



# The Coaching Conundrum 2009

*Building a coaching culture that drives organizational success*

**Global Executive Summary**

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## Announcing The Coaching Conundrum 2009 Global Report

We trust you will find the following *Global Executive Summary* informative. If you are interested in a more in-depth analysis of our findings, we do provide a comprehensive report that includes:

- Demographic analyses of survey responses (region, title/role, department/function, industry, age, gender, tenure as manager)
- Additional examples and insights gleaned from our interviews
- A summary of more than 15,000 employee and manager perspectives pulled from aggregate assessment data on the importance of 29 coaching actions

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# The conundrum in a nutshell...

*The Coaching Conundrum 2009* research reflects interviews with 60 HR and line leaders, survey responses of 2,041 individuals in North America, Asia, and Europe, and analysis of coaching profile assessments for more than 8,000 managers. Pages 26 and 27 contain details on our methodology and the respondent profile.

## Key findings

Organizations and leaders worldwide are struggling to reap the rewards that coaching promises. Our findings paint a puzzling picture of good intentions, missed opportunities, and conflicting messages about the importance of coaching of employees by managers. We're faced with a *coaching conundrum*.

Many organizations provide lip-service to the value that managers' coaching activities have on the business, workforce engagement, and strategic talent management. Few have succeeded in creating cultures where coaching of employees is a regular, fully supported, and rewarded managerial practice.

Individual leaders appear to experience a similar disconnect between words and daily behaviors. Some are true believers in the power of coaching to drive team productivity, effectiveness, and engagement. They coach employees regardless of organizational mandates because it is simply their style of leadership. The majority of leaders appear to be caught up in a tug of war of competing priorities, well-meaning goals around coaching, and an ambivalent organizational culture. They like to coach, know they should, but don't get around to doing it with any regularity.

### This report presents the following disconnects:

Most managers love to coach, and most employees like to be coached.

**BUT...** Only 1 in 2 survey respondents in North America and Asia receive coaching (even fewer in Europe).

Organizations, managers, and employees appear to believe in coaching's contribution to their success.

**BUT...** Managers sheepishly admit they don't spend enough time coaching.

The large majority of managers are expected to coach.

**BUT...** Only one-quarter have compensation tied to their coaching activities.

Managers who coach regularly describe tangible benefits (e.g., increased team productivity).

AND...

Two-thirds of employees who receive coaching say it improved their satisfaction and performance.

**BUT...** Coaching is often described as an almost-altruistic behavior to support employee needs or a strategy for building a talent pipeline. It is seen as something to do in addition to managers' daily work.

Managers worry about having all the answers.

**BUT...** Employees want to be stretched and want help sorting through problems. They don't want advice.

Organizations and managers talk a lot about coaching skills and processes.

**BUT...** A trusting, supportive relationship appears to be the most important ingredient in effective coaching.

## Key implications and recommendations

Organizations need to avoid pigeon-holing coaching as a talent management practice because too often talent management takes a back seat to achieving immediate business results. They can't rely on altruistic leadership and must hold managers accountable for coaching employees to higher levels of performance, career growth, and engagement.

Best practices for creating a successful *coaching culture* include:

- Tackle your next business problem with a coaching initiative. (See page 14.)
- Set new managers on the coaching track. (See page 15.)
- Think beyond coaching skills. (See page 16.)
- Coach the coaches. (See page 17.)
- Build belief and backbone into your culture. (See page 19.)

Managers need to stop thinking of coaching as an event they schedule after their own work gets done or a reaction to a performance issue. The role of "coach" isn't something that they should turn on or off. They need to adopt coaching as a daily leadership practice and focus on creating a supportive, encouraging, and trusting environment for their teams.

Ten tips for becoming successful coaching leaders begin on page 21.

# Why explore coaching?

**Our primary focus: managers coaching employees.** This report does not explore executive coaching, peer coaching, or internal coaching in depth, although those practices are useful in an organization's overall efforts to create a coaching culture. (See pages 17-18 on how they fit in.)

Managers are tasked with executing business strategies. Simply put: getting the work done. At the same time they are supposed to own talent management — developing their staff for not only continued professional success and satisfaction but also to fill the future talent needs of the organization.

Coaching is a core management discipline, part of the nuts-and-bolts of a manager's day-to-day operations — *or is it?*

In 2004 we approached this subject with the premise that “coaching is a sound business strategy whose time has come.” At that time we found a *coaching conundrum* — a puzzling situation where coaching did not deliver on its promise even though organizations, managers, and employees all appeared to want similar outcomes. In 2006 our research found an increased awareness in the value of coaching and higher expectations on all sides with little change in outcomes.

## Why explore coaching *now*?

Organizations operating in the new millennial economy face a different dynamic from that of the last century. Talent is at a premium, labor appears infinitely mobile, product life cycles are shorter, and business models have been turned upside down. In the last eight years alone we have experienced two major boom-and-bust cycles as though the global economies, intertwined, are running on a new type of fuel and the engine is sputtering.

The world of organizational development is struggling to keep up. Under pressure to handle the rate of technological change, learning and development are morphing and encompassing virtual training and e-learning. Superstar “hi-pos” are groomed for key roles but often abandon ship on an ego-whim. Senior executives go from media-darlings to corrupt villains overnight. Executive teams fret over the internal employer brand value and the seemingly intangible, elusive nature of employee engagement.

**Of all of the options to build a stronger organization, the one bond that remains reliable, in our experience, is the manager-employee relationship.** To achieve results in the business and to keep employees engaged, coaching is a practice that requires relatively little investment, is infinitely adaptable, and is inherently personalized.

# What is coaching?

We used the following statement to position our survey and interviews:

**Coaching is helping another person figure out the best way to achieve his or her goals, build skill sets or expertise, and produce the results the organization needs.**

*We believe coaching is not telling someone what to do. It is not stepping in to actually do the work. Coaching is also not restricted to formal or scheduled discussions.*

Many leaders we interviewed agreed with our definition. Some elaborated with more personal perspectives:

- Frances Megson, UK-based Project Director, employee and consumer research firm Maritz Research: *"For me, the main element of coaching that sets it aside from training is that I ask them to work out the answers rather than telling them what to do. So I am asking 'Can you explain...', 'What do you think about...'"*
- Sharon Young, HR Manager for Australia-based construction firm Contexx: *"People have so much to offer and coaching is all about unleashing that potential."*

It is worth noting, however, that most organizations participating in our study do not have a formal definition of coaching. The few that do have a definition apply it in the narrow context of their performance management system or as a specific process for performance problems or development plans.

