

Creating a coaching culture: ten success factors for bringing it to life

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There are key success factors which should form part of the planning process, and which can be used as a framework for organisations about to embark on the implementation of a coaching culture.

Coaching is subject to much media attention, and the use of coaching within organisations has increased significantly in Europe. The recent *2004 Training and Development Survey* from the CIPD¹ indicated that 78 per cent of its UK survey respondents reported using coaching as part of their learning and development activities. However, the figures may not be as high in other European countries. Organisations that use coaching have had a variety of experiences. Although the use of coaching for individuals within the organisation may be on the increase, organisations are still challenged to create a coaching culture to create a new way of management. A few pioneers have adopted this new style, but many others are still struggling to find ways of moving away from old 'command and control' habits. This is especially the case within the German-speaking world and Eastern Europe – where organisations have yet to begin the journey.

The following success factors can be used by organisations themselves, or by external

coaching consultants assisting organisations to develop a coaching culture.

Success factor: link to the business strategy

For example, if the business strategy requires high growth, the first question is 'What is the appropriate culture to enable the high growth?' In assessing their current culture, organisations may identify that they do not have a 'high performance culture' or 'coaching culture'. The reasons for this will certainly vary. Coaching is by no means the 'be all and end all', but it is certainly a critical part of the picture. Without leaders at all levels within the organisation who can work with their people to draw out their greatest performance, high growth will not be sustainable.

Success factor: identify a sponsor

Any initiative that is linked to the business strategy, and has fundamental implications for the

culture of an organisation, needs a sponsor within the organisation to act as its champion. In the ideal scenario, the sponsor is a member of the board and/or a highly respected top executive. This may be a delicate issue; in some organisations it is still common for top executives to use coaches but keep them hidden – seeing coaching as for their private benefit and a 'secret weapon' in their arsenal for achieving success within the organisation and beyond. We have come across a great variety of practices and have been subject to instructions like 'Never show your business card at Reception.' Of course, it is important for individual coaches and coaching organisations to respect confidentiality. However, the introduction of a coaching culture will require those who have experienced its benefits to become willing advocates for the benefits of coaching, rather than hiding their coaches away. A good sponsor will be someone who has first-hand experience of coaching and can see its benefits for the wider organisation.

At a minimum, it is essential to provide clear communication to those who will most immediately benefit – top executives who have an allocated budget for coaching. Coaching can be promoted in feedback discussions during annual appraisals and/or as an option that is offered after a management audit or assessment. It is important to be clear about the steps the executive needs to take in order to enjoy executive coaching, and about the budget allocation for coaching – how much does the company cover from centralised budgets and what might need to be covered by the business unit or the department?

Success factor: integrate coaching modules into the leadership programme

Organisations that are committed to creating a coaching culture go one step further, and integrate coaching modules into their leadership development programmes. External executive coaches analyse the curriculum for leadership development and work with HR, the training division and other trainers to ensure a well-integrated approach so that the leaders of an organisation are able to adapt a coaching mindset. In addition, some members of the organisation may become fully qualified coaches themselves. However, roles and responsibilities of internal and external coaches need to be clearly defined. In our experience, the top-executive team remains best served by external coaches.

Success factor: develop evaluation strategies

We have come across a lack of clarity about desired outcomes for coaching. This leads to organisations being unclear about how to

evaluate coaches and the outcome of specific coaching programmes. Some are content with 'happy sheets' – simple feedback about the coaching relationship which provides little more than a statement that the coachee enjoyed the coaching. Others like to have a statement of to what extent the goals set at the beginning were met. Very few have started to implement measures of ROI for coaching. For example, at present there is still a preconception in some organisations that coaching is too expensive. In absolute terms, at first sight it may indeed be cheaper to send executives on yet another training programme. The question should be 'Expensive in relation to what?' It triggers us to adapt the old management saying 'If you think coaching is expensive, try incompetence.' The costs of coaching have to be put into perspective in relation to the outcome. Measures of return of

experience and ROI become critical to ensure support from the top and future allocation of a budget for executive coaching. These have to be carefully prepared, and it is essential to be precise about the goal of the coaching programme for the organisation and the goals for each individual coaching programme. Only if the organisation and coaches adhere to good practice can good evaluation strategies be developed.

The introduction of a coaching culture to any organisation raises the same challenges as other culture change programmes. It is not sufficient merely to announce it, provide information and assume that the change will take place. Planning is essential to introduce any new initiative. It is important to examine all the costs and benefits and to anticipate and plan for resistance.

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Reference

¹ The 2004 Training and Development Survey report is available to download from the CIPD website at www.cipd.co.uk/surveys. See also Eric Parsloe and Jessica Rolph, 'Coaching: Survey Respondents have their Say', *Training Journal*, pp. 36-38, June 2004.

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Within organisations

there may be preconceptions about coaching

Success factor: start offering coaching at the top

All too often, coaching is regarded as a method of fixing something that is broken. In our experience, this is particularly so within the German-speaking world – where coaching may be introduced to improve the performance of under-performing executives or as a precursor to beginning capability proceedings. When used in this way, coaching has a problem orientation rather than a solution orientation. In the UK and USA the view is more balanced, and organisations have started to realise the benefit of utilising executive coaches for the development of the human potential of their top talents. Starting at the top sends a strong signal to the organisation and helps to address preconceptions. In addition, it has another significant benefit: top executives and those with high potential become role models and essential multipliers of good practice, which may eliminate coaching requirements at middle-management level.

