

# HUMAN RESOURCES

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A Coaching Culture  
is  
a Winning Culture

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- A coaching culture, which helps build a supportive organisation, increases productivity/retention.
- HR professionals are key players who foster a coaching culture.

**H**ow would you describe the culture of your organisation? Stop for a minute and reflect. Is it relaxed, open and friendly? Is it hierarchical and conservative or somewhere in-between? The culture of an organisation refers to "the way we do things around here", the norms, shared values and daily practices of a group of people. It can be seen in the layout of the office (open plan versus

executive offices), the way people dress (suit and tie or polo shirts) and the way leaders communicate with their staff (face-to-face conversations or via HR memos and command control).

More specifically, a coaching culture refers to a corporate culture in which the principles, mindset and skills of coaching permeate all aspects of the organisation, as explain UK Professors David Clutterbuck and

David Megginson in their 2005 book *Making Coaching Work: Creating a Coaching Culture*. They stress that coaching, by nature, is critical to a company's self-improvement: "coaching is the predominant style of managing and working together, and where a commitment to grow the organisation is embedded in a parallel commitment to grow the people in the organisation".

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Building a coaching culture is a sustained long-term process and HR professionals play a key role in implementing it and making sure that each department of the company supports a coaching style. Thus, they sometimes have to interfere into the management style of individual departments to ensure the effective implementation and endorsement of a coaching culture. Whilst HR professionals often initiate coaching projects, it should not be limited to them. There also needs to be a clearly articulated strategy and modelled behaviours from senior leaders. Besides, fostering a coaching culture cannot be the work of just one or two leaders: it should be the responsibility of all leaders of each department.

## Why support a corporate coaching culture?

Companies with a strong and effective coaching culture are characterised by high levels of employee engagement and innovation, productivity and customer satisfaction. A 2004 study by the Institute of Executive Coaching, which was based on interviews with coaching clients, set out that companies benefit from a median return on investment of 500%-700% from coaching their employees. Indeed, corporate coaching helps tackle management and relationship issues by:

- managing stress levels: In the 2006 article "Developing Sustainable Leaders Through Coaching and Compassion" published by the Academy of Management Learning and Education, the authors demonstrated that leaders who coach employees show less levels of stress because they experience compassion through the development of others;

- achieving goals: Coaching helps individuals set and reach goals by concretising cognitive representations of the set goals, holding employees accountable for their actions and supporting them through change. Coaching also enables them to improve performance and hence receive higher ratings from supervisors and direct reports;
- increasing engagement and retention: The crux of leadership coaching is to assist leaders and senior managers improve engagement and retain talent. They should not forget that a leader's success depends on his/her staff's success; and
- boosting productivity: Coaching maximises the benefits of training by 88% as it encourages employees to translate workshop on organisational development into their daily practices, as indicated in the 1997 article "Executive Coaching as Transfer of Training Tool" published in the Journal of Public Personnel Management.

For instance, establishing a coaching culture in an insurance and finance company in Australia (turnover of USD 9 million) enabled the organisation to significantly increase the engagement level of its staff. It also influenced a restructure and a turnaround in operating loss. On a daily basis, the coaching culture intervention focused on leaders' support of the project, workshops to develop managers' coaching skills and the development of an internal coaching community where HR professionals supervise the process and propose on-going learning groups and webinars.

## Steps to build a corporate coaching culture

Below are three vital aspects of building a corporate coaching culture:

### 1. It starts at the top

Leaders' behaviour sets the tone for the culture of the company. Without high-level buy-in, fostering a coaching culture project will fail. HR professionals, along with top management, should connect organisational strategy to business development and develop a strategy with business cases decided on by senior leaders, and then communicate it to all departments. The project should demonstrate how a coaching culture is linked to employees' performance, personal development plans and incentive schemes.

Coaching skills indeed indicate good leadership. The 2011 Development Dimensions International (DDI) Global Leadership Forecast set out that leaders who possess the highest quality of leadership (coaching, managing change, executing strategy, identifying and developing talent, and fostering innovation) are 13 times more likely to out-perform their competitors on all key bottom-line metrics (retention, engagement and organisational performance) than leaders who do not display such qualities. In contrast, amongst the latter, only 6% out-perform their competitors. DDI identified that in such organisations, leaders used command control tactics, talked over people and were not aware of the importance of caring to boost others' self-esteem and failed to recognise others, listen and explain decisions.

As HR professionals should oversee the implementation and the on-going sustainability of the coaching

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culture project, they should tackle impediments to the initiative. When faced with leaders who do not “walk the talk”, HR professionals need to be confident enough to provide feedback to these leaders, encourage them to walk the corridors and engage in conversation with their employees. HR professionals are at the forefront of the corporate culture change as well as the change in leadership style, which is why they need to encourage senior managers to connect with their staff rather than focus on getting expertise in a subject matter.

## 2. Coaching training and skills development initiatives

HR professionals as well as management should teach and support coaching skills on a day-to-day basis to ensure the on-going development of a coaching culture in the organisation. For instance, they could organise workshops with senior leaders to explain to them the practical value of coaching so that they are well-equipped to model their behaviour and embed these coaching skills into the culture of their department.

## 3. Authentic face-to-face conversations are key

The world's most productive companies are those where leaders engage with employees in face-to-face conversations rather than a series of top down commands, as Professor of Business Administration in Harvard's Organisational Behaviour unit Boris Groysberg and Communication consultant Michael Slind, indicated in a June 2012 article in the Harvard Business Review. In the article “Leadership is a Conversation”, the authors stressed that sending memos or shouting orders at employees are symptoms of a command/control culture. Although it may produce short-term compliance, it does not nurture engagement nor encourage extra effort in the long term.

HR professionals have therefore to coach and facilitate successful conversations that incentivise employees to have a

voice in the decision-making process. Indeed, a coaching culture is one in which all conversations are conducted with a coaching approach. It gives space to employees' individual expression. In other words, HR professionals should encourage staff to join conversations and raise questions on a daily basis, and leaders to open the space for challenge and be open to others' opinions.

## Conclusion

HR professionals are key players who shape, support and sustain an organisation's coaching culture. Many have expanded their work beyond transactional tasks such as salary packages or recruitment, and more should join them. The role of HR professionals is also transformational: they help transform the culture of the company, which ultimately increases engagement and retention and builds a productive environment.