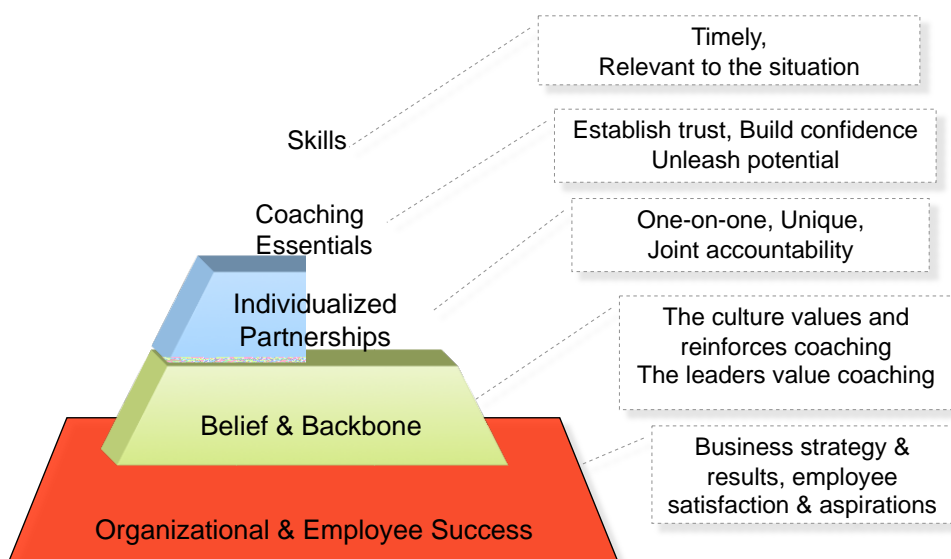
# What is a coaching culture?

*“Yes, coaching should be a natural behavior of managers in their daily work. It is about culture.”*

*— Xu Haiying, Training & Development Director, adidas Greater China*

For coaching to deliver on its business promise, organizations can't rely on managers with a passion and an intuitive knack for coaching their teams to greater achievement and engagement. Those managers will coach no matter what because they've learned first-hand that it helps them personally succeed.

Many organizations provide skills training as a stand-alone offering or as part of a leadership development curriculum to get managers to coach more — or more effectively. And while we recognize that skills are important, we believe that skills alone are insufficient. In fact, our research indicates that the majority of managers (73%) have taken a coaching skills course in the last five years, but their organizations, their teams, and they themselves all admit that coaching doesn't happen as often or as successfully as it should.



**Coaching cultures** are built on organizational and leadership beliefs and practices that reflect coaching as a strategic business driver and critical talent management tool. They feature five success factors as illustrated above and described on the next page.

(This model is also described in a five-minute audiovisual presentation available at [www.blessingwhite.com](http://www.blessingwhite.com))

## Requirements for Successful Coaching Cultures

Requirement	Description
<b>A focus on both organizational and employee success</b>	Managers are clear on the mission and vision of the organization and how their team's priorities fit in. They also understand that even when they are coaching to a specific performance or productivity issue, they also must strive for the employee's increased job satisfaction and long-term engagement. Likewise, career or personal development coaching always has a relevant business context.
<b>A belief in coaching — and a backbone (the practices and systems to encourage and reward it)</b>	The organization, starting with its senior leaders, has an established belief that coaching by managers is important — not only to workforce development or to a solid leadership pipeline but also to the achievement of current business priorities. Without this belief leaders would say, "I've got too much work to do; no time to coach!" Systems and practices (e.g., recruiting, competencies, performance management, promotions, compensation) align with espoused beliefs. Managers who coach are held up as role models.
<b>Individualized partnerships</b>	Managers establish unique coaching partnerships with their team members based on an understanding of each employee's motivators, skills, and preferences about being coached. Employees share accountability for successful coaching. This personalized approach enables managers to be more strategic, effective, and efficient coaches.
<b>Coaching essentials</b>	Managers build strong <i>relationships</i> by establishing trust, building confidence, and unleashing potential. This isn't done through feedback or specific coaching conversation skills. Managers get to know each team member, have regular, honest conversations, and create a supportive, encouraging environment through a variety of leadership actions. This foundation enables them to weave coaching seamlessly into their employee interactions.
<b>Skills</b>	Managers seek coaching moments to coach informally in addition to conducting more formal check-ins. They use skills <i>appropriately</i> (given the individualized partnerships they've established) to address specific situations and employee requests.

# Key findings

## co·nun·drum

\kə-'nən-drəm\ *noun*. a riddle whose answer is or involves a pun; a question or problem having only a conjectural answer; an intricate and difficult problem

*Merriam-Webster Online Dictionary, 2008*

Despite the prevalence of leadership competency models, substantial investments in leadership development and management/supervisory training<sup>1</sup>, and the explosive growth of executive coaching, the conundrum we identified in 2004 and 2006 still exists.

- Everyone seems to love coaching in theory. There's evidence that when it happens, it can make a significant impact on performance and engagement.
- But it isn't common practice. Some managers swear it's the secret to their success. Others sheepishly struggle to squeeze it in among more urgent priorities.
- Managers worry about the time it takes — and having all the answers — while employees value coaching relationships built on trust and support as well as overall encouragement to stretch beyond their comfort zone.
- Most organizations expect it, provide training in it, occasionally measure it, but seldom reward it or create accountability around it.

Let's take a closer look at our survey findings and interview comments.

## Expectations are high; accountability is low.

Steve Barker, CFO and Vice President of Finance and Administration of environmental think tank World Resources Institute, described a scenario that exists in the majority of organizations in our study: *"We've implemented a number of initiatives in support of coaching, including briefings at management team meetings, a mentoring program, and an upward review process for leaders. We also have three criteria to measure managers: people, money, and impact. The people component covers things like morale, encouraging diversity of experience, helping staff reach their fullest potential, and coaching on skills and development. Compensation is based on all three criteria, yet sometimes the only ones that get rewarded are money and impact. We believe we can do better."*

**In fact, fewer than one in six leaders interviewed said their organization ties compensation to coaching.**

The table below presents similar disconnects in perceived organizational “walk” and “talk” from our survey findings.

**Comparison of manager responses (expectations, beliefs, compensation)**

<b>% Who Agree or Strongly Agree</b>						
	<b>Asia</b>	<b>Australia/ New Zealand</b>	<b>Continental Europe</b>	<b>North America</b>	<b>UK/ Ireland</b>	<b>TOTAL</b>
I am expected to coach and develop my team	86%	86%	83%	84%	76%	<b>84%</b>
There is an established belief in this organization that coaching by managers leads to greater business results	74%	74%	71%	65%	63%	<b>67%</b>
A portion of my compensation is tied to my coaching activities	26%	25%	24%	26%	9%	<b>24%</b>

Although the overwhelming majority of managers surveyed indicated they are expected to coach their employees, few are rewarded for it. The most dramatic gap: The UK/Ireland, where fewer than one in ten said their compensation is tied in any way to their coaching activities.

***Candid contrarians***

We encountered a few organizations where coaching is just not valued and no one pretends it is. One L&D leader of a financial institution based in Europe observed, *“Coaching is not a leadership style common in investment banking — certainly not in the front office. It is more prevalent in Shared Services and IT. A more directive style is favored in the front office, where the word ‘coaching’ is viewed with skepticism. It is seen as too ‘woolly’ for our culture.”*

**Goodwill is widespread; coaching is not.**

***People like to coach and be coached.***

The large majority of survey respondents overall (87%) agreed or strongly agreed that, in general, they like to be coached. (See page 24 for more information on Generation Y’s love of coaching.) Likewise, most managers surveyed (84%) indicated that they love to coach others.

Employees like to *be* coached. Managers love to coach.

