



Coaching with a Purpose: Is Your Coaching Job Related?



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**TTI: The Assessment Company—
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Introduction

Business coaching has been embraced by the business world because disciplined, focused coaching pays for itself many times over. It has evolved to become a powerful tool for aligning individual performance with a company's strategic plan, by targeting the gap between how an employee performs now and their potential for superior performance. Coaching can boost profits by moving people to a higher level of performance, but only when the coach uses the best tools available. **Is your coach using them to get the results you need or jeopardizing your career without them?**

In its infancy, business coaching was perceived as a last-ditch attempt to save an employee on a downward spiral. Typically this was a high level manager or C-suite executive, since top executives were seen as the primary drivers of company performance. But things have changed. **Coaching as a remedial intervention has given way to coaching designed to promote superior performance, and it's not just about sharpening top executives.** The use of coaching has cascaded throughout organizations to include managers, key players, and anyone whose performance can propel goal achievement for the organization.

Just as the 'who' and 'why' of coaching has evolved, so has the 'how'. Businesses are incorporating an ever-increasing availability of business intelligence data from web sites, social marketing and other technology tools into daily operations, and this is fueling an appetite for quantifiable results in the talent arena. Managers have always identified anecdotally that it works, but in order to demonstrate return on investment to stakeholders at all levels, the need to measure the results of coaching has increased. **The best practice process outlined here aligns employee performance with the company's overall strategic goals and makes it easy to measure coaching success.**



What is Business Coaching?

The definition of coaching depends on who we ask:

“Partnering with clients in a thought-provoking and creative process that inspires them to maximize their personal and professional potential.”¹

“Executive coaching means regular meetings between a business leader and a trained facilitator, designed to produce positive changes in business behavior in a limited time frame.”²

“A short to medium-term relationship between a manager or senior leader and a consultant (internal or external) with the purpose of improving work performance.”³

Because very different coaching processes are used by sports coaches and personal life coaches, it's important to distinguish business coaching from those initiatives. While some sources still emphasize the use of business coaching as being just for leaders, an up-to-date definition acknowledges its usefulness for staff at all levels.

From a business perspective, the primary purpose of business coaching is to improve employee performance in areas directly connected to achieving goals that fuel company performance.

Coaching ROI—The Concrete Results of Soft Skill Mastery

Measures of impact such as increased sales figures, cost savings, reduced staff turnover expenses and other business results are highly desirable indicators of coaching success when they're available and directly attributable to the skill enhancement and behavioral changes attained in the coaching process.

But for many participants it is difficult to directly connect company financial changes to coaching, especially in the short term. In one global study of nearly 2000 coaching participants, only 40% were able to provide data to confirm that their company had experienced financial changes due to coaching. But of those who did, the median return was 700%, “indicating that typically a company can expect a return of 7 times the initial investment.”⁴

Considering that the benchmarks and assessments used in a best-practice coaching process are tools that market leaders already use, their cost effectiveness is superb. They assure that coaching stays job-focused, a crucial distinction that makes a huge difference in ROI. “Typically, return on investment of job-related coaching is 8 to 1.”⁵

Participants report experiencing a chain of impact in which improved decision making, ability to delegate, management expertise, self-management and other aspects of performance impacts their teams, peers and direct reports, causing favorable business outcomes. **Coached employees often experience improved communication which then greases the skids for better collaboration; and as a result, for example, enjoy better team problem resolution or enhanced creative innovation.** As convincing as these experiences are for the coachee and those around them, they don't lend themselves to being easily distilled into metrics.

A good indicator that coaching participants remain convinced of the value coaching returns is that "93% would recommend the type of coaching and specific organization that provided the coach."⁶ Similarly, "96% of clients indicated that they would repeat the coaching experience given the same circumstances that lead them there in the first place."⁷

Who Gets Coached?

Who gets coached depends on the 'why' of coaching at the organizational level. After all, if a course correction of a remedial nature is needed at the individual or team level to address specific problems, the recipients of coaching are already identified.

