings given by the Black and Minority Ethnic female managers were higher than any other groups' self-rating for the scale labelled Character.

They also rated themselves relatively high on Responsiveness, where their self-rating for the scale was higher than any other groups' highest scale self-rating.

They felt that they performed **less well** on Analytical Skills and Organisational Acumen than on any other scale.

Black and Minority Ethnic male managers
Black male managers had the second highest self-rated scale score overall, where they rated themselves **high on Responsiveness.**

Their second highest scale score was for Character, which was as high as the highest rated self-assessment scale score for White male managers and higher than the highest rated self-assessment scale score for White female managers.

Black male managers felt they were least competent in Risk taking/Independence and Organisational Acumen.

White male managers
White male managers' highest self-assessed scale score made them the third highest group in these terms. **They felt that they were most competent in terms of Character**, closely followed by Responsiveness, as was the case with the Black female managers.

They felt they were least competent in Risk Taking/Independence and in the Development of Others.

White female managers

White female managers' **highest self-assessed scale** score was the lowest of all the four groups, and the scale was **Character**, closely followed by Responsiveness (as was the case with the Black female managers and the White male managers).

They believed that they were least competent in Risk Taking/Independence and in Organisational Acumen.

Overall summary of self-ratings

Each of the four groups were very similar in the self-assessment of their competencies. **Black and Minority Ethnic female managers, White male managers and White female managers all rate their strongest competencies in Character**, followed by **Responsiveness**. **Black and Minority Ethnic male managers** feel that they are **most gifted** in **Responsiveness**, followed by **Character**.

Black and Minority Ethnic female managers, White female managers and Black and Minority Ethnic male managers all agree that they feel they are **least competent** in terms of **Organisational Acumen**.

Bosses' ratings vs self-ratings
In this section, where the differences between bosses' ratings and self-ratings are statistically significant, a 'p-value' is shown next to the relevant competency scale. Where p< .05, the finding has a less than 5 per cent chance of being an artefact/due to chance, where p< .01, the finding has a less than 1 per cent chance of being an artefact/due to chance, and where p< .001, the finding has a less than .1 per cent chance of being an artefact, i.e. due to chance.

White male managers

White male managers are the group **given the highest scale assessment by bosses** for their **Responsiveness**.

Their second highest scale score is for **Character** and this is significantly higher than the highest scale score given to either Black female managers or Black male managers. The third, fourth and fifth highest scale scores given by their bosses are also all higher than the highest scale score given to the Black male managers.

Bosses felt that White male managers were **more competent** than they themselves believed in terms of:
– managing the job (p< .05)
– analytical skills (p< .05)
– responsiveness
– development of others.

For the **remaining four scales** White male managers rated themselves **higher** than their bosses rated them on:
– organisational acumen
– risk taking/independence
– communicating and influencing
– development of others.

Their self-assessed scale scores also agreed with those given by their bosses in that they believed that they were **least competent** in **Risk Taking/Independence** and in the **Development of Others**.

White female managers

The second highest scale score given by bosses was to White female managers for their **Responsiveness**.

In terms of bosses' perceptions it appears that the group **underestimated** their competence in:
– analytical skills (p< .01)
– organisational acumen
– development of others
– risk taking/independence
– responsiveness
– managing the job.

However, White female managers **over-estimated** their competence in terms of:
– communicating and influencing
– character.

The ranking of competencies of self-assessment scale scores was identical to the ranking given to them by their bosses, except in the order of the first two competencies.

Black and Minority Ethnic female managers

The highest scale score given to Black and Minority Ethnic female managers by their bosses was **lower** than the first three highest scale scores given to White male managers and **lower** than the first two scale scores given to White female managers.

The bosses agreed with the Black and Minority Ethnic female managers' self-assessment scale scores in that they were most competent in terms of Character, followed by Responsiveness. Their scores also indicate that they perceive Black and Minority Ethnic female managers as **more competent** than they view themselves in terms of Analytical Skills.

However, the scale scores given by the bosses were significantly **lower** than the scale scores awarded in the self-assessment by Black and Minority Ethnic female managers for **each of the remaining seven scales:**
– development of others (p< .001)
– character (p< .01)
– responsiveness (p< .01)
– communication and influencing (p< .01)
– risk taking/independence (p< .05)
– managing the job (p< .05)
– organisational acumen.

There was a **degree of agreement on the ranking of the scales** where the first four scales were ranked in the same order in the self-assessment and in the bosses' assessment.

Black and Minority Ethnic male managers

Their bosses rated Black and Minority Ethnic male managers lowest of all four groups.

Their **highest** scale score, as rated by their bosses, was for **Character**. This rating was **lower** than the **five highest** scale scores given to White male managers, **lower** than the first **four** scale scores given to White female managers, and **lower** than the first **two** scale scores given to Black and Minority Ethnic female managers.

Compared with their self-assessment scores and, to a greater degree than was the case with Black and Minority Ethnic female managers, Black and Minority Ethnic male managers were rated significantly **lower** by their bosses than they had rated themselves on **all eight competency scales:**

– development of others (p< .001)
– responsiveness (p< .01)
– communication and influencing (p< .01)
– risk taking/independence (p< .05)
– organisational acumen (p< .05)
– character (p< .05)
– analytical skills
– managing the job.

The general ranking of scales competencies does not fit very well with the bosses' ranking of the scales and the bosses felt that **Black and Minority Ethnic male managers** were **least competent** on the Development of Others scale.

Overall Summary

The data show that in terms of how well their bosses feel they are performing, in this sample the groups are ranked:

1 White male managers
2 White female managers
3 Black and Minority Ethnic female managers
4 Black and Minority Ethnic male managers

White male and female managers gave themselves **lower** scores than their bosses gave them on the majority of the scales.

Black and Minority Ethnic female and male managers gave themselves higher scores than their bosses gave them for the majority of scales.

Peers' Ratings
In this section, p-values are again used to evidence the accuracy of the findings.

White female managers

The **highest** scale score given by **peers** was awarded to White female managers for **Responsiveness**.

This was followed by Character, a scale score that was **higher** than the **highest** scale scores given by peers to White male managers and Black and Minority Ethnic male managers.

The ranking of the competency scales given by peers to White female managers did not fit very well with the ranking given in the self-assessments, and peers felt that White female managers were more competent in Organisational Acumen compared with Development of Others and Risk Taking/Independence.

Overall, **peers rated White female managers much higher than they rated themselves for all eight dimensions:**
– risk taking/independence
– development of others
– organisational acumen
– communication and influencing
– managing the job
– character
– analytical skills
– responsiveness.

Comparison with bosses' ratings
Peers rated White female managers **higher** than bosses did on seven of the eight scales, namely:
– communication and influencing (p< .01)
– organisational acumen (p< .01)
– character
– responsiveness
– managing the job
– development of others
– risk taking/independence.

Black and Minority Ethnic female managers
The **second highest scale score** given by peers was for the **Character** of Black and Minority Ethnic female managers.

Although this rating was **lower** than the rating Black and Minority Ethnic female managers had given themselves, it was significantly **higher** than the rating given to them by their **bosses**. The same was the case for Responsiveness.

Peers rated Black and Minority Ethnic female managers **higher** than they had rated themselves for the scales measuring:
– organisational acumen
– analytical skills.

Peers rated Black and Minority Ethnic female managers **lower** than they rated themselves for the remaining six competencies:
– risk taking/independence
– development of others
– managing the job
– communicating and influencing
– character (this is despite the fact that it was the second highest score given by peers to any group)
– responsiveness.

The overall ranking of competencies given by peers was different from the self-ranking Black and Minority Ethnic female managers gave themselves. Peers felt Black and Minority Ethnic female managers were least competent in terms of Risk Taking/Independence and the Development of Others, rather than in terms of Organisational Acumen, where the managers had rated themselves least competent.

Comparison with bosses' ratings
Peers rated Black and Minority Ethnic female managers **higher** than bosses did on **six out of the eight scales**, namely:
– organisational acumen (p< .001)
– communication and influencing (p< .01)
– analytical skills (p< .01)
– development of others (p< .01)
– character (p< .05)
– responsiveness (p< .05).

Black and Minority Ethnic male managers
The highest scale rating given by peers to Black and Minority Ethnic male managers – for Character – was the same as the highest scale rating given to White male managers. The second highest scale rating given by peers to Black and Minority Ethnic male managers – for Managing the Job – was **higher** than the second highest scale rating given to White male managers.

Although the self-ratings of Black and Minority Ethnic male managers for Character was higher than the rating given to them for the scale by peers, the peers rated the Black and Minority Ethnic male managers **higher** than they had rated themselves on:
– organisational acumen
– managing the job
– analytical skills.

Black and Minority Ethnic male managers rated themselves **higher** than their peers rated them for the remaining five scales:
– risk taking/independence
– character
– development of others
– communicating and influencing
– responsiveness.

The ranking of scales was generally quite different for Black and Minority Ethnic male managers when comparing self-ranking with peers' ranking of their competencies. Peers believed that Black and Minority Ethnic male managers were more competent at Organisational Acumen than in Risk Taking/Independence and the Development of Others.

