

COACHING AND COACH TRAINING IN THE WORKPLACE

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Abstract:

A look at coaching, the latest "fix" in corporate life.

How the workplace is changing from authoritarian bosses and jobs for life towards self directed learning and portfolio careers.

How the Virgin Empire was built using a coaching culture

Case histories of the implementation of coaching and coach training in the workplace. Some facts and figures about Return On Investment.

Why companies introduce coaching.

A look into the future.

What coaching is and where it comes from

Over the last fifty years the world has moved from an authoritarian society – where figures such as priests, fathers and bosses were obeyed without question – towards self directed learning. Society has seen rebellious teenagers, the debunking of religion, and an end to jobs for life. People are making their own decisions, portfolio careers are becoming more common, and companies are moving away from consultancy towards coaching.

Coaching at work is sometimes regarded as the latest fad. Companies are falling over themselves to provide their senior and middle managers with personal coaches, and to train them in coaching skills.

However, coaching is not new: it has always been there. Think back to someone who made a difference in your life: someone who inspired you or brought about a new perspective. It might have been a parent or teacher. Now think about what this person did to make the difference.

The chances are that they built up your confidence, supported you, and inspired you to take action – key elements in both coaching and in managing successful teams in the workplace.

The word "Coach" comes from "Kocs", a village in Hungary where high quality carriages were made. In the 19th century, English university students began to use this word as slang for tutors of such excellence that their students felt as if they were carried through their academic career in a carriage driven by their tutor.

How the Virgin Empire was built through a coaching culture

My first experience of coaching was at Virgin when the record company was created in the mid-seventies. I was given the job of setting up and running Virgin's music publishing company. Richard Branson's management style embodied all the principles currently recognised as effective coaching, although at the time the term in its current sense had not been invented.

The key principles in action there were:

Ownership: every manager was expected to make their own decisions: to conceive an idea, put in place strategies to achieve it, and measure the outcome.

Acknowledgement: Ken Blanchard's principle "catch people doing something right" was the name of the game (some ten years before Blanchard produced "The One Minute Manager"). Through this approach, Virgin's managers were imbued with such confidence that we felt capable of achieving anything.

Blame free culture: if something went wrong, the first port of call would be Branson. It is the norm in many companies is to hide mistakes in the hope that the boss will never find out. Branson would offer support and resources and treat the experience as a learning curve for both himself and the manager. Consider the implications for the growth of a business: mistakes could have all the know-how and resources available to put them right, instead of remaining unrectified and possibly causing further damage.

Branson's way was to ask his staff what to do, tell us how clever and capable we were, then give us resources to see our ideas through – usually to a successful conclusion. If things went wrong, there were no scapegoats in this blame free culture: the employee would be supported in learning from the experience. This way of working quite possibly came about because Branson knew nothing about either music or record companies, so had to rely on those around him. It seemed like chaos at the time, but looking back I can see the structure behind the culture, which, although unconscious at the time, brought about spectacular success. The staff loyalty to the brand was phenomenal, and sales outstripped predictions year by year. The enthusiasm was catching: Virgin became the label of choice for groups to sign to. They would accept less favourable deals just to become part of the brand and to work with our staff.

A survey by the Chartered Management Institute last year revealed that the public figure that managers would most like to have as a personal development coach is Richard Branson, who scored 39% of the votes, beating by a wide margin Tony Blair (9%) and Sven Goran Erikson (6%).

Branson's management style filtered down through the company. I have often noticed how you can tell what the CEO is like by talking to the receptionist, no matter how many lines of management exist in between. If the receptionist is rude to you, chances are there is a bully at the top. Every boss is a role model, consciously or otherwise, and some of their attitudes will inevitably be reflected by the staff.

The good news is that everyone can change their management style, but it is useless to exhort managers to "create a coaching culture" without giving them the tools to do so. They may understand the principles, but adopting a coaching style is like learning a new language. Techniques can be learned and practised in real work situations in order to become fluent, in the same way as learning to drive a car takes plenty of practice on the road, with the safety net of an instructor by one's side.

Case histories

I recently worked with a group of managers whose director had organised the training to cope with a specific challenge: these managers each led a team, and the

teams were in the habit of asking the managers for solutions when problems arose, and blaming them when things went wrong.

Initially the managers' reaction to our training was a blunt "This won't work with my team". One went so far as to say, "I'm the manager: I tell them what to do and they have to do it."