By contrast, a proactive use of coaching in a high-performance atmosphere starts with an examination of the organization's strategy for competitiveness. Simply put, the goal is to improve organizational results by aligning individual performance with big-picture strategy. Which company-wide performance goals absolutely must be accomplished in order to achieve growth? Who gets coached is determined by identifying the key individuals who can impact organizational goals by hitting their own performance targets. Does fulfilling the business' strategic plan call for accelerating leadership development, assuring succession readiness, or preparing high potential employees for advancement? The best practice process outlined here also addresses these needs.



It is important for leaders to be aware that until recently, the coaching process was primarily identified as a solution for a derailing employee or other workplace problem, stigmatizing recipients. **As Figures 1 through 3 show, this is no longer accurate, but perceptions sometimes lag behind progress.**

FIGURE 1 – Who Gets Coached?

	North American	International
High potentials	59.5%	72.3%
Executives	41.6%	53.1%
Problem employees	37.4%	29.7%

“Coaching, A Global Study of Successful Practices, Current Trends and Future Possibilities 2008 - 2018,” p.63, American Management Association

FIGURE 2 – The Purpose of Coaching

Respondents cited the following as frequently or a great deal being the reasons for implementing a coaching plan:

	North American	International
To improve individual performance/productivity:	78.5%	87.3%
To improve organizational performance:	55.5%	61.4%
To address leadership development/succession planning:	62.7%	81.7 %
To increase individual worker skill levels:	60.3%	60.0 %
To address specific workplace problems:	43.7%	37.7%

“Coaching, A Global Study of Successful Practices, Current Trends and Future Possibilities 2008 - 2018,” p. 56, American Management Association

FIGURE 3 – The Purpose of Coaching

The top 3 reasons coaches are engaged is to:

- 48% – Develop high potentials or facilitate transition
- 26% – Act as a sounding board
- 12% – Address derailing behavior

“What Can Coaches Do for You?” by Diane Coutu and Carol Kaufmann, HBR Research Report, January, 2009, p.92, Harvard Business Review

Early leadership and management communication can counteract this perceptual roadblock to set the stage for coaching success. Establishing a positive context within the company culture assures that coaching is viewed as a growth-oriented process extended to important contributors.

For employees at all levels, there is a profound difference between the old-school “shape up or else” impetus for coaching and today’s guided and monitored growth process. The difference is substantial before the coach and coachee ever meet. **Coaching for improved performance establishes a positive, incentivized experience for the recipient, grounded on improved performance which could lead to recognition and advancement.** Given recent limitations on salary increases and bonuses and widespread employer concerns about a top performer exodus as more jobs become available, leaders who position coaching as the cultivation of high potential staff may find that coaching helps to bond key talent to the organization while boosting performance.



How are Coaches Selected?

FIGURE 4 - Criteria for Coach Selection

Respondents frequently or a great deal use:

	North American	International
Business experience	68.4%	70.8%
Recommendations from a trusted source	59.1%	59.1%

“Coaching, A Global Study of Successful Practices, Current Trends and Future Possibilities 2008 - 2018,” p. 57 - 58, American Management Association

“A full 50% of the coaches in the survey indicated that businesses select them on the basis of personal references.”

“What Can Coaches Do for You?” by Diane Coutu and Carol Kaufmann, HBR Research Report, January 2009, “How Do You Pick a Coach,” p. 96, by P. Anne Scoular, Harvard Business Review

Criteria for selecting a coach varies, but most consider the following business experience: a relevant coaching specialization, prior experience coaching in that area, industry experience specific to the business at hand, or experience in business, law, HR, teaching or sports. Figure 4 shows that references from a trusted source are frequently cited as well. This may explain why so many participants (93%) select a coach who is external to their organization. ⁸

The Match is CRITICAL



Just as performance success is directly related to the quality of match between the employee and the job, the match between the coach and coachee is critical to the success of the coaching process. Both the coach's expertise and their ability to connect with the coachee matter, as shown in Figure 5. In a 2010 Harvard Business Review report on coaching, "The survey data support this emphatically: Willingness and good chemistry were by far the most frequently cited ingredients of a successful coaching relationship." ⁹