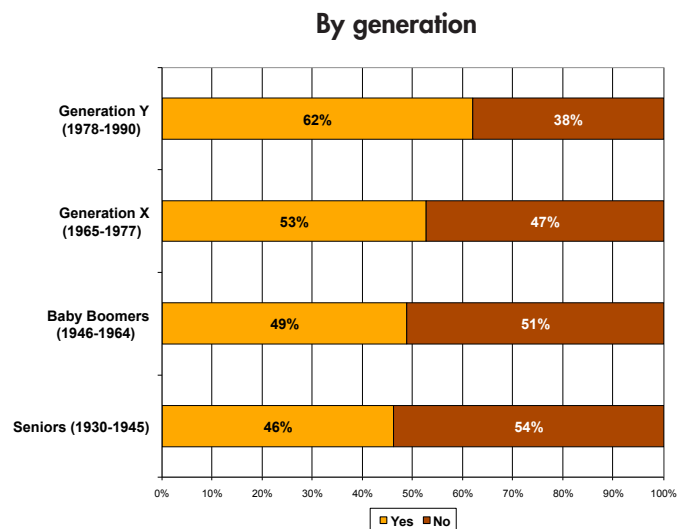
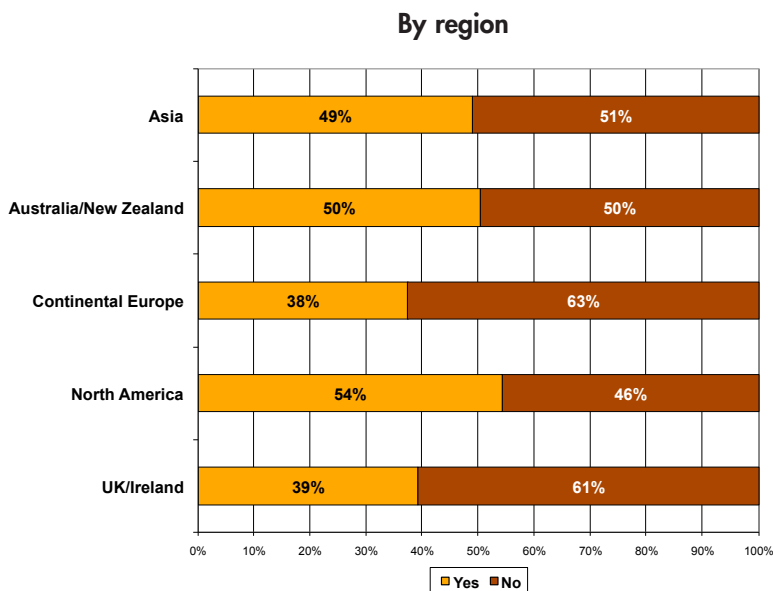
% Who Agree or Strongly Agree						
	Asia	Australia/ New Zealand	Continental Europe	North America	UK/ Ireland	TOTAL
In general, I like to be coached	85%	92%	89%	86%	92%	87%
I love to coach	85%	82%	84%	84%	88%	84%

Experience influences manager sentiment about coaching: 76% of respondents with less than one year's tenure as a manager love to coach compared to 85% of the most seasoned managers surveyed. In fact, 1 in 10 new managers *disagreed or strongly disagreed* with the statement "I love to coach."

### One in two employees receives coaching.

52% of respondents overall indicated that they receive coaching from their current manager. As the charts below illustrate, respondents from Continental Europe and the UK/Ireland were the *least* likely to receive coaching. Younger workers overall were the *most* likely.

Do you receive coaching from your current manager?



The leaders we interviewed described scenarios in line with our survey findings. One Human Resources Manager from a regional U.S. utility explained: *“People are fairly thirsty for coaching. When they get it they appreciate it, and when they don’t get it, they wish they were getting it. Our engagement survey asked if employees have received feedback or coaching in the last 7 days, and this was one of our lowest scores as a company.”*

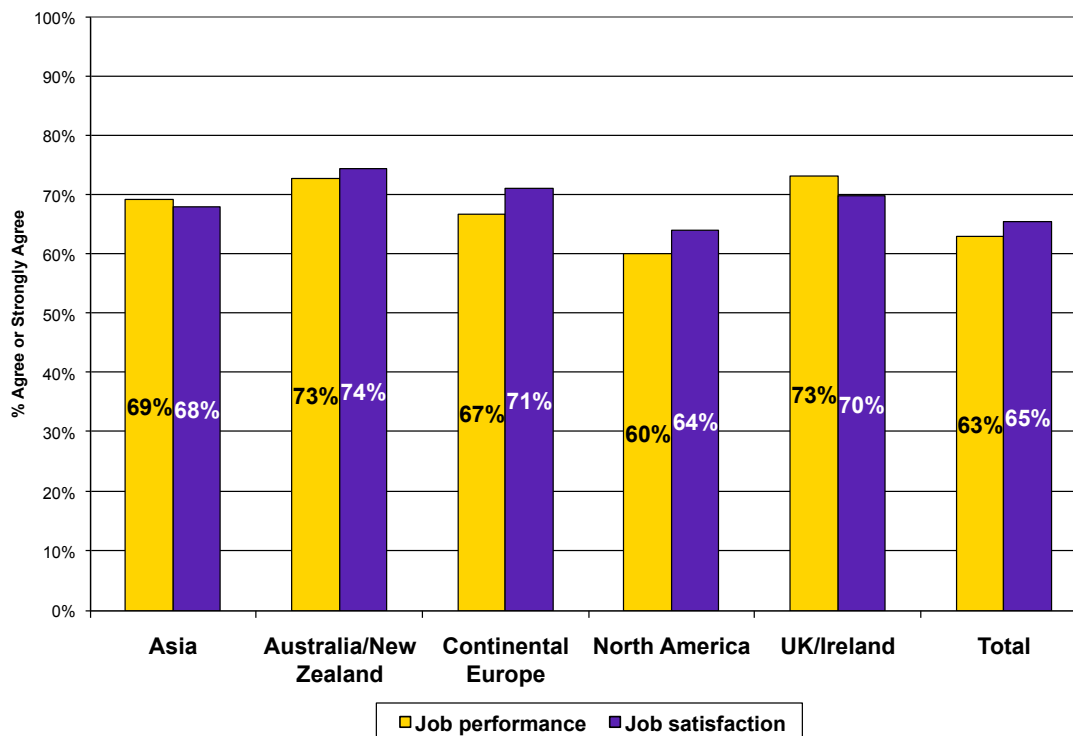
Our interviews also revealed a pattern of organizations implementing more formal coaching processes for customer service and sales departments, as the vice president of organizational development at a high-end retailer explained, *“The closer they are to the customer, the more important coaching is to the role.”* The survey data, however, which reflects employee perceptions of whether they actually receive coaching, did not indicate that an increased organizational focus results in more coaching.

## Employees believe; managers believe — maybe.

### **Employees have experienced coaching’s benefits.**

Nearly two-thirds of respondents who receive coaching feel that it has had a significant impact on their performance and their job satisfaction.

