TALENT, LEADERSHIP AND LEARNING

Organisational coaching has many definitions, and forms, but it essentially aims to foster change within an organisation through culture transformation, alignment with strategy, leadership development – or all of the above. How organisations are using coaching to develop their people, and how effective it truly is, is becoming an increasingly important question in an industry that is currently estimated to be worth $10-15 billion.

At a Zoom Interactive Roundtable on 16th June, CRF's Talent, Leadership, and Learning Community came together to discuss the current uses of coaching within organisations, how to increase its effectiveness, and the role of technology in coaching.

This summary shares some of the key insights from the discussion.

OVERVIEW OF THE ISSUES

CRF's Research Director Gillian Pillans launched the discussion by reviewing the issues.

First, what is CRF hearing from members and why is the question of coaching use and effectiveness more pressing than ever? Several key themes emerged:

- There is a growing recognition of both the human and business benefit of coaching and other similar programmes, like mentoring.
- Relying solely on external coaches can be costly, exclusionary and unsustainable in the long term, but developing internal coaches can be difficult.
- Line managers, who already have a lot on their plate, are often falling short in providing coaching to direct reports.
- There is a limited amount of research on the impact of coaching so far, making it difficult to accurately measure its effectiveness.

In short, coaching sounds great in theory – but the quagmire of logistics, funding, time and responsibility means that even committed offerings can fall short. Some companies are well-placed to invest in their people, going as far as having full-time coaching teams, whereas others, especially smaller businesses, are reliant on individuals to commit their time to training and coaching others.

With little in the way of reliable data, and scepticism about introducing depersonalised coaching resources like AI, it can be difficult to know whether you're getting your money's worth – and how you would know if you weren't!

Following Gillian's overview, attendees then discussed the following points.

HOW IS COACHING BEING USED WITHIN ORGANISATIONS?

- It is mostly bigger, more mature businesses that have the time and resources to commit to coaching their staff at all, and it is particularly effective when a culture of independence and personal development already exists.
  - » One attendee described their relatively small organisation as being unable to move past "a sort of parent and child culture" between managers and staff, with a traditional hierarchy and little interest in mutually supportive 'adult-adult' relationships.
  - » Another attendee from a smaller business suggested that "sometimes creating a coaching culture is as difficult in a small organisation as much as in a large organisation", implying that the question is more complex than simply the number of people who need coaching versus the amount of resources available to them. This was described as being particularly true when businesses rely on the traditional model of formal, one-to-one coaching sessions.
  - » On the opposite end of the spectrum, one large organisation indicated that they currently have around 80 full time internal coaches across five different teams, who estimated that they delivered almost 4000 hours of coaching between January and March of this year. They estimated that the service provided by their coaches costs approximately £350 per hour, but that feedback from clients consistently affirms a significant ROI. In one notable example, rough calculation suggested that several thousand pounds of spending on coaching returned several billion in revenue.
- Where coaching is a normal part of organisational life, several attendees reported a combination of internal and external coaching networks.

- Internal coaches are mostly used to provide 'universal' coaching – a standard offering which every member of staff receives – while external coaches were contracted to support senior leaders, accelerated talent or people from underrepresented groups within the organisation.
  » A common response was that "we use external coaches for our executives and our board", suggesting that this costly resource was mostly only accessible for top flight executives or those who were chosen for leadership development.
  » Another attendee did add that middle management at their company "can have access to external coaches, but only for a few sessions [and to] focus on something that's very specific".

- It would seem that the majority of organisations don't have internal coaches or specific cohorts of internal coaches and for those who do, the vast majority of internal coaches are doing so alongside their day job. The poll (p. 2) suggested that this was the most common approach, raising questions about its effectiveness and reliability.

Do you have a cohort of internal coaches who are accredited/formally recognised by your organisation?

Yes – working as full-time internal coaches	4%
Yes – coaching alongside their day job	33%
Yes – both full-time and part-time coaches	4%
No	59%

- Solely relying on external coaches was observed to be an "outdated" model for coaching, "from [both] a cost and an accessibility and inclusivity point of view". While these resources were reported to be highly effective, their cost to companies meant they were only offered to a select number of employees – potentially excluding others who could benefit significantly.
- Only a small number of attendees reported that their organisation had a thoughtfully structured coaching framework, as most reflected a fairly loose or reactive coaching response.
- Individual coaching seemed to be more commonly reported than group coaching, as team coaching was mostly used for 'universal' level coaching.

