

Business Leaders Reflect on Coaching Cultures

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A company's culture can exert a powerful influence on the company's business performance. What is company culture? It is the organization's unwritten rules, values, norms, behaviors, and other practices that collectively define how work gets done. Many organizations have attempted to change their culture to better meet the demand for improved talent management in today's complex, diverse, and global business environment.

Coaching as a professional practice and field of expertise has moved beyond being used only to develop individual leaders. In-the-moment team coaching, group coaching, coach mentoring, coaching skills workshops, and other coaching-based approaches are being used in comprehensive change initiatives. Moreover, these initiatives are becoming increasingly strategic. Coaching-based initiatives are being leveraged to change company cultures in important and strategic ways.

CCL and Cylient, a firm that offers coaching-based leadership development, culture change, and evaluation services, recently teamed up to conduct a survey (see the sidebar on page 21) with four objectives:

1. To examine the current practice of coaching across a broad spectrum of industries from the perspective of senior business leaders.

2. To learn from the business leaders what they expect from a coaching culture.

3. To gain insights about the strategies the business leaders suggest for creating these cultures.

4. To identify the business benefits of a coaching culture.

WHO GETS COACHED

The coaching profession began as a developmental process primarily for senior leaders, and according to 43 percent of the survey respondents, this remains the case. The prevalence of individual coaching drops the further down one's position is in the organization. Midlevel managers receive coaching in the organizations of 28 percent of the respondents, and the use of coaching drops to 20 percent for frontline supervisors.

Factoring individual performance into decisions on who gets coached is also prevalent. High-potential leaders receive coaching, according to 57 percent of the respondents, whereas 31 percent of respondents said derailing leaders and managers receive coaching.

As organizations expand the use of coaching, the variety of ways in which coaching is being used also seems to be expanding. Coaching activities other than individual coaching are emerging. Coaching skills workshops are conducted in 29 percent of the organizations, team or group coaching in 20 percent, and coach-to-coach mentoring in 6 percent.

SEISMIC SHIFTS

Respondents were asked to describe their company's culture according to a series of attributes. They then were asked to describe what a coaching culture would look like in their company. Contrasting the two sets of responses revealed how the respondents believed that achieving a coaching culture would affect each cultural attribute.

The respondents believed that some seismic shifts in their respective cultures were possible:

- Thirty-six percent said that achieving a coaching culture would increase leaders' active contributions to the development of others; 32 percent said it would improve the way they routinely review and manage people's performance.

- Thirty-two percent said that achieving a coaching culture would increase the sharing and use of knowledge in the organization; 6 percent said it would cut back on information being controlled and viewed as a source of power.

- Twenty-eight percent said that achieving a coaching culture would create a climate of trust and openness that would cause decision making to be more open, participative, and transparent; 4 percent said it would decrease the use of "silos" that limit cross-functional collaboration.

- Twenty-seven percent said that achieving a coaching culture would

The Survey Details

An invitation to participate in a Web-based survey was e-mailed to approximately 3,400 leaders drawn from CCL's database. Names were drawn that were associated with titles indicating a senior position, including titles containing the words "chief" or "senior vice president." A total of 347 leaders responded, for a response rate of 10.2 percent. Leaders of functions other than human resource (HR) functions accounted for 79 percent of the survey population. Leaders of HR functions (including organizational development, leadership development, training and development, and coaching) accounted for 18 percent

of the survey population, and individual contributors accounted for 3 percent. The data collection was concluded in September 2008.

Respondents were further asked to define their role with regard to coaching: 84 percent said they informally coach others as opportunities arise, 13 percent said they have a part-time role of coaching others who are not their direct reports, 2 percent said they have a full-time coaching role, and 1 percent said they do not coach at all.

The respondents came from a broad range of industries: manufacturing (9.6 percent); food, beverage, and tobacco (9.2 percent);

financial services (7.3 percent); nonprofits (7.3 percent); health products and services (6.5 percent); government (6.5 percent); and pharmaceuticals (6.2 percent). Twenty-two other industries were represented by the remainder of the respondents.

Respondents were fairly evenly distributed in terms of organizational size: 36 percent came from organizations with less than one thousand employees, 30 percent from organizations with between one thousand and five thousand employees, and 34 percent from organizations with more than five thousand employees.

make learning and development a top priority; 10 percent said innovation would be more valued and supported.

- Sixteen percent said that coaching cultures are those in which "making the numbers" is no longer paramount.

NO EASY JOB

Changing the culture of an organization is a daunting task. The survey respondents—79 percent of whom were senior leaders—were asked how a series of coaching activities could best contribute to achieving a coaching culture. Specifically, the respondents were presented with ten activities and asked to select the five that would most contribute to achieving a coaching culture. Five themes emerged from their responses:

1. *"Seed" the organization with leaders and managers who can act as role models on coaching approaches.* Developing strategies to change a company's culture soon leads to confronting the issue of scale. Specifically, how can a sufficient number of people in the organization gain the learning experiences they

need to initiate, grow, and sustain culture change? The key to addressing this issue of scale is to select the right people, invest in their development, and position them as role models for the new coaching culture. In turn, as these people coach others, those who are coached place special emphasis on using and improving their own coaching capabilities.