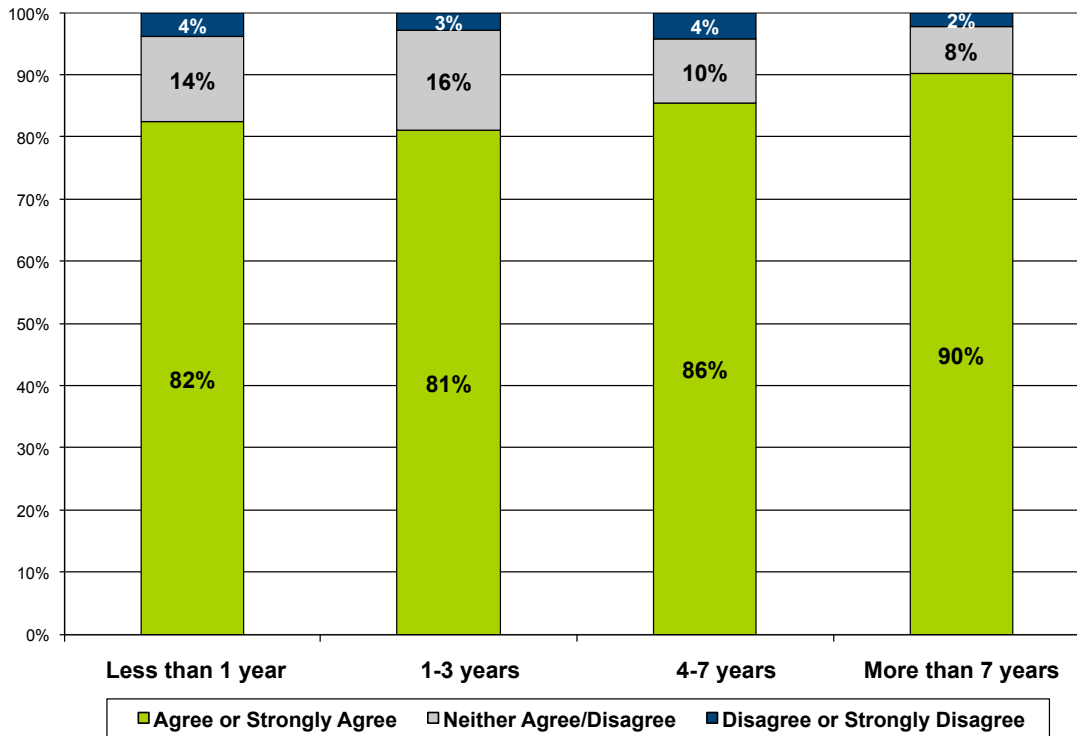
**“The coaching I receive from my manager has significantly improved my...”**



## Managers see the benefits, too.

An overwhelming majority (88%) of managers across geographic regions indicated that coaching helps them achieve their goals. The chart below illustrates that the most experienced managers have the strongest conviction.

**“The time I spend coaching my team members pays off by helping me achieve my goals” (By tenure as manager)**



## True believers coach no matter what.

Our interviews turned up examples of what we consider to be *coaching leaders* — managers for whom coaching is not an activity they dutifully schedule or a reaction to specific situations but an overall leadership approach — a leadership style for getting the work done.

*“If I do nothing else with my staff during the week, we always have a scheduled one-on-one. It is a time where I have the opportunity to coach. It pays more dividends than any other activity I do.”*

— Lisa Black-Hawkins, Director Organizational Effectiveness, Gulfstream Aerospace Corporation

*“I like coaching. It is rewarding and one of my favorite parts of the job. It’s also important. It makes the difference between a good team and a great team.”*

— Kim Svoboda, Senior Director Sales Operations, CDW Corporation, a provider of technology solutions for business, government, and education

*“Ultimately the show is a better product when all of the wheels are turning smoothly. The small office we work in is a happier place when everyone can feel as though they can not only talk through their issues, but have them resolved. The only way to stay on top of this is to coach regularly.”*

— Senior producer, large Australian television production company

*“As a line manager I believe that my job is to focus on the effectiveness and development of my team — even though I have other work, too. So coaching is my job. I probably spend an hour a day coaching. If you coach your team members they are more efficient and effective. Then they need less time from you. You don’t have to do so much for them. It’s a more cost-effective way of working in the long run. On a personal level, you also get to see your team develop and blossom.”*

— Frances Megson, UK-based Project Director, employee and consumer research firm Maritz Research

### ***In contrast, many managers can’t find the time to coach.***

First, there is a perception that coaching is time-consuming. Nearly a third (32%) of managers in our survey selected “it takes too long” as their biggest coaching challenge, making it the top response overall. Second, there is a perception that managers don’t have time to coach. We repeatedly heard, “There’s no time to coach. I know I should develop my people but I’m too busy with other tasks.”

Many of the interview comments suggest that time may be a code word for lack of belief or competing priorities.

- One L&D leader at a large global biotech firm described the common player-coach reality: *“In today’s work environment, managers are ‘working’ managers who are responsible for deliverables as well for managing others. Often the priority is on managing the project, not the people. This is an issue of competing demands and comfort zones as well as expectations.”*
- Dennis Hopwood, Vice President HR for process automation systems manufacturer Key Technology, explained the lack of coaching by managers this way: *“We’re faced with optimizing performance to drive current priorities and developing people for future capability. In a rapid-paced environment like ours, today’s deliverables get attention and tomorrow’s requirements take a back seat.”*
- Noel Anderson, Vice President of Technical Insights for a global food and beverage maker, agreed about competing priorities: *“My goal is to help my team of highly expert scientists become true, valued business partners. This requires a lot of coaching, and it has been difficult at times to create the time to coach to this issue. We are very activity-driven. The culture rewards completion of tasks.”*

### **Coaching is widely viewed as separate from “the work.”**

Many leaders spoke of coaching in the context of talent management *only*. They labeled this activity as separate from their daily work, integral to their role as developer of people not driver of business strategy. As a result, coaching is seen as something they do in addition to the tasks that the organization values most.

This perception is reinforced by the lack of metrics or direct link between coaching activities and compensation as described on page 8. It is also consistent with McKinsey’s findings about the rank of talent management in organizational priorities: Their study reports that although executives consider talent management their number one or two priority, 59% say that they don’t spend enough time on it.<sup>2</sup>

## Organizations emphasize coaching models and skills; relationships matter most.

When conducting a preliminary analysis of assessment data<sup>3</sup> for 8,166 managers, we found evidence that employees and managers most value actions that create a coaching *relationship* — a way of working together that is based on trust, communication, collaboration, and encouragement to try new things.

In our analysis, seven coaching actions (as rated by managers and their direct reports) clearly stood out from a list of 29 as most important. Only one of those seven can be considered a conventional coaching skill (*establishing clear performance objectives and milestones*). The rest reflect broader leadership capabilities and require knowledge of individual employees' motivators and talents.

Most Important Coaching Actions	
1	Communicating clearly and candidly.
2	Establishing clear performance objectives and milestones.
3	Delivering on promises made.
4	Recognizing the employee's outstanding contributions and achievements.
5	Taking action to ensure that the employee feels important, trusted, and valued as a member of the team.
6	Being available when the employee needs advice, information, decisions, or problem solving.
7	Respecting the employee's ability to make decisions.

Meanwhile, organizations have made substantial investments in coaching *skills* and *processes*. Nearly three-quarters of managers participating in our survey have taken at least one course in coaching in the last five years. Common topics taught include goal setting, corrective feedback, idea exploration, and developmental action planning.

# Implications

So who cares about this conundrum?