FIGURE 5 - Matching Coaches with Employees

Respondents frequently or a great deal use:

	North American	International
Coaches' expertise or issue to be solved	73.7%	92.5%
Personality as a criteria to match	45.5%	66.7%

"Coaching, A Global Study of Successful Practices, Current Trends and Future Possibilities 2008 - 2018", p. 49, American Management Association

This is consistent with a large global study conducted by the International Coach Federation in which 96% of respondents rated personal rapport, personal compatibility and the coach's confidence as three of the top four critical considerations in choosing a coach. ¹⁰

At first glance this may be surprising, but given the duration of the relationship and the up-close sharing of challenging work situations, it is logical. Individuals need a high trust relationship both to rely on the coach's discretion regarding confidential matters and to take in and act on coaching feedback. This comfort level is so

crucial to a successful relationship that it may further explain the preference for a coach from outside the employee's organization.

The effectiveness of the coaching process (96%) rounded out the top four considerations. The level of coach-specific training (89%) followed, with the level of formal education/schooling (71%) trailing behind. This denotes less focus on traditional aspects of a coach's background than on a relationship and process that can generate results. Providing an opportunity for the employee to meet the potential coach and learn what process he or she proposes is highly advisable. A demonstrably effective process which includes measurements of success is the order of the day. "Coaching people to break old habits, stimulate creative thinking and establish an integrated process that sets clear ways to achieve sustainable results and increased profits is essential to business strategy development." ¹¹ **Given what is at stake, the importance of choosing a coach who is empowered with the best process and tools and who can tap into the participant's drive to succeed is vital.**

Elements of the Best Practice Coaching Process

Coaching is traditionally based on timely feedback, as the coach uses objectivity and experience to guide the employee from the sidelines while events unfold in the workplace. This interchange is the heart of coaching. Best practice coaching has taken a big step forward to situate this ongoing dialogue within a clearly defined framework from beginning to end. This framework acts as a roadmap, assuring that the employee, the manager and the coach are united at key touch points along the way.

Each point is absolutely necessary for success, because they serve to clarify everyone's understanding of the specific areas where the employee needs to grow in order to meet their goals. They also set shared expectations of the scope of the coaching relationship, the employee's actions and how success will be measured. Using this framework, it is possible to measure the progress of the coaching process. It requires a job benchmark, a comprehensive assessment of the person's behaviors, motivators and personal skills and the desired performance goals.

FIGURE 6 - Coaching Key Process: Job Benchmark

Key Accountabilities ➡ Job Assessment ➡ Gap ➡ Action Plan ➡ Post-Assessment

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Key Point 1: The Benchmark

The coaching process must stay focused on creating growth that leads to superior performance. There are skills, attitudes and behaviors specific to every job that enable a person to reach the job's goals. Leaders must ensure that the employee and coach start with an analysis of the job's requirements to plan their work together, as seen in Figure 7.

FIGURE 7 - The Job Benchmark: A Picture of Ideal Performance

64% of Best-in-Class companies develop profiles for ideal candidates and new job roles based on forward looking business strategy.

57% of Best-in-Class companies use competency-based assessments.

“Competency assessments were the number one enabler of workforce planning identified by Best-in-Class organizations, demonstrating the importance of assessing against an agreed-to definition of what success looks like now and in the future.”

“Strategic Workforce Planning, Winning Scenarios for Uncertain Times” by Mollie Lombardi, Justin Bourke, January 2010, p.17 & p. 9, Aberdeen Group

The job benchmark is a clear picture of what superior performance in the job looks like. It is the bedrock of the coaching process since it sets an objective standard against which the employee will be measured. TTI Performance Systems, Ltd. has created a patented process designed to remove the common biases associated with less disciplined employment practices. It is a comprehensive, objective definition of the job that exists independently of any one person occupying the position, created by a team of subject matter experts.