Seventy-five percent of the respondents recommended creating a cascading effect by using leaders as role models for coaching; 69 percent recommended providing leaders with training in coaching skills.

Twenty-one percent of the respondents said the key is to make this training available selectively, not necessarily to all employees. This approach effectively deals with the issue of scale. Training all employees would be time consuming and expensive, whereas focusing the training on leaders and selected managers and then having them be role models who cascade coaching behaviors throughout the organization ensures maximum return on investment and leverages scale to an advantage.

About one-third (35 percent) of the respondents selected individual coaching for leaders and managers as a top five activity. It seems that training leaders and managers to *be coaches*, rather than having leaders and managers *be coached*, was much preferred by the respondents.

2. *Link coaching outcomes to the business.* Linking coaching culture outcomes to business goals was recommended by about half (51 percent) of the respondents. One respondent suggested that "strategic goals and tactics should be developed around coaching, and specific performance metrics should be developed for coaching behaviors," as might be found in a competency model, thus further linking business outcomes to individual coaching outcomes.

3. *Coach senior leadership teams in creating culture change.* Almost half (46 percent) of the respondents recommended having their leadership teams receive coaching on how to create culture change. But only 20 percent indicated that team or group coaching was being done. This suggests a gap often exists between what is needed to create culture change

and what is currently being done. Closing this gap is important because teams whose members focus on providing each other with timely feedback, learning together, and building on their interdependent strengths typically show greater capacity to achieve organizational improvement than do teams that do not engage in these activities.

4. *Recognize and reward coaching-culture behaviors.* Once behavioral change kicks in, it is important to reinforce it in order to increase its sustainability. Forty-three percent of the respondents ranked this activity among their top five choices.

5. *Integrate coaching with other people management processes.* Institutionalizing the change is critical for sustainability. Coaching approaches and behaviors must be integrated with the appropriate people processes so that coaching becomes a natural way of doing business. Some respondents felt that it was important to integrate coaching approaches into learning and development (43 percent), job competency models (39 percent), and talent management processes (32 percent).

TEN BENEFITS

These five strategic themes for creating a coaching culture seem out of step with how coaching is currently being done in the respondents' organizations. The five themes emphasize leaders being role models for change, with leadership teams being coached in the change process and training in coaching skills being offered to leaders and managers. The current application of coaching places a stronger emphasis on individual coaching—much of it focused on high-potential or derailing leaders and managers—than on training, team coaching, and mentoring.

The respondents were asked how they thought coaching would affect their organizations in terms of ten intangible benefits:

1. Increased employee engagement
2. Increased job satisfaction and morale
3. Increased collaboration
4. Improved teamwork
5. Increased leadership bench strength
6. Improved work relationships
7. Increased sense of organizational community
8. Improved ability to execute strategy
9. Increased retention
10. Increased adaptability to change

The results made it clear that the respondents felt that coaching would have a high impact across all the intangible benefits, as each was named by 42 percent to 67 percent of the respondents. All but two of the intangibles (increased retention and increased adaptability to change) were selected by more than 50 percent of the respondents.

Topping the list was increased employee engagement (67 percent), followed closely by increased job satisfaction and morale (62 percent).

KEY FINDINGS


The perspectives of the survey respondents shed new light on the evolving practice of coaching and in particular on what leaders expect from coaching cultures and how they are thinking about achieving these cultures. Four key findings emerged:

1. *The practice of coaching in organizations is evolving.* Coaching activities beyond individual coaching relationships are emerging, including coaching skills workshops, team or group coaching, and coach-to-coach mentoring.
2. *Coaching cultures represent a seismic shift away from current company cultures.* The leaders surveyed expect coaching cultures to foster greater learning and development among staff, better performance man-

agement, increased trust, and more openness and transparent decision making.

3. *Creating coaching cultures will lead to changes in the organization.* Leaders were asked to compare and contrast their current company culture with a potential coaching culture of the future. This exercise revealed the changes the leaders expected from achieving a coaching culture, including improvements in the way leaders develop others and manage their own performance and increases in open, participative, and transparent decision making.

4. *Coaching cultures benefit the organization.* The leaders indicated that creating a coaching culture would increase employee engagement, job satisfaction, morale, collaboration, and teamwork, among other intangible benefits.

Given the results of this survey, the ball is clearly in the court of those who design, manage, and lead strategic coaching initiatives. According to the survey respondents, creating a coaching culture is now on the corporate agenda for many organizations. New strategies are being suggested to realize these cultures. The outcomes and benefits of coaching cultures identified by the respondents provide encouragement that the rewards for achieving these cultures will be well worth the investment. 

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