Your CEO or you may not lie awake at night fretting that managers don't coach more. But high turnover, sales slumps, rising costs of doing business, lack of innovation, late product launches, dismal employee engagement scores, declining customer satisfaction, and key leadership positions remaining vacant too long — these are critical business problems that command attention. They are also issues that **coaching cultures and coaching leaders** can play an important role in preventing or resolving.

Five recommendations for building an organization where coaching drives talent management *and* execution of business strategies follow. On pages 21-24 you can find ten tips for becoming a more effective coaching leader.

## Recommendations for organizations

### Tackle your next business problem with a coaching initiative.

Don't just tell managers to coach. **Give your managers a compelling reason to coach.** Make coaching the ticket to achieving a critical business or talent management goal. The more tangible the results, the more motivated managers will be to coach — and the more likely that, once they discover the benefits, they'll continue to coach long after your initiative ends.

- **Retention** was the challenge of one global engineering design firm. According to its Director of Corporate Training, coaching was a cornerstone of The President's Initiative in 2007 and 2008 after exit interview data revealed that people were leaving to pursue more opportunities to use their talents, not better compensation. She explained, *"We've sent a message to managers that coaching is in fact part of their jobs. So they can do it or they can leave. We provided managers with a tool to obtain feedback from each employee on their coaching interactions so they could establish mutually beneficial partnerships. We also provided tools to help structure more effective coaching conversations about performance and development opportunities. Managers now own retention in a way they had not before."*
- **Poor employee engagement** was mentioned by a number of leaders in our interviews as the impetus for coaching initiatives. When a major transportation provider confirmed that low employee engagement was affecting customer loyalty, it discovered that manager-employee interactions were transactional not relationship-based. The COO sponsored an initiative for helping front-line managers become coaching leaders and visibly demonstrate their commitment to employees' interests and talents.

- Sharon Young, HR Manager at Australia-based construction firm Contexx, explained her company's decision to position coaching as central to a **career planning** initiative: *"Skilling the workforce for future challenges was the key to introducing coaching across the company. To stand out from our competitors we need to develop the full potential of our employees. Traditional training is only part of the equation; coaching puts the edge on the skills. Managers use coaching as an integral part of their career development and planning conversations with their staff. Coaching provides the encouragement and support for individuals to develop their full potential."*
- **A new business strategy** was the impetus for a leading trade association's focus on coaching. The organization wanted to expand globally but faced stiff competition and a lot of retiring Baby Boomer employees. Coaching by managers was the vehicle chosen for aligning employees to a new direction, providing meaningful context to new expectations, maintaining engagement through organizational change, and ensuring effective transfer of knowledge.

To successfully position coaching in an organization-wide initiative:

- Identify an executive champion and visible, respected coaching leaders.
- Make sure managers clearly understand the organization's direction, the problem at hand, their role in it, and how their coaching efforts can make a difference.
- Give managers the support, tools, and knowledge they need. It may not be skills. At the transportation provider mentioned on page 14, there was an underlying issue of trust<sup>4</sup>, so they provided a feedback process for managers to better learn what was important to employees. They also provided guidelines for coaching partnership (as opposed to performance feedback) conversations.

## Set new managers on the coaching track.

Transitioning from managing tasks to managing people isn't easy. Our survey and interviews revealed that inexperienced managers are less comfortable with and less effective at coaching. Their top challenge: They don't know where to start.

**Define coaching for them.** Don't leave it up to them to learn from their mistakes. Many individual contributors are promoted on technical expertise and knowledge — not necessarily their people skills. They've achieved success "their way." As a result, according to Hazel Thomson, Scotland-based Talent Manager for global semiconductor manufacturer Freescale, they have micromanaging tendencies. She explained, *"Some have the impression that now they will need to manage the details of their own work as well as everybody else's on their new team. They don't realize that their new role is completely different — as a coach and leader of people, not a super-manager of multiple projects or tasks. Others try to control more because they're not yet comfortable in their position."*

Gwen Carscadden, Head of Human Resources for PDL Biopharma, described the need for clear justification in building a meaningful case for coaching: *"There are a lot of first-time managers who need more training and exposure to different points of view. It is important to use data-driven examples when making the case for developing highly technical individuals such as scientists and engineers because data is what they value."*

**Dispel common coaching myths.** New managers may not have been the beneficiaries of good coaching or they may have had a great experience and assume their manager's way (the way they personally like to be coached) is the one *right* way. (See "Coaching is not..." on page 25.)

**Emphasize relationships in your manager on-boarding process.** Provide new managers with a process or checklist for efficiently getting to know each of their team members. Information sharing is the basis of a trusting, effective partnership. Too often, with the desire to “hit the ground running,” new managers forego this basic step. Hold them accountable for individual meetings in which they can exchange appropriate insights on their background, work style (e.g., detail orientation, preferred way to check-in, or approach to meetings), and coaching preferences.

The Manager of Learning & Development Programs at one high-end retailer explained what can happen when relationships aren’t the foundation: *“We had an assistant store manager who transferred to a new location. She never took the time to build relationships and just told people what to do. Then she went to a coaching workshop, came back, and started coaching — but things didn’t go well. She eventually left the company.”*

**Consider job rotations.** One leader at an electronics manufacturer discovered the importance of coaching when he was assigned to lead a team outside his expertise. In this situation, he discovered he didn’t have all the answers. He couldn’t step in to do the work. He had to become a more effective coach.

## Think beyond coaching skills.

*“Coaching is one of the most important leadership behaviors. It hinges on the relationship — with the employee’s trust and belief that the manager has their best interests at heart.”*

— Rodney Miller, Dean, FPL Group University, U.S.-based utility FPL

**Address trust issues.** Effective coaches devote time to developing effective coaching partnerships — understanding each employee’s unique needs and having regular, honest conversations with them more frequently. Trust is at the core of the coaching partnership.

Coaching Behaviors	
With Trust	Without Trust
Conversation	Interrogation
Feedback	Reprimand
Check-in	Micromanaging
Concern	“Spying”
Interest	Meddling
Goal-Setting	Orders
Delegating	Dumping
Partnership	Boss/Subordinate

If employee survey data, exit interviews, or other feedback loops suggest a lack of trust between managers and employees, fix that problem now. It will undermine the impact of whatever coaching models or skills training you employ.

**Stress authentic leadership.** Our employee engagement research demonstrates a correlation between employee trust in managers and the extent to which employees feel they know their manager. Our leadership research and studies by others underscore the importance of managers being known “as people” — not only for their title, responsibilities, or accomplishments. When managers share information about their own goals, interests, experiences, and motivators they establish the open climate required for effective working relationships. Their honesty also encourages their team members to share the information that the managers need to coach effectively. As leaders, managers need to go first — to set the tone.

**Encourage manager-employee dialogue.** This practice is similar to the recommendation for bringing new managers on board. It’s about the *relationship*. Seeking feedback from each team member and having regular conversations about what’s important to them takes the guesswork out of determining the most appropriate — and most effective — coaching approach for each person. This type of dialogue also sets expectations of shared accountability. Employees need to be thoughtful and articulate their interests and needs. As many parents have chided their children through the years, “You won’t get what you don’t ask for.”