Comparison with bosses' ratings
Peers rated Black and Minority Ethnic male managers **higher** than bosses did **on all eight scales**, namely:
– managing the job (p< .001)
– organisational acumen (p< .001)
– communication and influencing (p< .01)
– risk taking/independence (p< .05)
– responsiveness
– development of others
– character
– analytical skills.

White male managers
White male managers were rated highest by their peers in terms of Responsiveness compared to Character, on which the managers rated themselves highest in self-assessment.

However, the peers' scale score for Responsiveness was significantly **lower** than the rating the White male managers had given themselves.

Overall, the peers rated White male managers **higher** than they had rated themselves on:
– analytical skills
– organisational acumen
– managing the job.

They rated White male managers **lower** than they had rated themselves in all of the remaining five competency scales:
– risk taking/independence
– development of others
– character
– responsiveness
– communication and influencing.

Overall, the ranking of the scales between peers' ratings and the ratings given in self-assessment was quite different, although there was agreement that the weakest competencies of White males were Development of Others and Risk Taking/Independence.

Comparison with bosses' ratings
Peers rated White male managers **higher** than bosses did on **two out of the eight scales**, namely:
– organisational acumen (p< .05)
– communication and influencing

Summary
Comparisons between peers' ratings and self-ratings show that White female managers are most likely to undervalue their competence in seven out of eight scales; Black and Minority Ethnic and White male managers in three out of eight scales; and Black and Minority Ethnic female managers in two out of eight scales.

Furthermore, comparison between peers' ratings and **bosses' ratings show that bosses' ratings of competence were lower than peers' ratings** for:
– **all eight scales for Black and Minority Ethnic male managers**
– **seven scales for White female managers**
– **six scales** for **Black and Minority Ethnic female managers**
– **only two scales** for White male managers.

Direct Reports' Ratings
In this section, p-values are again given to illustrate the accuracy of findings.

White female managers
The **first and second highest** score ratings of competency scales by direct reports are to White female managers, for their:
– communication and influencing
– responsiveness.

These scores are both significantly **higher** than the scale scores White female managers gave themselves in self-assessment.

The same is true of all six remaining scales, except for Character, where the rating given by direct reports to the White female managers was the same as they had given themselves.

Comparison with bosses' ratings
Direct reports rated White female managers **higher than bosses** did on **all eight** scales:
– communication and influencing (p< .001)
– organisational acumen (p< .001)
– responsiveness
– managing the job
– analytical skills
– development of others
– risk taking/independence
– development of others.

White male managers
The third highest scale score given by direct reports was to the group of White male managers, for Responsiveness. This was, however, a lower score than the White male managers had given themselves.

Direct reports scored White male managers **higher** than they scored themselves on:
– organisational acumen
– communication and influencing
– analytical skills
– managing the job.

However, compared with self-ratings, there was a **lower** score given by direct reports to White male managers on:
– character
– responsiveness
– risk taking/independence
– development of others.

Comparison with bosses' ratings
Direct reports rated White male managers **higher** than their bosses did on:
– organisational acumen (p< .001)
– communication and influencing
– risk taking/independence.

Black and Minority Ethnic female managers
The highest rating given by direct reports to Black and Minority Ethnic female managers was for Responsiveness, although this was lower than the rating they gave themselves for the scale.

Analysis of the other scale scores showed that Black and Minority Ethnic female managers were rated significantly **higher** by their direct reports than they had **rated themselves** for the scales measuring:
– organisational acumen
– analytical skills.

Black and Minority Ethnic female managers had rated themselves **higher** than their direct reports rated them for the remaining six scales.

Comparison with bosses' ratings
Direct reports rated Black and Minority Ethnic female managers **higher** than bosses did on **six of the eight scales**, namely:
– organisational acumen (p< .001)
– communication and influencing (p< .05)
– managing the job
– responsiveness
– analytical skills
– development of others.

Black and Minority Ethnic male managers
Direct reports felt that Black and Minority Ethnic male managers were most competent in terms of Responsiveness. This score was, however, **lower** than the score Black and Minority Ethnic male managers had given themselves.

Direct reports rated Black and Minority Ethnic male managers higher than they had rated themselves in terms of:
– organisational acumen
– analytical skills.

However, Black and Minority Ethnic male managers rated themselves **higher** than direct reports rated them for each of the six remaining scales.

Comparison with bosses' ratings

Direct reports rated Black and Minority Ethnic male managers higher than bosses did on six out of eight scales, namely:
– organisational acumen (p< .001)
– development of others (p< .05)
– responsiveness
– managing the job
– analytical skills
– risk taking/independence.

Summary

Direct reports gave the highest ratings to White female managers, followed by White male managers, and then Black and Minority Ethnic female managers. Black and Minority Ethnic male managers tended to receive lower scale scores than the other groups.

Furthermore, compared with bosses' ratings, direct reports' ratings of competence were **higher** for:
– **all eight** scales for White female managers
– **six out of eight** scales for Black and Minority Ethnic male managers
– **six out of eight** scales for Black and Minority Ethnic female managers
– **only three** out of eight scales for White male managers.

Analysis of competency scale importance ratings

The following information reflects the relative importance of the competency scales overall for the jobs of the Black and Minority Ethnic female, White female, Black and Minority Ethnic male and White male managers. They are shown below in order of importance, as given by the managers themselves, their bosses, peers and direct reports.

1 Self-ratings of scale importance
The following table illustrates in order of importance, the average significance rating given to each competency scale by the managers themselves:

Rank order	BME Females	White Females	BME Males	White Males
1	Managing the Job	Managing the Job	Managing the Job	Managing the Job
2	Responsiveness	Responsiveness	Communication and Influencing	Character
3	Communication and Influencing	Communication and Influencing	Responsiveness	Responsiveness
4	Character	Character	Character	Communication and Influencing
5	Development of Others	Development of Others	Development of Others	Organisational Acumen
6	Organisational Acumen	Organisational Acumen	Organisational Acumen	Development of Others
7	Analytical Skills	Analytical Skills	Analytical Skills	Analytical Skills
8	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence

Looking at this table, it can be seen that the importance ratings given to the competency scales are similar among Black and Minority Ethnic females, White females, and Black and Minority Ethnic males.

While White male managers agree with the three other groups that Managing the Job is the most important competency scale, and that Analytical Skills and Risk Taking/Independence are the least important, they differ from the other groups in terms of the weight given to the middle scales. They, for example,

think that Character is the second most important competency scale, compared with the other groups who rated it as the fourth most important competency scale. They also felt that the Development of Others is less important than Organisational Acumen, which is the reverse belief within the other three groups.

Black and Minority Ethnic male managers differ from the other groups in that they believe that Communicating and Influencing is more important than Responsiveness, which is in direct contrast to the other groups' beliefs.

2 Bosses' ratings

The table below illustrates the relative importance ratings given to the competency scales by the bosses of the Black and Minority Ethnic and White, male and female managers in the sample:

Rank order	BME Females	White Females	BME Males	White Males
1	Managing the Job	Managing the Job	Managing the Job	Managing the Job
2	Character	Character	Character	Character
3	Responsiveness	Responsiveness	Communication and Influencing	Communicating and Influencing
4	Communication and Influencing	Communication and Influencing	Responsiveness	Responsiveness
5	Development of Others	Development of Others	Development of Others	Development of Others
6	Analytical Skills	Organisational Acumen	Organisational Acumen	Organisational Acumen
7	Organisational Acumen	Analytical Skills	Analytical Skills	Analytical Skills
8	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence

There is very little difference in the importance ratings of scales given by bosses to the jobs of the four groups of managers.

However, it is interesting to note that, when assessing Black and Minority Ethnic and White female managers' jobs, bosses rate Responsiveness above Communication and Influencing, and when they are assessing male managers' jobs, they do the reverse.

Furthermore, they feel that for Black and Minority Ethnic female managers alone, Analytical Skills are more important than Organisational Acumen, which is again the reverse of the other three groups.

3 Peers' ratings

The table below shows the relative competency scale importance ratings given by peers of the jobs of the four groups of managers:

Rank order	BME Females	White Females	BME Males	White Males
1	Managing the Job	Managing the Job	Managing the Job	Managing the Job
2	Communicating and Influencing	Communicating and Influencing	Character	Communicating and Influencing
3	Development of Others	Character	Communicating and Influencing	Character
4	Character	Responsiveness	Responsiveness	Organisational Acumen
5	Organisational Acumen	Organisational Acumen	Organisational Acumen	Responsiveness
6	Organisational Acumen	Development of Others	Development of Others	Development of Others
7	Analytical Skills	Analytical Skills	Analytical Skills	Analytical Skills
8	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence

Looking at this table, it is interesting to note that the relative importance of competencies within jobs rated by peers changes, depending on the gender and ethnicity of the person whose job they are evaluating.

As with the bosses, peers agree that the most important managerial competency for each group of managers is Managing the Job, and the least important are Analytical Skills and Risk Taking/Independence.

However, for Black and Minority Ethnic male and female managers, when compared with White managers, they feel that Character is more important than Communicating and Influencing, and that the Development of Others is more important for Black and Minority Ethnic female managers than it is for the other three groups.