Success factor: define quality criteria and standards for selection

This is a major topic that could fill a whole module in itself. The market is supplied with an enormous number of coaches. In Germany, for example, it is estimated that there are about 30,000 to 50,000 individuals who call themselves a coach. Each year more coaches stream out into the market from the many coaching courses in existence. Of course, not all target themselves at the corporate market; many prefer to work with individuals on personal issues as life coaches. However, the corporate sector is viewed as the most lucrative to enter, and hence many new coaches will be heading straight for the major corporations on graduation from their courses.

With time an ever-present pressure within organisations, it is, of course, tempting to use a familiar face. Perhaps a successful trainer within the organisation is now offering coaching. There are benefits here – the trainer will know the

organisation, its values and customs. Coaching can be used as a very good way of complementing training by embedding the new learning in practice.

However, cautionary tales abound, and in conversations with those responsible for selecting coaches we have heard stories of coaches not meeting the expectations of executives and a whole new cohort of coaches having to be appointed. It is important to establish a clear set of criteria when appointing your coaches, to ensure that they meet

organisational and individual executive expectations. Be very clear about the intended outcomes of coaching – for example, is it ‘nice to have’ additional support for executives which could be withdrawn at short notice, or is it part of a wider cultural change? The outcomes can, and should, define the nature of the coaches you choose.

There are a variety of criteria and quality standards that organisations have defined as needing to be met by coaches. The most common ones we have identified are listed below:

- ‘Fit’ – does the person fit into the organisation?
- Educational and professional background – has the coach skills and experience of business which will complement their coaching?
- Coach training – where was the coach trained? Has the coach been through a respected training programme? Training programmes are not yet standardised and there is a major discussion about standards for coach training. The

major international coaching organisations have defined criteria and also operate a professional code of ethics. Has the coach completed just one coach training, or have they been through several programmes?

- Description of a coaching concept – does the coach have a coherent and proven coaching concept which they utilise in assignments?
- Continuous education – does the coach invest on a continuous basis in their own personal development? What exactly does the coach do to keep their knowledge and performance up to date?
- Supervision – does the coach have supervision?
- Experience as an executive coach – who does the coach work for? At what level?
- References – there are organisations that are satisfied with a reference list, but many choose to speak directly to the reference organisations before entering into a contract.
- Adherence to ethical standards – does the coach belong to a well-respected coaching organisation such as the European Mentoring and Coaching Council (EMCC), and adhere to its ethical and professional standards?

Success factor: create a coach pool

Once coaches have met the criteria, they are entered into a coach pool. We have found that many organisations prefer to operate a pool arrangement so that individual executives have a choice of coach. In addition, should an initial coaching relationship not work for any reason, there are then other coaches who can be brought in without having to seek out new individuals. To ensure efficiency of

the operation of a coach pool, it is useful to define a standard for a coach profile. Each individual coach will have to fill in and submit a standard form back to the organisation. When the HR department receives a request for a coach, it is then possible to complete some pre-selection on the basis of the profiles. A selection of profiles is then sent to the interested executive. The next step is to arrange a ‘get to know each other’ meeting. Ultimately, which coach is selected is the decision of the individual executive. A good coach pool database contains information about, for example, whom the coach has met for a ‘get to know each other’ interview, conversion rate, and feedback received from the executives. Coaches with a good standing within the database are likely to be more actively promoted, while those who do not receive assignments may be stood down from the list.

Success factor: active communication with the coach pool

Organisations who are serious about developing a performance/coaching culture seek active dialogue with their coach pool. Regular meetings are arranged two to three times a year, at which representatives from the organisation talk about recent developments. These may include new strategic directions, demands and expectations conveyed to executives, current initiatives (for example, management audits), and the key take-aways for the organisation, plans for measuring the return on investment (ROI) for executive coaching and so on. Coaches share the latest developments in their community and best-practice examples. In this way a joint learning culture is created and communication is enhanced and maintained.

Success factor: ensure strict confidentiality

It is pivotal for the coaching relationship that the content of coaching sessions is subject to strict confidentiality between coach and coachee. Those who initiate coaching on the HR side can be informed about the process and general progress, but the content is not revealed.

If it is known that information about content is leaking through the organisation, trust in the instrument is broken. It would be an extreme challenge to rebuild it. The only time when a confidence may be legitimately broken is in a situation where the coachee reveals illegal activity. The ground rules concerning confidentiality need to be underlined when establishing the initial coaching contract – both with the organisation and with the individual.

Success factor: develop an integrated communication plan

Once the organisation has decided to offer coaching to the executives, it needs to be communicated actively within the organisation. How coaching and its benefits can be communicated is a matter of creativity. We have come across various practices, ranging from displaying the offer of external executive coaching on the organisation’s intranet (including a short video from the sponsor in the organisation, in which he stated how beneficial coaching was for him and the impact it had on his personal corporate career), to clear information in the annual education programme and a slot in the agenda of important company events such as a quarterly meeting (where a coach and a coachee talked about their work).