One global medical products manufacturer that wanted to attain a high-performance culture had tried to mandate culture change through a forced ranking performance management system. After that approach clashed with the organization’s culture, they turned to a relationship-based strategy to drive high performance. Their goals: To build the belief in coaching, align employee and organizational goals, and create a more effective working environment among its highly technical (often introverted) workforce. They introduced a simple feedback tool and conversation guidelines so their managers (many of whom weren’t chosen for their people skills) could easily lead conversations with employees around mutual interests and how best to work together.

## Coach the coaches.

To encourage leaders to coach more — and more effectively — make it easy for them to get help when they need it.

**Consider peer coaching.** Gulfstream Aerospace Corporation’s peer coaching process is not about employees coaching other employees to relieve managers of their coaching responsibilities. Instead, Director of Organizational Effectiveness Lisa Black-Hawkins explained, it’s about establishing a broader coaching culture. Managers will coach their peers on how to coach their teams: “*Our intent is to have managers rely on the people they already tend to work with — colleagues they trust and care about — and who understand their situation and the dynamics of their teams.*”

**Set the tone with executive coaching.** Sharon Young, HR manager at Contexx, a construction firm in Australia, explained their decision to use external coaches: “*We have made sure our leaders are receiving coaching so that they know what it is like to be coached and can use their experiences from this when coaching others.*” Other firms are bringing in executive coaches to trigger cascading coaching: The external coaches work with senior leaders who are then supposed to coach their people. (See page 18 for more reasons to bring in an expert.)

**Use internal coaches.** If you're an HR leader, you may already play the role of internal executive coach or consultant. Larry Godfrey, a Dean at General Motors University's College of Human Resources and Labor Relations, co-leads GM's coaching practice. According to Godfrey, it's common for managers to need coaching on coaching. *"Many leaders have a natural bias for action plus a lot of experience and knowledge to draw from. It's not surprising, then, that they tend to come in and tell people what to do. But effective coaching requires patience and listening skills. I stress that patience doesn't mean laissez-faire leadership and employee empowerment doesn't mean they're excluded as managers. Some leaders are skeptical about coaching... but when they try it, they often have a revelation: Performance goes up as leaders take the time to listen and empower their employees to find their own answers."*

Be forewarned that this approach requires significant up-front investment in terms of time and training. Research by the American Management Association also suggests that the effectiveness of peer and internal coaching programs needs further study.<sup>5</sup>

### **5 reasons to bring in the expert**

External executive coaches can bring greater objectivity, fresher perspectives, higher levels of confidentiality, expertise in assessing sensitive issues, and a breadth of experience in different organizational cultures, industries, and business environments. These five situations might warrant a call to a coach:

**Objective insights are needed.** Senior leaders may benefit from cutting through the "organizational noise" and cultural do's and don'ts when faced with critical business decisions. An executive coach brings a variety of experiences and expertise through which to view the organization's situation, strengths, and weaknesses in a different light.

**There's limited time and attention from above.** Even in the most evolved coaching cultures, the CEO and board members may not have the time or attention needed to coach executives in the leadership pipeline. (Our survey data indicates that 55% of vice presidents do *not* get coached by their manager.) And let's face it. Not all great leaders are great coaches — yet. An executive coach working with next-generation leaders can help ensure a *successful* succession plan.

**A perfect storm is brewing.** Sometimes leaders find themselves in difficult situations they've never encountered. High-visibility change processes, for example, demand highly skilled and focused leaders. If a leader comes from a very different organizational culture or industry — or has inherited significant business challenges — an external coach can help him or her avoid pitfalls.

**It's lonely at the top.** C-level leaders often have (or feel they have) no one capable and trusted enough to share their challenges, aspirations, and insecurities. An external coach provides a trusted advisory relationship that allows absolute candor and sensitivity.

**You're implementing a large-scale leadership development initiative.** Best-in-class organizations are designing and launching blended learning for high potentials that include assessments and structured access to learning coaches. If your organization, like most, does not have a ready pool of internal coaches to staff such a high-cost, high-impact initiative, hire external coaches.

## Build belief and backbone into your culture.

Many leaders we interviewed spoke about the goal of coaching becoming a “way of life.” Yet more often than not, organizations do not have a successful infrastructure for ensuring that their espoused belief in coaching is daily practice.

Culture change can be intimidating. Some experts estimate it takes 10 years to complete. There’s no reason, however, to wait. You can start small with the following actions.

**Change your talk.** Make sure leaders speak of long-term talent management *and* immediate business results in the same breath when they talk about coaching. Chris Palmer, Vice President Human Resources at Lafarge, a global building materials manufacturer, explained how the business value of coaching is articulated right from the top at his firm: *“Coaching is seen as a driver for performance, which plays out in business results, the identification of future talent, and development of essential skills. Our coaching culture started with the CEO’s operational priorities — and some very public commitments.”*

**Tell stories.** The stories you tell reflect the organization’s core values and beliefs. Encourage leaders to tell personal stories that emphasize the role coaching played in their success. Repeat these stories to weave a belief in coaching into your cultural fabric.

**Profile “coaching leaders.”** Seeing often comes before believing. So identify and showcase coaching role models instead of your usual get-an-executive-advocate-for-your-HR-initiative tactic. Who are the coaching leaders in your organization? Who are the leaders for whom coaching is just a way of life? How can you profile them? How can they share their personal experience of discovering the impact coaching can have?

**Set clear expectations.** Do your leaders know that coaching is part of their job? Is coaching part of your organization’s leadership model? Gulfstream Aerospace Corporation, like many organizations participating in our research, turned to leadership competencies as a first step in establishing a coaching culture. Lisa Black-Hawkins, Director of Organizational Effectiveness, explained: *“We have a culture that prides itself on getting a quality job done on time on budget. We went for years without telling leaders what behaviors we actually expect of them. We didn’t talk about what a good leader looks like. So we first needed to make that transparent. We identified competencies and a leadership model that will be woven into our performance management process.”*

This step is particularly important in highly technical organizations stresses Rodney Miller, Dean of FPL Group University: *“We’re a rapidly growing utility with a lot of highly analytical engineers. For them the task is often first, people second. We have needed to develop the concept of doing more through people, not task management.”*

**Build accountability and rewards.** So the saying goes, “What gets measured gets done.” Most leaders we spoke with said they’re working on tying compensation and performance management to coaching activities but none claimed victory. Maria Del Busto, Global Chief Human Resources Officer at Royal Caribbean Cruises Ltd., is one. She acknowledged that her firm has made progress but can still focus more in this area. She shared what is in place: *“The higher you are in the organization, the more weight is placed on the leadership competency in the performance appraisal, which then is tied to 50% of the annual bonus.”*