They also feel that Organisational Acumen is more important for White males than Responsiveness, which is not the case for the other three groups.

4 Direct reports' ratings

The table below illustrates the relative importance ratings given by direct reports of the jobs of the four groups of managers:

Rank order	BME Females	White Females	BME Males	White Males
1	Managing the Job	Managing the Job	Managing the Job	Managing the Job
2	Communication and Influencing	Communication and Influencing	Organisational Acumen	Organisational Acumen
3	Development of Others	Responsiveness	Communication and Influencing	Communication and Influencing
4	Character	Character	Character	Character
5	Organisational Acumen	Organisational Acumen	Responsiveness	Development of Others
6	Responsiveness	Development of Others	Development of Others	Responsiveness
7	Analytical Skills	Analytical Skills	Analytical Skills	Analytical Skills
8	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence	Risk Taking/ Independence

In an effect similar to that found with the peers' data, it can be seen that direct reports change the perceptions of the importance of competencies within jobs depending on the gender and ethnicity of the person doing the job.

Again, it can be seen that direct reports agree with bosses and peers that Managing the Job is the most important competency and that Risk Taking/Independence is the least important competency. However, looking at the other competency scales, it becomes clear that direct reports are the most contrary of the raters in terms of the relative importance of the scales for each of the four groups.

Direct reports appear to have particular ideas about what are important competencies for male managers. Organisational Acumen is rated two places higher for them than for Black and Minority Ethnic females, and three places higher than for White female managers.

They also appear to have particular ideas about the most important competencies for Black and Minority Ethnic female managers. The Development of Others is rated three places higher than for White males and four places higher than for White females and Black and Minority Ethnic male managers.

They also believe that Communication and Influencing is three places less important for Black and Minority Ethnic female managers than it is for White female managers, and two places less important for Black and Minority Ethnic male and White male managers. Finally, they feel that Character is more important for Black and Minority Ethnic female managers than for the other three groups.

Comparison of importance ratings with group ratings of competence

1 Bosses' ratings

The following lists show the job competencies in the order of greatest importance given by the bosses of all four groups combined.

Below the competencies is the list of which group of managers the bosses rated as the most competent demographic group of managers for each competency scale (in descending order) based on their average assessment of the managers.

Where there is a slight difference in ranking of importance among the groups of raters, depending on the gender and ethnicity of the managers in question (which the previous section illustrates as sometimes differing), the most frequent importance ranking is given.

1 Managing the Job
i   White males
ii   White females
iii BME females
iv   BME males

2 Character
i   White males
ii   White females = BME females
iii BME males

3 Responsiveness
i   White males
ii   White females
iii BME females
iv   BME males

4 Communicating and Influencing
i   White males
ii   White females
iii BME females
iv   BME males

5 Development of Others
i   White females
ii   White males
iii BME females
iv   BME males

6 Organisational Acumen
i   White males
ii   White females
iii BME females
iv   BME males

7 Analytical Skills
i   White males
ii   White females
iii BME males
iv   BME females

8 Risk Taking/Independence
i   White males = White females = BME females
ii   BME males

2 Peers' ratings

The following list shows the job competencies in order of greatest importance given by the peers of all four groups combined.

Below each competency are the peers, ratings of the most competent demographic group of managers for each competency scale, in descending order.

1 Managing the Job
i   BME males = White females
ii   White males
iii BME females

2 Character
i   BME females
ii   White females
iii BME males
iv   White males

3 Communicating and Influencing
i   White females
ii   White males
iii BME males
iv   BME females

4 Responsiveness
i   White females
ii   BME females
iii White males
iv   BME males

5 Organisational Acumen
i   White males
ii   White females = BME males
iii BME females

6 Development of Others
i   White females
ii   BME females
iii White males
iv   BME males

7 Analytical Skills
i   White males
ii   White females
iii BME males
iv   BME females

8 Risk Taking/Independence
i   White females
ii   BME males
iii BME females
iv   White males

3 Direct reports' ratings

The following list shows the job competencies in order of greatest importance given by the direct reports of all four groups combined.

Below the competencies is the list of who the direct reports rated as the most competent demographic group of managers for each competency scale, in descending order.

1 Managing the Job
i   White females
ii   White males
iii BME males
iv   BME females

2 Organisational Acumen
i   White females = White males
ii   BME females
iii BME males

3 Communicating and Influencing
i   White females
ii   White males
iii BME females
iv   BME males

4 Character
i   White females
ii   BME females = White males
iii BME males

5 Development of Others
i   White females
ii   BME females
iii BME males = White males

6 Responsiveness
i   White females
ii   White males
iii BME females
iv   BME males

7 Analytical Skills
i   White females
ii   White males
iii BME males
iv   BME females

8 Risk Taking/Independence
i   White females
ii   White males
iii BME males
iv   BME females

Discussion of the findings

Single-item competency ratings

1 Self-ratings

Managers' self-ratings suggest that Black and Minority Ethnic managers generally feel more confident in their competence than do White managers.

For 14 of the 42 competencies these differences were statistically significant (where $p < .05$ or below), which suggests that Black and Minority Ethnic managers are significantly more confident than White managers.

However, as discussed in greater detail later in this report, these differences may be due to differential levels of feedback, with significantly less constructive, critical feedback being offered to Black and Minority Ethnic managers compared with White managers.

2 Bosses' ratings

Results indicate that Black and Minority Ethnic managers' self-ratings were least likely to concur with their bosses' ratings of their performance.

They rated themselves the same on only eight out of 42 competencies compared with White managers, who rated themselves the same as bosses rated them on 21 competencies.

Furthermore, Black and Minority Ethnic managers rated themselves higher than bosses rated them for 34 out of 42 competencies, compared with 13 for White managers.

What these findings suggest is that there is a lack of communication between Black and Minority Ethnic managers and their bosses. Neither Black and Minority Ethnic male, nor Black and Minority Ethnic female managers appear to have an accurate picture of how well their bosses/line managers think they are doing, in the various aspects of their job.

It is primarily the responsibility of bosses to give feedback to their subordinates. However, it cannot be judged from these results whether the Black and Minority Ethnic managers are receiving feedback. What is clear, however, is that they are not receiving the levels of constructive, critical feedback from their bosses that are necessary. Without such feedback, it is not possible for these managers either to build an accurate picture of their strengths and weaknesses (as perceived by their boss), or to be able to increase their competence.

This lack of feedback is potentially damaging for managers in terms of their everyday efficacy and their chances of being upwardly mobile.

However, there is another way of looking at the picture created by the findings of this investigation. It relates to previous research on 360-feedback, and leadership development. This will be discussed further below.

3 Peers' ratings

Results indicate that White managers and Black and Minority Ethnic managers are equally likely to agree with their peers about their level of competence on 16 competencies.

However, this number is fewer than half of the total number of competencies. For the remaining 26 competencies, Black and Minority Ethnic managers are more likely to rate themselves higher than their peers rated them and White managers are more likely to rate themselves lower than their peers rated them.

In order for peers to offer each other constructive or critical feedback, there has to be a trusting relationship between them. Given that peers are those who are

likely to have the most similar job to the managers, it would appear that they are most able to give them constructive feedback as they have similar experiences of the constraints and demands of the job.

In light of these findings, organisations should help to build relationships among groups of managers at the same level. Research has shown that Black and Minority Ethnic managers are more isolated at their level at work, due to the lack of ethnically similar peers. They are less likely to be members of the "in-group" at work (see *IDeA* and LRDL report "*Prospects: diversity and the career progression of local government managers*"). This may provide support for strengthening the self-esteem and self-efficacy of Black and Minority Ethnic managers.

Therefore, it might be useful for organisations to consider whether any benefits can be accrued for Black and Minority Ethnic managers by organising network groups for similar ethnic managers, so that they can be given feedback from others, with less chance of bias influencing the assessment of performance. This, however, would not help to reduce prejudices based on ethnicity.

4 Direct reports' ratings

The results suggest that (in a similar way to the comparison of self-ratings with bosses' ratings) direct reports' ratings produce noticeable differences from Black and Minority Ethnic managers' self-ratings.

Black and Minority Ethnic managers are particularly likely to rate themselves more highly than their direct reports rate them. This was the case for more than half of the competencies (compared with five out of the 42 competencies for the White managers). They were also less likely to rate themselves as direct reports rated them (for 11 competencies compared with 18 competencies for the White managers).

The lack of awareness among managers of the impact on their direct reports is complex. Research has shown that direct reports can have particular problems coping with being supervised by a member of a minority group. This has been attributed to the fact that Black and Minority Ethnic managers are not generally seen as 'winners' within the organisation, or they are seen as having a questionable future.[24] Such a situation could be eradicated to a large extent, if local government organisations made a commitment to the valuing and upward mobility of talented Black and Minority Ethnic managers.

Overall, these results appear to show that Black and Minority Ethnic managers could benefit from engaging in upward feedback, which is discussed further in the next section.