FIGURE 8

Key Accountabilities Example Regional Sales Manager

- Manage sales force to deliver the sales/numbers and provide coverage for the larger sales organization.
- Develop business plans and key account plans where applicable.
- Demonstrate industry and market knowledge, and implement/execute an engagement model for addressing their local market.
- Recruit, develop and manage a strong team of talented product specialists. Includes providing coaching and leadership for their team members as well as taking action/moving out people who are not performing.
- Educate the larger sales organization—teach people specifics about the technology that they need to know, conduct some sales training, and market internally to the larger sales organization to create interest and enthusiasm.

With the help of a trained facilitator, the team of experts identifies and ranks the optimum mix of behaviors, attitudes and personal skills that any person would need to reach superior performance in that job. They define, prioritize and weigh the key accountabilities of the position, as shown in Figure 8. “Key Accountabilities are essential to superior performance and are the foundation of the job benchmark. Similar to performance objectives, they are a more detailed description of why the job really exists.”¹²

When coaching is used to prepare a high potential employee for a lateral move or advancement, the person may already be meeting performance goals in the current position. In this case, the foundation of the coaching process will be the benchmark for the next job they are intended to occupy. The focus of coaching will be to assure that they have the skills necessary to ramp up quickly and be successful in the new position, which may very well require new skill acquisition or at the very least, a higher level of mastery.



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Key Point 2: The Pre-Coaching Assessment

With the job benchmark established, the employee can now be evaluated to get a detailed picture of how their attributes match the job's profile of success. A comprehensive assessment shows the employee's workplace behavior, what motivates them to action and their level of mastery of 23 universally recognized, job-related personal skills listed in Figure 9. Since these factors are also the basis for the job benchmark, comparing the employee's assessment to the benchmark produces a gap report which will serve as the basis for the coaching process.

The gap report shows at a glance which skills the employee has already mastered and reveals which qualities are still needed for success. "Identifying these gaps is the top strategy identified by Best-in-Class organizations for workforce planning, and competencies can play a large role in helping to define, assess, and then plan to bridge any gaps between what types of employees will be needed to drive the business forward in the future and the talent available today."¹³

Producing growth in this gap area is what brings the employee's performance in line with the benchmark and with the company's overall strategic plan. This is what makes it possible to target the specific growth areas that can reliably move the person toward

performance goals and to measure successful progress. For many participants, growth is jump-started by the immediate increase in self-awareness that the assessment debrief provides. Because the goals of the coaching relationship are generated from quantified data, the coach is empowered to deliver specific, constructive feedback that ties back to the job benchmark and keeps the process on track.

FIGURE 9 - Job-Related Personal Skills for Superior Performance

- Analytical Problem Solving
- Conflict Management
- Continuous Learning
- Creativity/Innovation
- Customer Service
- Decision Making
- Diplomacy
- Empathy
- Employee Development/Coaching
- Flexibility
- Futuristic Thinking
- Goal Orientation
- Leadership
- Management
- Negotiation
- Personal Effectiveness
- Persuasion
- Planning/Organizing
- Presenting
- Self-Management (time and priorities)
- Teamwork
- Written Communication

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FIGURE 10 - Motivators

Utilitarian: A drive for a practical return on time or money spent to accumulate wealth and what is useful.

Theoretical: A drive for knowledge, discovery and continuous learning.

Individualistic: A drive for personal power, influence and control over surroundings.

Aesthetic: A drive for beauty, form and harmony in objects, nature or experiences.

Traditional: A drive for an orderly, well-established, unified structure for living.

Social: A selfless drive to help others.

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FIGURE 11 - Behavioral Characteristics

- Organized workplace
- Analysis of Data
- Competitiveness
- Urgency
- Customer Oriented
- Versatility
- Frequent Change
- Frequent Interaction With Others

TTI Performance Systems, Ltd.

Key Point 3: The Coaching Action Plan

Clearly communicating the purpose and goals of the coaching process is important to achieving a successful outcome. It's essential that there is a shared understanding in place for the coachee, the direct manager and the coach so everyone agrees on their expectation for progress and on what will signal a successful coaching initiative.

