Drawing together a rationale for developing strong coaching capability in organisations

We've been laying out a theme, that developing internal coaching capability is a great idea. Let's take a step back and look at why we think that as a leader, using strong coaching skills and a coaching approach to your work will lead to better outcomes.

One way we've found to explain this is below. It is not a complete answer, but certainly a way to clearly lay out some of the key pieces of our rationale.

- The service-to-profit chain is generally accepted to be as follows: If you increase perception of Service Value, you satisfy your customers, and their loyalty produces greater profitability and growth.
 As a leader, you influence
- 2. As a leader, you influence growth and profitability only indirectly through your people. This is always greater if you retain enough of them and ensure they are progressing and productive.



Revenue

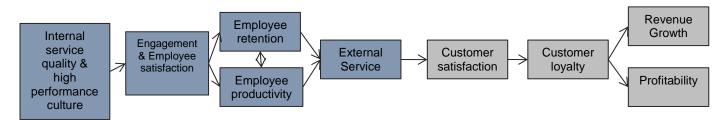
Growth

Profitability

Customer

loyalty

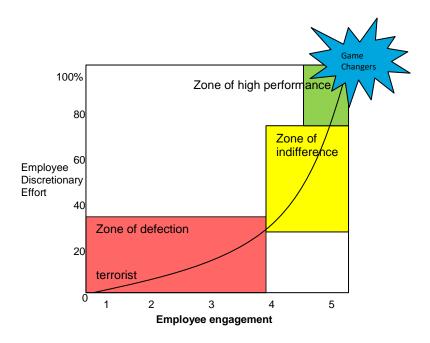
3. Your work as a leader cannot directly affect the grey areas of these charts. In fact, various research shows that you will have the greatest effect if you focus on *what comes before* employee retention and productivity: that is engagement and employee satisfaction, internal service quality and a high-performance culture.



4. Coaching is an appropriate style for leaders to use to enhance both these left-hand boxes. It turns out that how you treat your people determines the discretionary effort they are willing to use. There is a curve for this: see next graphic.

Coaching creates an escalator effect. It gives the tools to get alongside, discover, confront and resolve the causes of poor performance and poor attitude, leading to renewed effort. Skilful coaching can improve things, whether the causes are related to skill or will, are intrinsic to the individual or are about relationship with others and the work.

Indifference is converted to affection through inquiry and appreciation, creating engagement and potential rising stars, as trust builds over time. Existing engaged high performers can be turned into game changers through listening for potential. Given the time to think, they can innovate service provision to a whole other level.



- 6. "As the coaching industry has matured, the perceived 'value of coaching' has become very firmly established" According to the 2017 Executive Coaching Survey from Sherpa, for eight years: Over 90% of respondents have positively rated the value of coaching. This has been backed up increasingly by Return on Investment (ROI) figures. We recommend and can support organisations seeking to evaluate ROI for coaching investments.
- 7. It is no surprise that 58% of coaches are hired to develop 'up and coming' leaders (the no.1 reason for hiring a coach). In the future, these leaders will have a good model of what coaching can bring and are more likely to proceed to develop their own coaching skills.
- 8. Some words from Betty Sue Flowers, co-author of "Presence": I think that this is the key going forward that we have to nurture a new form of leadership that doesn't depend on extraordinary individuals.. Personal cultivation is more important than ever, but for more people. Plus the cultivation will occur within and among larger collectives of people. We need to learn the disciplines [such as coaching and appreciative inquiry] that will help cultivate the wisdom of the group and larger social systems."

"As models of leadership shift from organizational hierarchies with leaders at the top to more distributed, shared networks, a lot changes. For those networks to work with real awareness, many people will need to be deeply committed to cultivating their capacity to serve what's seeking to emerge."

9. This in turn echoes back to Jim Collins in "Good to Great": No ladders are pulled up in perennially successful organisations, in fact; drawbridges are put down to help as many as possible, for the good of the all.

The rationale is in place: coaching practices enable people to move up the curve and enjoy their work more. The evidence is now enhanced and research is strengthening all the time. It's been exciting to see the rise of coaching over the last two decades; initially of executive coaching, and increasingly of internal coaching by leaders.

Coaching allows Leaders far greater influence over the chain from leadership to results. Their self-awareness and behavioural flexibility - to shift gears appropriately and change the pace and space in the conversation for others' thinking to emerge - will be right at the core of their effectiveness in the future.

Develop your professional coaching skills during International Coaching Week 15th -21st May!

Our Kick-off on the 17th May is the perfect next step on your professional coaching journey. It will be held in the Newbury/Oxford area, venue to be confirmed with the joining instructions.