Competency scale ratings

1 Self-ratings

Self-ratings of the scales given by managers reveal that Black and Minority Ethnic managers are generally more likely than White managers to give themselves a higher average scale score. White female managers generally gave themselves the lowest average scale score.

These results are similar to the results of the single-item competency scales, where Black and Minority Ethnic managers generally appear to rate themselves more highly than White managers rate themselves.

2 Bosses' ratings

Analysis of bosses' ratings shows that they are generally likely to give the highest average scale scores to White male managers, followed by White

female managers, then Black and Minority Ethnic female managers and then Black and Minority Ethnic male managers.

Comparisons of bosses' ratings with self-ratings reveal that the managers most likely to overestimate their competence as rated by their boss are the Black and Minority Ethnic males. They rated themselves more highly than their bosses rated them on all eight scales.

A similar picture was found in comparison between bosses' ratings of Black and Minority Ethnic female managers, where the bosses rated them lower than they had rated themselves on seven out of the eight scales. For the Black and Minority Ethnic male and female managers, the differences in ratings were often very large.

Conversely, the White male managers only scored themselves higher than their bosses scored them on four out of eight competencies, and White female managers scored themselves higher on only two out of the eight competencies.

As with the results of the single-item competency ratings by bosses, these results suggest that again there is a lack of constructive, critical feedback being offered to Black and Minority Ethnic managers compared with White managers.

As is discussed in the *IDeA* and LRDL report: *" Prospects: diversity and the career progression of local government managers"* (see section entitled *" Feedback"*), this is not a phenomenon exclusive to local government. Much research exists into the various reasons why bosses tend to be less effective in giving constructive, critical feedback to Black and Minority Ethnic managers compared with White managers.

One of the reasons is a fear of being perceived as racist. The results of a survey in local government measuring barriers to career progression (see the above cited report) showed that Black and Minority Ethnic managers were significantly more likely to feel that their boss was sometimes afraid to give them feedback for fear of hurting their feelings. Black and Minority Ethnic managers were significantly more likely than White managers to experience unexpected critical feedback in performance appraisal situations. This is something that was previously found in other research, including a very large sample of Black and Minority Ethnic central government employees.[25]

Bosses, supported by their organisations, should address this situation, if Black and Minority Ethnic managers are to perceive the same quality of developmental guidance as White managers.

When bosses' ratings are compared with the ratings given by peers and direct reports, peers' ratings were significantly **higher** than bosses' ratings of managers for:
– **all eight of the Black and Minority Ethnic males'** competency scale scores
– **seven of the White females'** competency scale scores
– **six of the Black and Minority Ethnic females'** competency scale scores
– **only two of the White male** competency scale scores.

Furthermore, **direct reports' ratings** of managers were **significantly higher** than bosses' ratings for:
– **all eight of the White females'** competency scale scores
– **six of the Black and Minority Ethnic females'** competency scale scores
– **six of the Black and Minority Ethnic males'** competency scale scores
– **only three of the White males'** competency scale scores.

These results lend themselves to the possibility that bosses may be discriminating in the evaluation of the competencies of female and Black and Minority Ethnic managers.

In a study of local government organisations[26], it was found that White ratees were more likely to be described positively by White raters than were Black and Minority Ethnic ratees. Also, White raters were more likely to attribute positive characteristics to White ratees than they were to Black and Minority Ethnic ratees.

Furthermore, the study also found that White raters make significantly fewer negative attributions about White employees than they do about Black and Minority Ethnic employees, especially in terms of interpersonal skills and work knowledge, and less so in terms of approachability and communication skills. They were also more likely to make positive attributions of White rather than Black and Minority Ethnic individuals on commitment and self-motivation.

Similar evidence of bias against minority ethnic employees in appraisal processes has been found in numerous UK and US studies.[27]

If the rating disparity has been caused by conscious or unconscious discrimination in performance appraisal, then this issue should also be addressed. Bosses should follow a range of initiatives, supported by their organisation, to prevent this happening in future. These should include making sure that they are aware of unconscious, internal racial or gender bias. This could be achieved through subconscious or conscious bias awareness and avoidance training. In addition, an appreciation of cultural and gender differences in expressions of behaviour, and approaches to tasks could be encouraged.

One aspect of a manager's job that can be affected by cultural differences is their writing style. A study of Black and Minority Ethnic female employees in one London Borough[28] found that many women said they were frustrated by the bosses' tendency to use their writing style (where it deviated from the norm) as an opportunity to criticise them and undermine their confidence.

This study found that while there were no statistically significant differences in the ratings by bosses of White male managers for Communication and Influencing versus peers' and direct reports' ratings, there were very significant differences between bosses' versus peers' and direct reports' ratings for this competency scale. This was also the case for each of the three other groups of managers, where peers' and direct reports' ratings were significantly higher than bosses' ratings.

Of course it depends which of the managers' bosses, peers and direct reports are viewed as most able to pass an accurate judgement of their competency on the scale, as to whether the bosses were wrong or not. However, research strongly suggests that peers and direct reports are in a particularly strong position to assess the manager more fairly because they interact with the manager more often, and because they know the particular constraints of his/her job.[29]

A manager's job is first and foremost to influence those most closely around them in order to carry out organisational objectives, which in turn, but only after, affects his or her boss (for a fuller discussion of this issue, see section entitled " *Whose ratings are most valid?*").

Another study of central government employees[30] found that there was a general lack of diversity awareness within their organisations, expressed through a 'rigid adherence to working practices'.

Discussion of the findings

The private sector in the US has long realised the benefit of having a diverse workforce that represents the customer base the organisation is serving, or attempting to serve.[31] Given the number of customers of local government organisations that are from minority ethnic backgrounds, it is essential that these organisations consider how they serve them. They will do a greater disservice by adhering rigidly to the inflexible white, male, working practices that they appear to reward. A strong business case for diversity in the UK public sector has also been developed and is discussed in some detail in the *IDeA* and LRDL report "*Prospects: diversity and career progression in local government*".

Any performance disparities among male and female, White and Black and Minority Ethnic managers on the various competency scales would suggest that they are not providing equal amounts of constructive, critical feedback to their Black and Minority Ethnic and female employees. This is clearly unfair and is damaging to employees' careers. It may also be deemed as contravening the Race Relations (Amendment) Act 2000, which states:

'The Act... places a **general duty** on public authorities to work towards the elimination of unlawful discrimination and promote equality of opportunity and good relations between persons of different racial groups.'

Furthermore, lower job performance evaluations of Black managers could be partially attributed to the lower levels of job discretion and organisational experience they experience.[32] This could be the case because Black and Minority Ethnic managers are generally given less opportunity for secondment and often tend to be more closely monitored than their White peers, diminishing their chances to grow and develop. This is an issue that organisations could tackle by making the development of every member of staff an **assessed** responsibility of their boss.

3 Peers' ratings

Analysis of the peers' ratings reveals that, unlike the bosses, they are most likely to give the highest average scale scores to White female managers, followed by White male managers, then Black and Minority Ethnic female managers, and Black and Minority Ethnic male managers. This finding highlights the different perceptions peers and bosses have of managers' performance.

According to the peers' ratings, the managers most likely to overestimate their competence are Black and Minority Ethnic male and White male managers equally, followed by Black and Minority Ethnic female managers. White female managers generally under estimated their competence on all eight scales, compared with the ratings of peers.

A closer look at the ratings reveals that of the differences in rating, Black and Minority Ethnic male managers are most likely to overestimate their competence in the Development of Others scale and White male managers are likely to most overestimate their Communication and Influencing skills.

Black and Minority Ethnic female managers are not only most likely to overestimate their competence compared with their peers' ratings, by a number of competency scales; they are also likely to have the greatest gap in comparison of ratings than the other groups.

Previous research has highlighted the importance of having a social support system at work. It has also shown that Black and Minority Ethnic managers are more unlikely, compared to White managers, to have such a support network. The reasons for this include the relative distance and/or existence of colleagues who are similar in level of management, ethnicity and gender. The previous

section (entitled "*Analysis of Single-Item Competencies: Peers' Ratings*")
suggests ways that organisations can work to address such problems.

4 Direct reports' ratings

Analysis of the competency scale ratings given by direct reports indicates that
the groups most likely to **overestimate** their performance, as far as direct
reports are concerned, are White males, followed by Black and Minority Ethnic
males and females equally. White females were found to generally **underestimate**
their performance on all eight of the scales.

This underestimation of their performance by White female managers is
not particularly surprising in light of previous research which has found that
generally, women tend to rate themselves lower than their 'others' rate them.

As suggested earlier, one way for managers to find out how their direct reports
feel about their performance is to engage in regular upward feedback discussions.
This does, however, require a certain degree of confidence.[33]

Black and Minority Ethnic managers tended to score themselves higher than
White managers on a number of competencies. The misperceptions of each
of the groups demonstrates that none as a whole appear to have engaged in
regular upward feedback and no conclusions about the relative self-confidence
of the groups of managers can be drawn.

Organisations should encourage all of their managers to regularly engage in
upward feedback if they are to get the best out of their available talent and
the best from their management teams.

Whose ratings are most valid?