COACHING ACTION PLAN

Meeting Schedule



Coaching Feedback



Skill Acquisition Goals



Guided Learning Goals



Duration



Business Goals

The Plan of Action should include the following considerations:

Meeting Schedule

Will the coach and coachee meet in-person, have scheduled phone calls or both? Will they communicate between scheduled meetings via phone or email? Although coaching tends to be face-to-face (58% in North America, 80% Internationally ¹⁴), it can take place over the phone, via web options or as a combination of all three.

Coaching Feedback

What kind of information will the employee share with the coach when seeking situational feedback? How will feedback be provided to the employee?

Skill Acquisition Goals

Based on the gap report, which specific skills will the coach and coachee work on together? Improvement in these areas will be a measure of progress.

Guided Learning Goals

What specific training activities will the employee undertake based on the gap report? Since skill acquisition is practice-based, it is important that the employee complete learning modules to understand the targeted skill but does so in tandem with activities to practice them. Completion of these learning modules and activities is a measure of progress.

Progress Communication

How and at what intervals will progress be shared with the person's employer? This could include the direct manager, HR and/or others, and it should include an agreement about what aspects of coaching conversations will be kept confidential.

Duration

Over what time period will the coaching relationship be conducted? The end date will determine when success is measured.

Business Goals

What specific performance goals are anticipated to be impacted by the end of the coaching process? These will be a measure of coaching success.

With the Action Plan clarified, coaching harnesses an individual's desire to learn in ways that will improve their performance and gives them the guidance to build competencies by practicing them on the job. The personal skills required for superior performance on the job may be understood through a conventional learning process, but they are only mastered through experience and practice. Because coaching provides feedback in real time as events unfold, the person benefits from an accelerated skill acquisition process.

Key Point 4: Post-coaching Assessment— The Concrete Results of Soft Skill Mastery

Determining the success of coaching depends on how clearly the status quo was defined and goals were established at the beginning. Considering that precise aspects of performance were targeted for growth, performance reviews or appraisals can be one source of confirmation that the coachee has indeed improved. If the duration of the coaching relationship is long enough, the attainment of business goals such as improved sales, cost savings or other productivity targets can be used. The coach, the direct manager and peers can provide observations of enhanced behaviors (or the absence of undesirable behaviors) and examples of increased demonstration of skill mastery, which can be further confirmed using a 360 survey.

Likewise, one tangible measure of coaching success is that the coachee has met goals to participate in seminars, trainings or individual learning modules that inculcate a deep understanding of personal skills and how profoundly they contribute to superior performance.¹⁵ A motivation for continuous learning and a high level of personal accountability are two attributes that employers frequently cite as highly desirable and necessary for success on the job. High potential employees will have made the most of the opportunity to grow and will see it as the career-accelerator it is.

But using a post-coaching assessment to analyze the effect of coaching on individual performance can be the most profoundly rewarding measure of progress, as it easily demonstrates the areas where coaching has produced growth. The revised gap report produced by a post-coaching assessment is a detailed measurement of coaching success and is the hallmark of a superior coaching process. According to a Harvard Business Review Report of January 2009, fewer than one-third



of coaches provide any kind of quantitative data on behaviors.¹⁶ This is surprising, given the ease of doing so when a best-practice coaching process is employed. Since the availability of business intelligence metrics in other areas has turned the spotlight on coaching, this is the most logical, immediate method to quantify results.

Conclusion

Business coaching is more vital than ever for competitive organizations with a wide range of talent needs, from succession planning and leadership development to aligning talent with the strategy for boosting overall company performance. For the coachee, the experience has transitioned from something one has to do to become something one gets to do and is the mark of a valued contributor. For the organization, job benchmarks in tandem with validated assessments and targeted professional development assure that coaching is on track to further the organization's performance going forward. The best-practice coaching process infuses what is already a high impact relationship with clarity, focus and objective measures of success. In conjunction with goal achievement measures, this process readily demonstrates the power of coaching to boost growth that elevates performance.



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Endnotes

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