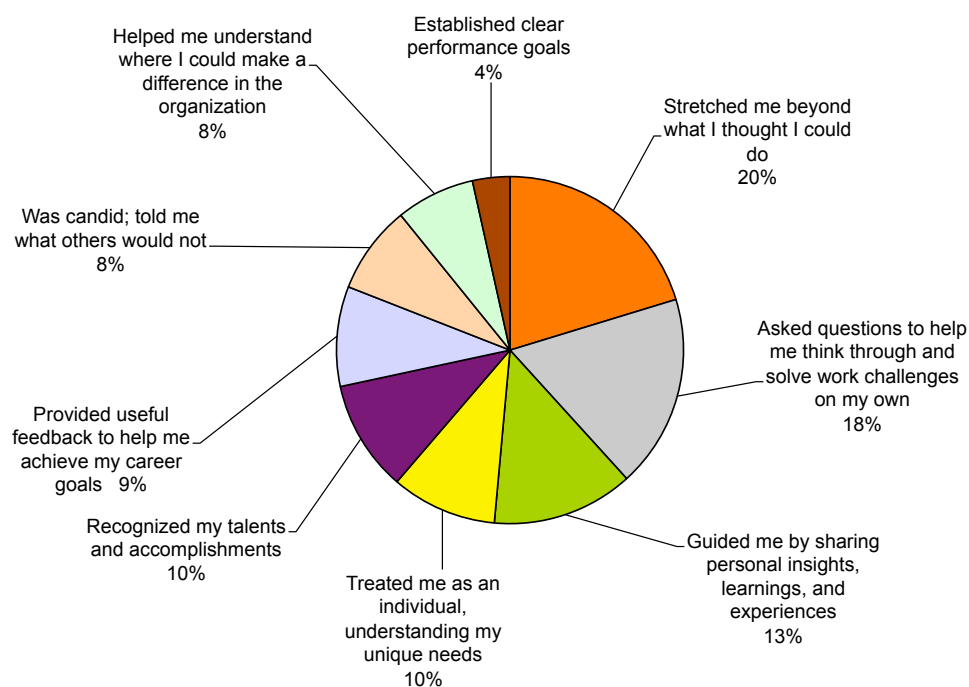
One senior L&D leader for Chinese operations of a global retailer described her firm’s progress: *“We have defined expected behaviors and built coaching into KPIs. We have requested that all managers participate in the Helping Others Succeed® program by next year. We also plan to nominate 9 or 10 good coaches each year for a special reward although we have not yet tied compensation of managers overall to their coaching efforts.”*

It’s worth the effort to try to make this happen. Sometimes managers need to be coerced or cajoled into trying a new behavior or stepping out of their comfort zone. In the case of establishing coaching partnerships, once managers experience the benefits, it becomes common practice and managers become *true believers*. Sascha Reppel, IT Manager at Hagemeyer China explained, *“The employees I have coached have changed a lot actually. I have discovered that people can change the way they work, and that the workplace can be less frustrating as there are more people you can rely on. As we get busier and busier I realize we need to spend more and more time on coaching.”*

# 10 tips for becoming a coaching leader

When we asked survey respondents to think of their “best coach” — and then think of the one coaching action by that manager which they most valued — two responses stood out: “stretched me beyond what I thought I could do” (20%) and “asked questions to help me think through and solve work challenges on my own” (18%).

## What coaching action did you value most?



This is good news for the 30% of managers in our survey who said their biggest challenge was “not having all the answers.” It turns out that most employees don’t want advice or a set solution.

Will your team members remember you as a “best coach”? Here are ten tips for becoming a manager for whom coaching is a way of life.

- 1. Be clear on your goals and your role.** If you’re still uncertain what coaching is all about, read page 25 to understand what coaching is *not*. If you don’t know how your team’s priorities fit into the organization’s larger goals, get clarification now.
- 2. Hire coach-able, stretch-able employees.** Successful coaching is a partnership. Explore coach-ability in selection interviews by asking for examples of situations in which candidates have asked for coaching, where coaching had the most impact, when it did not work out, etc. You may also want to include questions that uncover how candidates feel about challenging situations and learning new skills.
- 3. Get to know each team member.** Every employee comes to work with unique values, aspirations, experiences, and talents. Andrew Coven, Director of Engineering at Adobe Systems, emphasized the need to tailor coaching approaches based on what you know: *“I treat everyone differently. I want to capitalize on people’s strengths. Coaching also has to have a relevant context. It is very specific to the work that employees are doing. One size does not fit all when it comes to coaching.”*
- 4. Coach the individual, not the demographic.** This is a slight variation on the comment above. Generational data is useful for understanding the different “lenses” through which the workforce sees work and life in general. (See “What do Generation Y employees want?” on page 24.) But when it comes down to coaching, an employee’s values and goals are influenced by more than their age. Likewise, insights into specialized fields of expertise, like those contained in BlessingWhite’s *Leading Technical Professionals* report<sup>6</sup>, provide helpful guidelines, but coaching relationships are built by one-on-one pairings, not aggregate trends.
- 5. Tell team members what you expect of them.** Thriving coaching partnerships require joint accountability. The leaders we interviewed were very clear that their employees need to ask for help, listen to feedback, *provide* candid upward feedback, and follow up on agreements.
- 6. Coach for increased engagement.** Full employee engagement represents a blend of maximum contribution and satisfaction. You can — and should — keep both in mind as you coach your team members (the proverbial win-win solution). Angie Brayshaw, Worldwide Employee Engagement Director in London for American Express Technologies Group, explained that her firm, which had a strong focus on performance coaching, has tried to focus more on engagement to sustain their success: *“It is not just enough to coach for performance against the company’s goals. We want our managers to coach around career goals and be more in tune with the personal aspirations and interests of individuals.”*
- 7. Ask more questions.** The more questions you ask, the less likely you’ll fall into micromanaging or irrelevant advice. Questions help you provide a sounding board for employee ideas. They can also help you provide the “stretch” that employees want from a coach. Questions can unlock potential as Maria Del Busto, Global Chief Human Resources Officer for Royal Caribbean Cruises Ltd., suggests: *“We’re all creatures of habit. Asking questions is a great way to help people identify and work on areas that are holding them back — often things that they’re not even aware of.”*

- 8. Delegate effectively.** Paul Konstantos, National Work Cover Manager at integrated facilities management organization Sodexo Australia, made this point: *"In recent months I have made a concerted effort to focus on delegating tasks to allow time dedicated to coaching. The benefits are not only realized in bottom-line results and an improved culture. I help individuals achieve personal growth."* Another reason to delegate: It sets clear expectations and goals that you can coach to. It's a lot more motivating to help employees think through how best to reach an agreed-to destination rather than having to clarify what you wanted in the first place.
- 9. Ask for feedback.** Do your coaching actions help or annoy your team members? You can't use performance as your only metric. It's possible that your efforts are damaging employee morale. Tom Pucciarello, Director of Organization Development at electronic and imaging systems provider BAE Systems, described such a situation: *"In talking to one manager and direct report I learned that the manager thought he was doing a great job coaching — adding a lot of value. Unfortunately, the direct report felt it was a waste of time and that the manager was only interested in giving advice."*
- 10. Don't take that coach hat off.** Whether you think of this as looking for coaching moments or employing a coaching leadership style, the message from successful leaders was *coach continuously*. If you have established individualized, trusting partnerships, coaching conversations

### ***Out of sight, out of coaching?***

Our research indicates that virtual employees receive less coaching. 42% of respondents who work without any other team members present are coached compared to 55% of respondents who work on a team based in one location. Virtual employees are also slightly less likely to say that the coaching they receive has significantly improved their satisfaction and performance on the job.