This question is of vital importance for managers and the organisations in which
they work. Organisational psychologists have studied the various techniques for
assessing managerial effectiveness for decades, not least because it is important
to be able to predict individuals' effectiveness when making selection or
promotion decisions.

It has become widely accepted that top-down feedback (from boss to
manager) is not sufficient to assess objectively the performance of managers
in organisations. The 'subjective' nature of rating by one person who only sees
the manager in certain situations and certain roles[34] is one of the reasons for
the popularity of 360-degree feedback.

The implications of this view for this and other studies is that the views of peers
and direct reports could be viewed as equally or more valid than those of bosses.
Research suggests that the views of peers may be more valid than those of
others, especially in terms of providing task-relevant feedback. Peers usually
see managers in a wider variety of situations than their boss and 'one would
presume that peers are more aware of the situational constraints surrounding
a manager than other external raters, because of the comparative similarity of
their roles'.[35]

360-feedback processes have enabled psychologists to compare these data
with data from assessment centres. Assessment centres are now widely viewed
as the most valid and accurate data sources for predicting future effectiveness.
In a study conducted by US psychologists,[36] data collected from direct reports'
anonymous ratings of a sample of managers compared with data collected
from the performance of the same managers in an assessment centre. The
psychologists compared the two forms of data with assessments made of the
managers over two years, four years and seven years. Their findings were clear

and astonishing. Staff's ratings of the managers were *more accurate* in predicting the future effectiveness of the managers than the ratings that emerged in the assessment centres over the short- to medium-term. This led the researchers to conclude:

'This study places subordinates' ratings in the upper echelons of predictors of managerial performance, along with assessment centres.' (p. 50)

What this research into the validity of peers' ratings suggests is that we need to look much more thoughtfully at the issue of whose ratings are more valid.

Ratings of competency scale importance

1 Self-ratings

Results showing which competency scales managers rated as most important for their jobs yielded some interesting results. Self-ratings showed that Black and Minority Ethnic and White females ranked the competency scales in the same order of importance, and this differed from the Black and Minority Ethnic and White male managers.

Black and Minority Ethnic and White male managers did not rate the competency scales similarly. Black and Minority Ethnic males rated Communication and Influencing much higher than White males and the White males rated Character much more highly than the Black and Minority Ethnic males.

If, as has been suggested in earlier research, managers from minority ethnic groups are steered into particular types of job,[37] this could explain the differences between Black and Minority Ethnic and White male managers to some extent.

However, this would not account for the similarities between Black and Minority Ethnic and White female managers' competency scale ratings unless this effect persists for all minority groups including female managers.

It appears more likely that there may be cultural and gender differences in perception occurring among the groups of managers. Since the most important and the two least important scales are the same for all four groups, differences in perceptions of competency importance are not too great.

2 Bosses' ratings

Bosses rated Managing the Job and Character as the most important competency scales for each of the four groups of managers and Risk Taking/Independence as the least important.

However, the ranking of the scales in-between reveals a rather different picture. They **appear to make differential assessments of the importance of certain competencies based on gender**, where they rate Responsiveness as more important for both Black and Minority Ethnic and White **female** managers than Communicating and Influencing, and vice versa for the Black and Minority Ethnic and White **male** managers.

Apart from those competency scales, they rate all groups' competencies as equally important for their jobs except in the case of Black and Minority Ethnic female managers, where they rate Analytical Skills as more important than Organisational Acumen, and vice versa for the other three groups.

That bosses appear to rate importance differentially by gender is interesting. It can safely be assumed that the majority of bosses in this sample are male, which may explain the differential expectations of male and female managers.

3 Peers' ratings

Results of the peers' ratings of importance for the eight competency scales reveals a more complex picture than that drawn by the bosses.

Peers rate Managing the Job as the most important competency scale for each of the four groups, and Analytical Skills and Risk Taking/Independence as the least important. **They appear to differentiate by ethnicity** for the second most important competence, which for Black and Minority Ethnic managers is Character, followed by Communication and Influencing and, for White managers, the reverse.

They also reverse the order of Responsiveness followed by Organisational Acumen for the White males compared with the three other groups. The Development of Others is rated as more important for Black and Minority Ethnic females than Organisational Acumen alone.

This is a complex situation that could possibly be explained by the differential functional areas that the groups of managers tend to join or are steered into during their career.

The more likely explanation is that there are differential expectations for different groups of people by their colleagues, as is probably the case for bosses, as highlighted above. The over-exaggerated importance given to the assimilation or conformity of Black managers compared with the more 'relevant' skills sought in White ratees for example, has been found in studies by Huck and Bray (1976) and has been suggested by Cox and Nkomo (1986).

Many studies have reported that Black and Minority Ethnic managers feel a very real pressure to conform to the dominant culture of the organisation, where it is predominantly White or White male. 'Conformity is an unwritten rule. If you don't conform, you can't be trusted – especially for higher positions.'[38]

4 Direct reports' ratings

As with the peers' ratings of competency scale importance across the four groups of managers, the direct reports' ratings of competency scale importance are also differential. This is particularly notable in terms of rankings 2 and 3, where it may be that director reports – as was suggested earlier for bosses – may have differential expectations of male and female managers.

Another interesting aspect of the rankings is that Development of Others appears to be particularly expected of Black and Minority Ethnic female managers by direct reports where it is two and three places higher for them than for any other group. Research by Davidson (1997) has suggested that there may indeed be certain expectations on more senior Black and Minority Ethnic female managers, because of the fact that they are often the first to reach their level within their organisation and therefore may be seen as some sort of vanguard.

Organisations should be aware of the particular stressors that can arise from this status with the 'double-bind' potential for experiencing both racism and sexism in the workplace, as described in previous research.[39]

Implications of the importance ranking findings

Some studies have found that female managers are judged by different criteria of effectiveness from those adopted for male managers[40] and that women managers who are deemed equally competent to male colleagues often receive lower performance evaluations.[41]

Discussion of the findings

Perhaps the most important implications for organisations from these findings relate to processes of managerial assessment whether for selection, promotion, appraisal (developmental and/or evaluative forms) and for other management development practices.

The first stage of any assessment process is the identification of criteria of effectiveness. Writers in the field of assessment regularly stress the importance of this.[42]

While some techniques adopted by organisations – when identifying criteria for selection of a manager – have, for example, involved input from potential colleagues and staff, it is doubtless still the most common practice that a boss's view dominates the final judgement. This may be regarded as somewhat illogical, given that a manager's ultimate effectiveness is achieved through the efforts of those whom they manage. One of the major challenges facing organisations would appear to be how staff's perceptions of criteria for effectiveness can be included in the final list.

Ratings of Competence by Group

1 Bosses' ratings

Analysis of bosses' ratings show that for the four competency scales they have rated most important in their subordinates' jobs, they regard White male managers as most competent. They are also more likely to regard White females as the second most competent group of managers (with the exception of Character, where Black and Minority Ethnic females are regarded as equally competent).

For seven out of eight competency scales, they are likely to regard Black and Minority Ethnic male managers as the least competent group, with the exception of Analytical Skills, where they regard Black and Minority Ethnic female managers as least competent.

Overall, these findings suggest that there are disparities in the way bosses (all of whom were in senior management positions, and the majority of whom were White males), evaluate the performance of Black and Minority Ethnic direct reports, and the way they evaluate the performance of White direct reports. There is also a disparity in the evaluation of White male direct reports compared with White female direct reports.

Surveys of Black and Minority Ethnic women managers (many of whom were at a senior level in the public sector),[43] found that they concurred with the view that Black and Minority Ethnic male managers were likely to face greater levels of discrimination than they did in their working lives. The opinion was that they were seen as more of a 'threat' to the organisation and as a result found career progression even harder.

The disparity in performance appraisal that occurs between individuals differing in ethnicity and gender is something organisations should address – not only from a moral point of view but also because of the governmental directives that have been passed on public authorities concerning the equal treatment of men and women and Black and Minority Ethnic employees.

Organisations can only begin tackling this issue by ensuring that the development of all staff, regardless of the gender or ethnicity of the staff, is an accountable aspect of their jobs.

2 Peers' ratings

Unlike the bosses, peers appear to have a fairer or indeed more accurate view of the competencies of the managers with whom they work, with regard to gender and ethnicity.

For the competency scale rated most important by bosses, peers and direct reports, peers' ratings have suggested that **Black and Minority Ethnic male and White female managers are most adept.** This is an important finding, given that bosses rated Black and Minority Ethnic male managers as least competent for this most important aspect of all managers' jobs. It highlights the need for organisations to challenge assumptions of whose ratings are most valid.

Some researchers have suggested that **peers' ratings** are more relevant in providing task-relevant feedback than bosses'. It is believed that their opinions **may be more valid** because they are aware of the situational constraints on the manager in question due to the 'comparative similarity of their roles.'[44] (See section entitled " *Whose ratings are most valid?*" for a fuller discussion of this issue)

Among the other most important competencies there is a definite mix in the groups of managers that the peers describe as most competent, and no one group appears to be favoured overall. These findings highlight the importance of a diverse workforce in that they demonstrate that no one group is perceived as excelling above the rest in all of the most important competencies.