- One of the main issues raised was that coaching is still a tool in the early stages of use, so much more research and experimentation is needed to develop a reliable formula. In the words of one attendee, "what I think we've all been identifying is something that can quickly become very big, very costly or is really difficult to scale".

HOW CAN WE INCREASE THE EFFECTIVENESS OF COACHING?

- As Gillian identified at the top of the session, there are two crucial questions about the effectiveness of organisational coaching: are you getting your money's worth, and how would you know if you were? In real terms, these questions manifested as how to get the right coaching to the right people at the right time, and how to measure the outcomes.
- One of the most commonly reported issues with delivering coaching was capacity: lots of coaching wanted; not enough coaches available. For companies reliant on external coaches, this was a financial issue first and foremost – though companies who use internal coaches, many of whom have full-time roles as well, were finding that it was a question of time and energy. Attendee comments included:
  » "I'm just constantly getting requests for coaches."
  » "My ambition is that we never use any external providers to coach, [that] we're doing this all internally as well as moving forward with more of a manager coaching culture, but we've got a long way to go on that."

- Some coaches had time commitments for a certain number of hours, while others had a cap on the number of coachees that could be assigned to them at any one time. One number used as a baseline was between 5-6 coachees per internal coach per year.
- When it comes to measuring coaching outcomes, there is still much to be determined. One of the more experienced attendees suggested that their framework, developed in conjunction with a university business school, had initially outlined their assumed 'primary outcomes': measuring against the specific goals that the person who received coaching had identified at the start of the process.

What they had begun to realise was that coachees were actually receiving a wide range of 'secondary benefits', unrelated to their specific goals, which were equally valuable to the organisation. Coaching recipients reported improved emotional intelligence (EQ), better growth mindset, openness to further learning and development opportunities, and the potential to emulate the kind of "facilitative leadership" that they were seeing in their coaches.

- One of the problems that people trying to develop internal coaches had noticed was that people were happy to sign up to training, like the 'Coaching Apprenticeship', but were then reluctant to actually translate that training into a change of behaviour at work. This was leading to a drop-off in resource availability, even though more funding and time was being devoted to it.

  » A common frustration is that while people recognise the value of developing as a coach, they struggle to integrate it into their daily routine. This may be an issue of confidence in applying the skills they have learned.

- To be most effective and accessible, coaching needs to be centred within company practice, in order to become part of the mindset of employees. If it's not embedded in core management practices, it won't be a routine part of relationships between staff.

  » One attendee described a hypothetical comment from an employee, resentful of the expectation that they coach others when they are not receiving the same support themselves: "my line manager doesn't do it. Why would I do it if he or she isn't encouraging me? Why [should] I then do it with others?"

  » There was also some acknowledgment that if that type of support is not already normalised within an organisation, then introducing coaching of this style will be "a big culture shift that takes huge amounts of time and effort".

WHAT ARE THE LATEST DEVELOPMENTS IN ORGANISATIONAL COACHING?

- One key word which came up frequently as a development target was democratisation – putting opportunities to coach back into the general staff population rather than having a specific set of resources or coaches. One company has attempted to reframe coaching as something that happens 'at the water cooler' rather than in a formal setting, by "unlocking the opportunity of peer coaching and leadership by taking down the formality".

  » In more detail, they explained that: "what we did then was just offer...some really simple online, little 'coaching moment' training sessions where we use the GROW Model [and a basic introduction to] some coaching skills, then they could go further in building a deep dive around coaching practice. Ultimately, we arrived at some individuals who were so passionate we had then got a very small internal coach network who then went all the way through to accreditation."

  » This is also a role, or a style of coaching, that could potentially be introduced to line managers, to support their relationships with direct reports.

- Ultimately, some coaching skills are just more developed versions of essential management skills. So, as one attendee put it, "if managers are better coaches, people in their teams will be happier and more engaged".