If you lead a virtual team, you have to work harder to establish trusting coaching partnerships. You don't have the advantage of informal, chance "water cooler" conversations that may seem like casual chit-chat but play an important role in helping you and your employees get to know — and trust — one another. Employees who might stick their head into your office for a quick question may actually hesitate to pick up the phone to ask that same question because it seems so minor.

So it's even more important to discuss work styles — and agree on how you'll communicate and work together. Do you need daily or weekly catch-up calls that extend beyond a review of work priorities? Can instant messaging serve for "quick questions"? How much face time is required?

### **How much is enough?**

Only half (55%) of respondents who receive coaching are satisfied with the amount of coaching they receive from their manager. Likewise, only half of managers said they spend the right amount of time coaching (53%).

Leaders in our interviews who said they coach regularly spend 20 to 40% of their time doing so. Those who said that they don't coach enough often expressed concern that they coached to job performance but did not get around to addressing their employees' personal development or career aspirations.

Raymond Teh, CEO, Asia Technology Development, a high-tech firm based in Hong Kong, explains his approach: *"Overall, I spend about 30% of my time per week on coaching staff. I believe it is about the right amount. If it were greater than 30%, it would be micro-management; if less, I would end up with too much to do because my staff would not be getting enough guidance to do their job well."*

### **What do Generation Y employees want?**

Given the entry-level roles that younger employees often hold, it's not surprising that 62% of Generation Y respondents in our survey said they receive coaching compared to 52% of respondents overall. But according to Ryan Healy of [Brazen Careerist](#) it's probably not enough given this generation's love of coaching.

*"Gen Y employees welcome coaching. In fact, they expect it. They want consistent feedback — tons and tons of it,"* he explains. *"Some managers might perceive that amount of involvement to be micromanaging. As a result, they might not provide enough support and guidance."*

Feedback, as this report already suggests, is not enough. Healy cautions that managers need to take a sincere interest in the success of their younger employees: *"Every Gen Y-er I talk to is seeking a mentor — not just any coach, but someone who really cares about them, their career, and their professional success."*

His advice to managers: Don't wait for HR's mandate to coach more. *"It's up to individual managers to break the pattern [of too little coaching]. It's a personal thing. Coaching needs to start as conversations between managers and their employees and work its way into the culture. And it has to be individualized. Every Gen Y employee is looking to build a unique set of skills and ensure future employability."*

# Final thoughts

The coaching conundrum is troubling. Without strong manager-employee relationships and trust, coaching techniques can fall short or even backfire. Without accountability and reinforcement, organizational expectations are mere lip-service and training investments deliver disappointing ROI. Moreover, the disconnects in what employees want versus what they're getting can lead to discontent and disengagement — at a time when organizations need all employees applying all their talents on all the right things.

Yet most organizations that participated in our research are making progress in building coaching cultures. They're not tackling every issue at once. Instead, they have figured out which initiatives will provide the most traction, and which pockets of their organization can be leveraged to greatest advantage.

You can do the same. Coaching of employees by managers can be — and should be a key business, employee engagement, and talent management driver. Of all of the options you have for building a stronger organization, the one bond that remains reliable is the manager-employee relationship.

## ***Coaching is NOT...***

**An event.** Coaching is an effective way for managers to lead and communicate with their direct reports. Put another way — managers interact with their employees on a regular basis, so it just takes a little effort, thought, and practice to turn these routine interactions (in person or on the phone) into coaching moments.

**A discrete tactic for performance problems only.** Coaching is a way to groom high performers for new opportunities, create succession planning, get work done most productively, and keep people excited about their work and the organization. When coaching is happening all the time — with each interaction, each email, or each meeting, managers can have a significant impact on their team's employee engagement and the organization's success.

**A "one size fits all" approach.** For coaching to have a positive impact, managers must flex their coaching style to respond to the unique needs and talents of each team member. The best coaches develop a systematic approach that clarifies and responds to the unique needs of each employee.

**Advice.** Although managers may occasionally need to supply the "right answer," more often than not coaching involves helping team members think through situations and formulate their own solutions.

**Something you *do to* employees.** Coaching requires joint accountability and a partnership. It is not a set of skills for managers to apply or direct at their team members. Employees must be invited in as partners in the coaching process and be willing to receive and give feedback, share needs and interests — and request specific coaching as needed.

# About this report

## Methodology

### **Online survey**

Our survey explored how employees and managers feel about giving and receiving coaching. It contained 18 multiple-choice questions. Only respondents who indicated they are currently being coached completed items to describe their experience. Only respondents who indicated they manage others completed items to describe their coaching practices and challenges.

The survey link was distributed during August and September 2008 to individuals representing a cross-section of job functions, job titles, and industries. It was also posted or distributed through professional networking sites and blogs. No incentives to complete the survey were provided beyond the promise that respondents could, if they chose, receive a copy of the findings.

### **Interviews**

We conducted 60 interviews with HR and line leaders to learn what organizations are doing to create successful coaching cultures — and what individual leaders do — or don't do — when they coach.

### **Coaching profile assessment analysis**

We conducted a preliminary analysis of aggregate data (collected since 2005) from 15,571 managers and employees who completed a 29-item Coaching Profile assessment as part of BlessingWhite's *Helping Others Succeed*® process. Additional analysis on the relative effectiveness of managers and relative importance of the coaching actions is underway.

## Survey respondent profile

Of the 2,041 respondents:

- 70% live in North America, 14% in Europe, 8% in Asia, and 6% in Australia/New Zealand.
- 59% are female, 41% male.
- Nearly half (49%) are Baby Boomers (born 1946-1964), 39% are Generation X (born 1965-1977), and 10% are Generation Y (born 1978-1990).
- A range of organization sizes is represented as well as industries. The industries most represented: banking/financial services and high technology (11% each).
- A wide variety of functions/departments are represented, with the top 3 being human resources (including T&D), client/customer service, and sales.
- About half (53%) of respondents manage others, with 29% holding the title of director, vice president or above.
- 5% of managers participating in our survey have had leadership responsibilities less than one year; 61% have more than 7 years' experience.

### About BlessingWhite and the report's authors

**BlessingWhite** is a global consulting firm dedicated to creating sustainable high-performance organizations. Founded in 1973, the firm has worked with almost three million professionals in thousands of organizations. [www.blessingwhite.com](http://www.blessingwhite.com)

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# Endnotes

- <sup>1</sup> According to Bersin & Associates' [2008 Corporate Learning Factbook](#), 21% of training investments go to leadership development and management/supervisory training.
- <sup>2</sup> ["Making Talent a Strategic Priority,"](#) *The McKinsey Quarterly*, January 2008.
- <sup>3</sup> This preliminary analysis is based on over 15,000 coaching profile data sets that were collected from 8,166 participants in BlessingWhite's [Helping Others Succeed®](#) process since 2005.
- <sup>4</sup> BlessingWhite's [State of Employee Engagement 2008](#) report determined a strong correlation between trust in one's immediate manager and high engagement. 90% of engaged respondents said they trusted their manager compared to 43% of disengaged respondents (global data).
- <sup>5</sup> [Coaching: A Global Study of Successful Practices](#), American Management Association, May 2008.
- <sup>6</sup> The [Leading Technical Professionals](#) report presents six characteristics that differentiate highly skilled, expert employees from the workforce at large. BlessingWhite, Inc., 2006.



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