3 Direct reports' ratings

White females emerge as the most successful in analysis of the direct reports' ratings of the most important competencies and the groups of managers who are most competent.

That female managers are rated as excelling in terms of Character and Developing Others is not surprising. They have been described in a wealth of research as being more likely than male managers to have a transformational style of leadership, which fosters the kinds of behaviours that make up these two competency scales.[45]

What is interesting is that **White female managers have been rated as the most competent group for all of the eight competency scales**, regardless of the relative importance rating.

And, apart from the 4th and 5th most important competencies – Character and Development of Others – **White males** are generally **rated as more effective** than **Black and Minority Ethnic managers** by direct reports.

These exceptional cases are encouraging in terms of valuing diversity. They demonstrate that direct reports do not automatically adopt the position of 'Think manager, think White male'[46] for all of the competencies. They should however be in a similar situation to the peers, where there seems to be a much broader range of understanding and valuing of different approaches at work.

Here again, the issue of upward feedback needs to be addressed so that Black and Minority Ethnic managers in particular become more aware of the impact they have on their direct reports.

Equally important is the need to address the concerns of direct reports at being led by ethnic minority managers, who are not seen as 'winners' within the organisation or are perceived as having a questionable future.

To address this issue, organisations could create a culture in which there are no 'winners' or 'losers' and where diversity and the valuing of individuals' skills

Discussion of the findings

regardless of ethnicity is key to organisational effectiveness. (See *IDeA* and LRDL report *" Prospects: diversity and the career progression of local government managers"* for a full discussion of diversity, including the bottom-line business case and various aspects of implementation).

Another factor that could disadvantage Black and Minority Ethnic managers which has been reported in several studies of local government organisations is that of training and development.[47] These studies have reported the relative lack of access to training and development opportunities compared with what is offered to their White colleagues.

Furthermore, previous studies have shown that among other factors, Black and Minority Ethnic managers are more likely to be subject to closer supervision by their bosses, limiting their chances of development (see IDeA report *" Prospects: diversity and the career progression of local government managers"* for a fuller discussion). It goes without saying that managers who are advantaged in the above respects are able to perform better than their disadvantaged colleagues.

The Issue of Feedback

For a manager's performance to improve, their boss must provide them with feedback – both positive and negative – point out development needs and offer them opportunities for development[48].

One of the major conclusions of the afore cited Rick et al (1999) study was that supervisors/bosses in local government organisations are often seriously deficient in the skills required to lead an ethnically diverse workforce.

The study uncovered a double-bind situation for Black and Minority Ethnic employees caused by bosses who admitted that they were afraid to give negative feedback. Supervisors described themselves as 'bending over backwards' to be seen to be fair. Alternatively, when contemplating disciplinary procedures, they would 'from the start keep it on record and make sure your back's covered', for fear that informal challenges to poor performance could be interpreted as harassment or bullying. These managers were also least likely to mention, among other competencies, 'giving positive feedback' as a strength.

Other evidence of this deficiency among public sector managers was revealed in a recent study of diversity management in the *NHS*. The survey found that one of the ways in which the organisation practises 'institutionalised discrimination' is in '*the reluctance of some White managers to challenge poor performance by the Black and Minority Ethnic staff they manage*'.[49]

Other studies of local government organisations, such as the *IDeA* and LRDL report " *Prospects: diversity and the career progression of local government managers*" , found that Black and Minority Ethnic employees generally receive less high-quality feedback. They were also more likely than White employees to find that performance reviews often brought up negative performance issues that they were not expecting.

However, not only should managers provide their direct reports with critical feedback, they should also ensure it is constructive and specific enough to allow direct reports to improve.

A number of studies over the last few years have shown that compared with men, women receive less specific critical feedback from their bosses.[50] More recently, such findings are being replicated among ethnic groups, where White employees are more likely to receive more useful feedback from their bosses than their Black and Minority Ethnic counterparts.

Such a situation was found in the Capita and IES (2001) study of central government employees, where it was noted that regular feedback was not forthcoming for Black and Minority Ethnic staff, and when it was given it was often 'unsubstantiated and unspecific'. One example of feedback given to a minority ethnic employee that was quoted in the study was: 'need more settling in before you can get promoted.'

Mukasa et al (1999) found that Black and Minority Ethnic women in one London Borough felt they were offered fewer opportunities than their White colleagues to take time off for job-relevant training or to further their qualifications. Furthermore, a 1996 LGMB study of local government managers found that a number of Black and Minority Ethnic participants felt they faced unequal access to development resources such as secondment and project work.[51]

There is evidence that 360-feedback can be of enormous value to managers in helping them to understand how their behaviour impacts on others, and how to focus on specific development needs and build on current strengths.[52] But the process must be supported by their boss and by the organisation.

The Issue of Feedback

The feedback should be perceived as the starting point to the development process and the individual should be provided with skilled coaching by an experienced individual. Several articles have documented guidelines for best practice including a paper published by *The British Psychological Society* entitled 'Best Practice in 360-feedback'. It can be downloaded free of charge from www.bps.org.uk

The Capita and IES (2001) study found that even when the training and development needs of Black and Minority Ethnic employees were identified by their managers during their annual performance review, the recommendations made were not followed up by the managers.

Without support for post-feedback development, 360-degree feedback initiatives can damage motivation, commitment, performance and self-esteem. Given the substantial investments of time, money, and personal effort, there is a clear responsibility for organisations to ensure that these initiatives be given the resources necessary to create a powerful and wholesome experience for all involved.

Conclusion

The findings from this study are complex. The fact that this is the first UK study in the field of 360-feedback research to specifically investigate the effects of ethnicity of ratee on ratings of managerial effectiveness is surprising given the wealth of studies in this area.

The findings are challenging for local outcomes, particularly those from whom the current data were obtained. However, it is unwise to assume that local government organisations are any different from other public or private sector organisations with respect to the prevalence of variations in performance ratings by ethnicity and gender of ratee and rater.

The findings support many previous studies that have shown a disparity in the appraisal ratings of Black and Minority Ethnic versus White managers, and female compared with White male employees (for a fuller discussion see *IDeA* and LRDL report " *Prospects: diversity and the career progression of local government managers*").

The important difference here is that previous studies have employed ratings from the perspective of **one observer**, namely the manager's boss. This investigation included the views of other colleagues, peers and direct reports. This is where the important clues and the possible grounds for optimism may lie.

The latest research on assessment practices has cast serious doubt on the validity of bosses' ratings of the effectiveness of managers. A recent paper by respected scholars in the field of leadership assessment[53] has nailed their opinions to the mast:

'We believe that many people rise in organisations based on political skill and luck, frequently without ever demonstrating any talent for leadership. … researchers use superiors' ratings of a manager's performance; these ratings primarily reflect a manager's technical competency rather than the performance of his/her team… The least preferred method is subordinates' ratings; nonetheless, Shipper and Wilson (1991) show that subordinates' ratings of a manager's performance are reliably correlated with team effectiveness. We believe subordinates' ratings are the best single way to evaluate a manager's performance' (p. 39).

The findings from the current investigation reveal that in the case of the Black and Minority Ethnic managers in the sample studied, their **direct reports' ratings of them were significantly higher than their bosses' ratings for six out of the eight competency scale ratings.**

Why does this disparity exist? Whose ratings are more valid? And whose evaluations of effectiveness will have the greatest impact on the future careers of the Black and Minority Ethnic managers?

We pose these questions provocatively because the local government improvement agenda requires organisations to challenge their current practices. The degree to which local government organisations take on these challenges and produce results will be the real test of whether valuing equality and diversity is a true commitment.

Appendix

The list of managerial and leadership competencies which comprise the 360-degree feedback instrument

The 42 managerial and leadership competencies measured by the 360-degree feedback instrument are:

1 Visionary Leadership
2 Empowerment
3 Individual Leadership
4 Meeting Leadership
5 Negotiation
6 Sensitivity
7 Developing Organisational Talent
8 Collaboration
9 Persuasiveness
10 Political Skills
11 Project Planning
12 Strategic Planning
13 Fact Finding
14 Analysis
15 Judgement
16 Innovation
17 Independence
18 Risk Taking
19 Objectivity
20 Decisiveness
21 Selection Decision Making
22 Managing the Job
23 Delegation
24 Follow-up
25 Establishing Performance Goals
26 Coaching
27 Appraisal
28 Oral Communication
29 Oral Presentation
30 Written Communication
31 Initiative
32 Stress Tolerance
33 Impact
34 Entrepreneurial Insight
35 Customer Service Orientation
36 Ability to Learn
37 Adaptability
38 Integrity
39 Technical/Professional Knowledge
40 Quantitative Analysis
41 Business Strategy Awareness
42 Organisational Systems Awareness

References

Alimo-Metcalfe, B. (1990). 'The Evaluation of *Synchrony™* in the Northern & Yorkshire Regional Health Authorities'. Nuffield Institute Report

Alimo-Metcalfe, B. (1994). 'Gender and appraisal: Findings from a national survey of managers in the British National Health Service'. In Heslop, L.A. (Ed) *The Ties that Bind: Proceedings of the Global Research Conference on Women in Management*. Alberta, Canada: Canadian Consortium of Management Schools

Alimo-Metcalfe, B. (1994) "Gender Bias in Selection and Assessment of Women in Management" in M. J. Davidson and R. Burke (eds) *Women in Management: Current Research Issues*, 93-109, London: Paul Chapman Publishing

Alimo-Metcalfe, B. (1998) '360-degree feedback and leadership development', *International Journal of Selection and Assessment*, 6 (1) 34-44

Alimo-Metcalfe, B. (1999) Do male and female managers, their bosses, direct reports, and colleagues agree as to the nature of managerial/leadership effectiveness, and does gender make a difference? A factor analysis of 360-feedback. In: *Managerial Behaviour: Empirical Studies of Management Behaviour, Development and Socialization* edited by Pepermans R; Flion I; Ardts JCA; Jansen PGW, ACCO

Alimo-Metcalfe, B. & Alban-Metcalfe, J. (2003) 'Leadership: A Masculine Past, but a Feminine Future?' *Paper presented at the Annual British Psychological Society Occupational Psychology Conference*, Jan 8-10, Bournemouth

Barling, J., Weber, T. & Kelloway, E. K. (1996) Effects of transformational leadership training on attitudinal and financial outcomes: A field experiment, *Journal of Applied Psychology*, 81 (6) 827-832.