- Technology was the obvious avenue for coaching development, and there are lots of apps, services and organisations looking to capitalise on it. However, for all that coaching is an established skill for individuals, its role within organisations still appears to be in the developmental phase. In particular, the use and effectiveness of technology at all stages of the process is still being debated.

  » Some attendees weren't sure about how to fit depersonalised resources into the personal development space. As one attendee described, "in my current professional capacity [as a coach], I'm quite sceptical about machine learning and algorithms... but I can see the huge attraction of being able to offer coaching at scale."

  » On the opposite end of the spectrum, others were convinced that "technology is a real aid to coaching". One attendee has been involved in the delivery of training about the use of technology in coaching and has used a variety of tools along the customer journey. The hesitance identified above was reflected, they said, in the coaches that they were meeting at events, many of whom saw it as an 'all or nothing' issue when asked to hypothesise: either technology will eventually be used to do everything in the coaching process, or it won't be used at all.

- One type of application that was viewed relatively favourably was 'mentor matching': essentially, AI or similar systems that match up employees and coaches/ mentors based on a range of factors to find the most effective pairs. Once matched, the pair then have an initial 'chemistry' meeting to determine how well they get on and whether they are happy to work together. None of the attendees could offer any evidence on how effective machine matching was compared to human or manual matching.

» One attendee observed that the effectiveness of this tool "depends how much information you capture about [the] individuals [you're trying to match up]", but that, ultimately, "it does take away some of the grunt work when you're matching at scale" as "you'd need a lot of resources to do that manually". They also suggested that in its early phases it wasn't particularly reliable, but that when it does work as intended "we get really good feedback from mentors and mentees about the relationships that they have".

• Technology has the potential to help fill the evaluation gap by offering buyers, and managers of coaching programmes, a way to monitor the progress of recipients through the achievement of both 'primary' and 'secondary' outcomes. This would potentially make companies more confident in using coaches generally or using coaching technology, by offering them a way to see what they are getting for their money.

A recent summary of the impact of technology on coaching is available *here.*

FURTHER ISSUES DISCUSSION

• One contributor highlighted the fact that coaching doesn't have a fixed definition or specific frame of governance, leading to some confusion about what businesses are actually buying or trying to develop internally.

» One attendee observed that the term 'coaching' "is [frequently] misused. There's too many accreditation bodies. There's too many kinds of stakeholders fighting and either misinterpreting or mis-using the term. And so it doesn't feel like a professional industry yet."

• Another question raised was the impact of individual versus cohort or team coaching. Can coaching a group have the same impact as individual coaching? After all, as one attendee points out, "real development is confidential, sensitive, requires vulnerability. It needs [psychological] safety and it's quite hard to do on a cohort level."

• The lack of governance around coaching was also identified as an issue that may lead to what one attendee called "random acts of coaching", where people who are not necessarily best placed to offer guidance end up in that role informally.

• Competition between new forms of coaching and the more traditional styles of leadership development was another issue that was raised, in the sense that "coaching in a way [is] replacing, pushing out [or] trading into that market of leadership development".

• Another concern was that people were seeking coaching over topics that are typically considered their line manager's responsibility: career development, specific progression routes, and so on. This was leading to increased demand for transition coaches in particular, to handle these questions. One attendee queried whether "it's people backing away from having a career conversation, not being able to have a peer conversation", in connection to previous issues raised by the Community about the pressure on line managers over the last couple of years.

FURTHER READING

CRF. 2014. **Coaching – Business Essential or Management Fad?** Research Report *https://www. crforum.co.uk/research-and-resources/coaching-business-essential-or-management-fad-2*

CRF. 2022. **Applying Social Science to Behavioural Change.** Research Report *https://www.crforum.co.uk/research-and-resources/research-applying-social-science-to-behavioural-change*

CRF. 2022. **Talent, Leadership and Learning Community Exchange.** Research Report *https://www.crforum.co.uk/research-and-resources/summary-notes-talent-leadership-and-learning-community-exchange-2-march*

Optify. 2022. **6 Takeaways from the NYU 2022 Coaching & Technology Summit.** Blog *https://optify.io/2022/06/16/6-takeaways-from-the-nyu-2022-coaching-technology-summit*

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5th September

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