We modelled the skills by role-playing between the trainers, then paired up the participants to practise with each other. They were surprised to discover how well the techniques worked, and by the end of the day were all committed to the power of coaching. They all had some knowledge of coaching to begin with – for instance knowing the difference between "open" and "closed" questions - but had not understood how to use them effectively.

We left them for a fortnight to practise their new skills with their staff: during that time the managers found (with not a little surprise) that the teams would not only accept responsibility when asked to find their own solutions using the coaching techniques, but that everyone was finding the process more effective and enjoyable.

After the initial two days of training, they faced two main challenges:

One was that they often felt awkward to use a coaching style when talking to their teams, although they got better results when coaching was used. The other was to identify when it was appropriate to use coaching rather than give the answer the managers were looking for.

We set up a series of fortnightly training conference calls over a 2 month period, and continued to pair up the trainees in between these calls to practise with each other on one to one telephone calls. Working by telephone gave the maximum benefit with the minimum of time disruption.

The calls enabled the participants to become fluent in their coaching skills, in the same way as regular practice enables drivers to drive or skiers to ski, until their level of competence becomes unconscious.

We focussed on role plays and discussions to identify when coaching techniques would be an advantage in their specific areas of work. Each manager had some expertise in their field and part of their work consisted on giving straight factual advice. It was agreed that coaching would not be appropriate in that situation.

By the third conference call, most of the managers were able to use coaching techniques where appropriate and in a natural way, not only in the workplace but with friends and at home.

Another of our trainers recently worked as a one to one coach with the manager of a department in a national company. After three months he told her that his director had noticed a change in the performance of his department: at a time of low staff morale, restructures, plummeting share price and investment performance, the manager had achieved around 30% increase in productivity with a 20% reduction in resources – and his teams were all high flying and happy. When asked how he had brought this about, the manager replied that he could not have achieved it without the coaching, which led to a series of highly effective programmes with us in other areas of the company.

ROI in workplace coaching

A common question around coaching at work is, how can the value be measured? Is the “feel-good” factor worth the investment? Can it actually make a company more profitable?

There are growing amounts of statistical information available about the benefits of coaching:

Metrix Global is a professional services firm that provides clients with performance measurement solutions.

A Fortune 500 firm recently engaged them to determine the business benefits and return on investment for an executive coaching program. The survey found that coaching produced a 529% return on investment and significant intangible benefits to the business. 77% of the 30 respondents indicated that coaching had significant or very significant impact on at least one of nine business measures. 60% of the respondents were able to identify specific financial benefits that came as a result of their coaching.

The Industrial Society produced a report based on a survey of 5700 HR specialists.

The main benefits of coaching to the recipient were found to be:

Generates improvements in individuals’ performance/targets/goals.....84%
Increased openness to personal learning and development.....60%
Helps identify solutions to specific work-related issues.....58%

The main benefits to the organisation were found to be:

Allows fuller use of individuals’ talents/potential.....79%
Higher organisational performance/productivity.....69%

There are a number of ways that a company can measure the effects of coaching on the bottom line.

A data collection process devised by the client and the coaching company can produce valuable conclusions. For example, a questionnaire/interview structure can be used to ascertain from each coachee or trainee the specific outcomes and changes they have noticed while working with a coaching programme.

The questionnaire measures specific benefits, both “hard” – profits, sales, turnover – and “soft” – wellbeing, loyalty, satisfaction.

The interview process can explore with the client how much of the benefits are due to the coaching.

The results can be turned into a fraction, for example:

Amount of benefit researcher calculates that organization has received (£1m)

Minus cost (£200,000)

£800k over £200k = 400%

Another favoured method is to implement a 360 assessment before and after the coaching, and perhaps at intervals of 6 months to 3 years subsequently, as the culture in the workplace will evolve over a period of time due to the new coaching skills of its managers.

The most successful ways of measurement result from exploring thoroughly with the client exactly what they want the coaching to achieve before a deal is struck.

Why companies introduce coaching

Many companies bring in coaching as a solution to a chronic problem. The most common of these are that people:

Don't know what's expected of them

Don't get the quality of feedback they need

Don't feel appreciated

Don't trust management

Are not getting the career development they want

Conclusion

'Can humans make as much progress in the way we treat each other as we have made in technology?' asks philosopher DrTheodore Zeldin.

Having seen at first hand the benefits of a coaching culture during the building of the Virgin empire, I believe that the world has the tools to achieve this and has embarked on the adventure.

Recommended reading:

Coaching For Performance (Sir John Whitmore)

Coaching At Work (Zeus, Skiffington)

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