Bass, B. M. and Avolio, B. J. and Atwater, L.E. (1996) 'The transformational and transactional leadership of men and women'. *Applied Psychology: An International Review*, 45 (1) 5-34.

Bell, E.L. (1990) The Bicultural Life Experience of Career-Oriented Black Women, *Journal of Organizational Behavior*, 11 (6), 459-478

Bhavnani, R. (1994) *Black Women in the Labour Market – A Research Review*, Equal Opportunities Commission, Manchester

Capita and the Institute for Employment Studies (2001) *Equality in Performance Review*, July

Church, A.H. (1998). 'Moderators of managerial behaviour ratings: An analysis from multiple perspectives'. *Personal Communication.*

Church, A. H. & Waclawski, J. (1998) Making multi-rater feedback systems work, *Quality Progress*, 31 (4) 81-89.

Corby, S. (1983). Women in the Civil Service: Looking back or held back? *Personnel Management*, Feb. 28-31.

Cook, M. (1993) *Personnel Selection and Productivity*, John Wiley and Sons: Chichester

Cox, T. and Nkomo, S.M. (1986) Invisible men and women: A status report on race as a variable in organizational behaviour research, *Journal of Organizational Behavior*, 11, 419-431

Davidson, M.J. (1997) *The Black and Ethnic Minority Woman Manager: Cracking the Concrete Ceiling*, Paul Chapman Publishing: London

Employers Organisation (2001) *JNC Chief Executives and Chief Officers Survey*, EO

Fletcher, C. (1993). *Appraisal: Routes to Improved Performance*. London: IPD.

Fletcher, C. and Baldry, C. (1999). 'Multi-source feedback systems: A research perspective'. In Cooper, C.L. and Roberston, I. (Eds), *International Review of Industrial and Organisational Psychology*, 14

Friedman, R., Kane, M. and Cornfield, D.B. (1998) Social Support and Career Optimism: Examining the Effectiveness of Network Groups Among Black Managers, *Human Relations*, 51 (9), 1155-1177

Greenhaus, J.W., Parasuraman, S. and Wormley, W. M. (1990) Effects of Race on Organizational Experiences, Job Performance Evaluations and Career Outcomes, *Academy of Management Journal*, 33 (1) 64-86

Henderson, G. (1994) *Cultural Diversity in the Workplace: Issues and Strategies*, Quorum Books, London

Hogan, R. & Hogan, J. (2001). Assessing leadership: A view from the dark side, International Journal of Selection and Assessment, 9(1&2), 40-51

Huck, J.R. and Bray, D.W. (1976) Management assessment center evaluations and subsequent job performance of white and black females, Personnel Psychology, 29, 13-30

IDeA and *LRDL* (2004) *Prospects: Diversity and the Career Progression of Local Government Managers*, Improvement and Development Agency, London

Jones, E.W. Jr (1986) Black managers: The dream deferred, *Harvard Business Review*, 64 (3) 84-93

Kraiger, K. and Ford, J.K. (1985) A meta-analysis of ratee race effects in performance ratings, *Journal of Applied Psychology*, 70, 56-65

LGMB (1996) *'Evening the Odds':* Research into management development for black and other minority ethnic managers, Local Government Management Board

London, M. and Beatty, R.W. (1993) '360-degree feedback as a competitive advantage'. *Human Resource Management*, 32, (2-3), 353-372

London, M., Wohlers, A. J. and Gallagher, P. (1990) A feedback approach to management development, *Journal of Management Development*, 9(6) 17-31

References

London, M., and Wohlers, A. J. (1991) Agreement between subordinate and self-ratings in upward feedback, *Personnel Psychology,* 44, 375-390

McEvoy, G.M. & Beatty,R.W. (1989). Assessment centers and subordinate appraisals of managers: A seven year examination of predictive validity, *Personnel Psychology,* 42 (1), 37-52

Mitchell, R. (2002) An Equalities Change Management Strategy Assessed: Achieving Equality, Respecting Diversity, *North Central London NHS Strategic Health Authority*

Mukasa, D., Morris, H. and Clery, L. (1999) The Career Glass Ceiling for Ethnic Minority Women in Tower Hamlets Social Services, *London Borough of Tower Hamlets*, October

Nieva, V.F. and Gutek, B.A. (1980) Sex effects of evaluation, *Academy of Management Review,* 5 (2) 267-276

Ostroff, C. (1993) Rater perceptions, satisfaction and performance ratings, *Journal of Occupational and Organisational Psychology,* 6, 345-356

Redman, T., and Snape, E. (1992) Upward and Onward: Can staff appraise their manager? *Personnel Review,* 21 (7) 32-46

Rick, J, Tamkin, P., Pollard, E. and Tackey, N. (1999) The Organisational and Managerial Implications of Devolved Personnel Assessment Processes, *Institute for Employment Studies*

Robinson, G. and Dechant, K. (1997) Building a business case for diversity, *Academy of Management Executive,* 11 (3)

Runnymede Trust (2000) Moving on Up? Racial Equality and the Corporate Agenda: A study of FTSE100 Companies, February

Sackett, P.R. Dubois, C.L.Z. and Wiggins Noe, A. (1991) Tokenism in performance evaluation: The effects of work group representation of male-female and white-black differences in performance ratings, *Journal of Applied Psychology,* 76 (2) 263-267

Schein, V.E. (1973). Relationships between sex role stereotypes and requisite management characteristics, *Journal of Applied Psychology,* 57 (2) 95-100

Schein, V.E. (1975). Relationships between sex role stereotypes and requisite management characteristics among female managers, *Journal of Applied Psychology,* 60 (3) 340-344

Schein, V. E. (1978) Sex role stereotyping, ability and performance: Prior research and new directions, *Personnel Psychology,* 31, 259-268

Schein, V. (1994) Managerial sex typing: A persistent and pervasive barrier to women's opportunities. In M. J. Davidson & R. J. Burke (eds.) *Women in Management: Current Research Issues,* London: Paul Chapman

Society of Telecom Executives (STE, 1992) *Stressing Performance,* London: STE Research

Synchrony™: *Self-Assessment Booklet.* Pittsburgh, PA: Development Dimensions International.

Thompson, M. (1992) *Pay and Performance: The Employer Experience,* Institute of Manpower Studies, Report No 218, Brighton, Sussex

Warr, P. & Ainsworth, E. (1999) 360-degree feedback – Some recent research, *Selection and Development Review,* 15 (3) 3-6

Wohlers, A. J., and London, M. (1989), Ratings of managerial characteristics: Evaluation difficulty, co-worker agreement, and self-awareness, *Personnel Psychology,* 42, 235-261.

Yammarino, F. J. & Atwater, L. E. (1993). Understanding self-perception accuracy: Implications for human resource management, *Human Resource Management,* 32, 231-247

Footnotes

1   Alimo-Metcalfe, 1998; Fletcher and Baldry, 1999
2   Fletcher, 1993
3   Alimo-Metcalfe, 1998; Capita and IES, 2001; Fletcher, 1993
4   Redman and Snape, 1992
5   Fletcher, 1993; Redman and Snape, 1992; Wohlers and London, 1989
6   Fletcher, 1993
7   Wohlers and London, 1989
8   London et al, 1990, p17
9   Alimo-Metcalfe, 1998
10 See, for example, Alimo-Metcalfe, 1998
11 Warr and Ainsworth, 1999
12 See, for example, Church and Waclawski, 1998; Yammarino and Atwater, 1993
13 Church, 1998; Fletcher and Baldry, 1998)
14 Barling, Weber and Kelloway, 1996; London and Wohlers, 1991
15 Ostroff, 1993
16 Friedman, Kane and Cornfield, 1998; Sackett, DuBois & Wiggins Noe, 1991
17 Kraiger and Ford, 1985; Greenhaus, Parasuraman and Wormley, 1990
18 Capita and IES, 2001
19 Capita and IES, 2001; Mitchell, 2002
20 See, for example, Runnymede Trust, 2000
21 Alimo-Metcalfe, 1990
22 Employers Organisation, 2001
23 Employers Organisation, 2001; LGMB, 1996
24 Jones, 1986
25 Capita and IES, 2001
26 Rick et al, 1999
27 Capita and IES, 2001; Greenhaus, Parasuraman & Wormley, 1990

28 Mukasa et al, 1999
29 Fletcher and Baldry, 1999
30 Capita and IES, 2001
31 See, for example, Robinson and Dechant, 1997; Henderson, 1994
32 Greenhaus, Parasuraman and Wormley 1990
33 Wohlers and London, 1989
34 London and Beatty, 1993
35 Fletcher & Baldry, 1999
36 McEvoy and Beatty, 1989
37 Bhavnani, 1994; Henderson, 1994,
38 Jones, 1986
39 Bell, 1990
40 See, for example, Alimo-Metcalfe, 1999a; Nieva & Gutek, 1980; Schein, 1973, 1975,1978, 1994;Thompson, 1992
41 Alimo-Metcalfe, 1994; Society of Telecom Executives, 1992; Thompson, 1992
42 See, for example, Cook, 1993
43 Davidson, 1997
44 Fletcher and Baldry, 1999
45 Bass, Avolio and Atwater, 1996; Alimo-Metcalfe and Alban-Metcalfe, 2003
46 Davidson, 1997
47 LGMB, 1996; Mukasa et al, 1999; IDeA and LRDL, 2004
48 Alimo-Metcalfe, 1985, 1994; Fletcher, 1997
49 Mitchell, 2002
50 See, for example, Corby, 1983
51 LGBM, 1996, see also IDeA and LRDL, 2004
52 Alimo-Metcalfe, 1998
53 Hogan and Hogan, 2001

Acknowledgements

The IDeA: bringing out the best in public service delivery

Public service improvement is as much about inspiring political vision as it is about better management, as the country's best councils show. They excel at creating local solutions to local needs by combining visionary goals with highly professional management.

These councils deliver top-quality basic services, which they do by focusing unashamedly on the needs of local people and local communities to drive improvement, and by welcoming external challenge and competition.

The IDeA uses the lessons learned from these councils to help all councils improve, so that they can match the standards of the best.

By advocating the best in local government, the IDeA aims to:
– deliver practical solutions to improve local government performance
– develop innovative approaches to transfer knowledge within local government
– act on behalf of local government to develop new ways to deliver joined-up, local services
– promote local government success
– influence public service policy so that it supports local government improvement
– employ highly-skilled people to meet the needs and priorities of local government as and when they are required, from member peers to chief officers
– work with customers in a way that respects diversity and promotes equalities
– be recognised as the improvement partner of choice for all local authorities.

Our services
The IDeA is the leading practitioner in local government improvement. We have led the way in sharing knowledge, best practice and member development and have pioneered the use of peer reviews and peer involvement, which are now widely accepted as the key to local authority improvement. We have also innovated cutting edge e-government services whose use of new technology helps management across local government to develop new e-solutions.

Five key themes support the IDeA's work:

e-government
The IDeA helps local authorities transform the ways in which they lead their communities and deliver services through the opportunities offered by e-government.

leadership
The IDeA supports authorities in developing their political and officer leadership so they continually improve the ways they serve their communities.

strong performance
The IDeA can help local authorities review their performance and ensure that they have the resources to deliver change to meet the needs of their communities.

improving council services
The IDeA works actively with local authorities to continually improve local services and challenge poor performance.

community well-being
The IDeA can help local authorities engage effectively with their communities, by building local partnerships and integrating sustainable development within their decision-making processes and delivery of services.

Who we are
Established in 1999, the Improvement and Development Agency was created by local government for local government. The IDeA is an independent, non-party-political body with a board made up of representatives from all political parties and independent members as well as representatives of other key stakeholders. The IDeA is funded by a combination of local authority grants and fees generated from local authority services and projects.

The IDeA's work covers all local authorities in England. The Welsh Local Government Association (WLGA) is responsible for driving local government improvement in Wales and the Convention of Scottish Local Authorities (COSLA) plays a similar role in Scotland.

We work in partnership with a range of stakeholders, including government departments, the Audit Commission, the Local Government Association (LGA), other central bodies and the private sector.

The IDeA has recently appointed nine Regional Associates to represent the IDeA in each of the English regions. The Regional Associates will ensure the IDeA understands the improvement needs of councils in their areas and that our services are tailored to their needs. Do call the number below to get in touch with the Regional Associate for your council.

Get in touch
If you would like more information about the IDeA, its improvement work and other projects to support public service development, please visit our website at:

http://www.idea.gov.uk/ or call us on 020 7296 6600

How will our success be judged?
The success of the IDeA will be judged by the extent to which local government improves, measured by clear evidence of improvement in performance including evidence of satisfaction among local people and communities with their councils and the services they provide.

Leadership Research & Development Ltd: at the cutting edge of research and development in leadership an diversity

Leadership Research & Development Ltd (LRDL) was created as a University of Leeds spin-out company in 2001. It was originally formed to exploit the expertise of Professor Beverly Alimo-Metcalfe, Professor of Leadership Studies at the University, who is respected internationally as being at the 'leading edge' of research into ethical transformational leadership. Now, however, LRDL has built up a reputation of its own and employs a number of expert psychologists and practitioners on a permanent and Professional Associate basis to deliver high quality products and services.

LRDL is committed to working with clients in a manner which reflects the values and qualities of its ethical model of leadership, which include integrity and inclusiveness, evidence-based practice, and true partnership working, such that client internal capacity is increased, at an individual and organisational level.

Mission
LRDL's mission is to improve the quality of leadership and management in both public and private sector organisations, through the production of valid and robust diagnostic instruments and the provision of high quality training and other developmental activities.

Diversity
In parallel with the research presented in this report, LRDL has also recently completed research into the nature and assessment of organisations valuing and managing equality and diversity. This research, which was based on a representative range of managers and professionals working in local and central government, culminated in the publication of two diagnostic feedback instruments, the *Embracing Diversity Inventory (EDI)©*, which can be used to undertake organisational audits, and the *Embracing Diversity Questionnaire (EDQ)©*, a 360 instrument for use by individuals

The *EDI©* also enables organisations to measure the extent to which change has occurred, either over time or following targeted intervention (pre-test/post-test data).

Research
LRDL has recently completed a number of large research projects for major public sector bodies, which include the 'Transformational Leadership in Schools (TLiS)' project, funded by the National College for School Leadership. It is currently working, in partnership with King's College London Sainsbury's Centre for Mental Health, on a major investigation of leadership in mental health Crisis Resolution Teams, funded by the Department of Health.

Developmental Interventions
The *TLQ©* has been used extensively among public sector organisations, including the Cabinet Office-sponsored 'Public Sector Leadership Scheme' and the CMPS-Inlogov-LRDL modules of the IDeA's 'Advanced Leadership Programme', for both of which the *TLQ©* is the principal diagnostic tool, and in an increasing number of local authorities and central government agencies, NHS trusts, universities and schools.

The *EDI©* is also currently being used to inform developmental activities around equality and diversity within a number of public sector organisations.

Diagnostic Instruments
The research that led to the development of the *TLQ©* involved a gender inclusive- and black and minority ethnic-inclusive sample of managers and professionals at all levels in local government and the NHS. The pilot version of the *TLQ©* was tested among a representative sample comprising over 3,500 public sector managers and professionals.

Subsequent research has led the development of four other 360 diagnostic feedback leadership instruments: – the private sector version of the *TLQ©*, developed in cooperation with three FTSE100 companies; *Integration-Leadership Competencies Profile©; the Police 360 Ethical Leadership Inventory (P360ELI)©;* and an organisational 360 feedback instrument, the *Ethical Leadership Culture & Change Inventory (LCCI)©.*

Normative Data
Important features of instruments devised by LRDL include the availability of normative data, based in the case of the *TLQ©* on over 7,000 ratings by managers and professionals working in a wide range of public sector organisations. These can be used as a benchmark against which current organisational performance can be judged.

Developing Personal and Organisational Development Plans
Increasingly, LRDL is being invited to work with local authorities and other public sector organisations to undertake leadership development and related activities. These involve working both at Board level and among managers and professionals at senior and middle levels in local government and other public sector organisations, and chairs of NHS Trusts.

LRDL Associates and Strategic Partnerships
LRDL's development activities are supported by a growing number of LRDL Associates, some of whom have a national or international reputation, and by the development of strategic partnerships with certain prestigious universities in the UK and abroad, and major private sector companies.

Current Projects
LRDL is currently undertaking research into the leadership behaviours and qualities of individuals who occupy representational/political roles. This investigation, which involves elected members, chairs and non-executive members of NHS Trusts, school and college governors, and boards of private sector companies, will culminate in the development of a number of sector-relevant versions of the *Corporate Governance Questionnaire (CGQ)©.*