

COACHING MATURITY IN ORGANISATIONS

What Works and Why

Executive Summary

INTRODUCTION

The need for organisations to successfully navigate the emerging landscape of complexity, disruption and ambiguity has never been greater. As the vanguards of this change, leaders are expected to lead the charge into this new normal with agility and confidence.

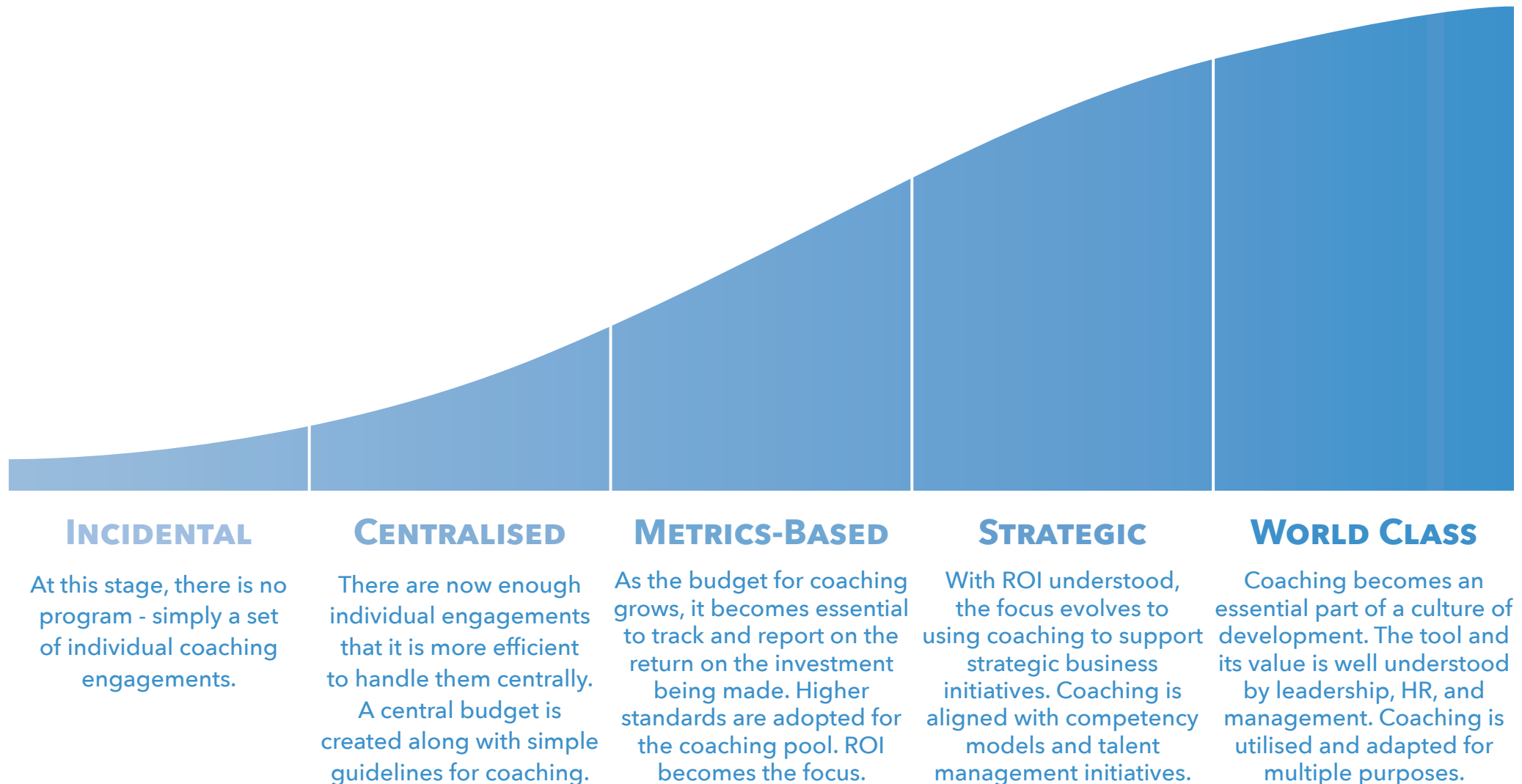
Yet the forces that are driving the changing organisational environment are the same ones squeezing profits and creating cost pressures.

As a result, organisations need to address a critical question: how do they optimise their investment in developing leaders for this uncertain future?

In response to this question, we commissioned a research project to investigate how one of the most powerful forms of leadership development – coaching – can be used to address these emerging leadership challenges, and tangibly shift performance.

Global research shows a strong correlation between effectiveness and coaching 'maturity' in an organisation. Our research set out to determine how organisations can go from good to great in their approach to coaching maturity so that they can deliver on their performance goals.

THE COACHING MATURITY CURVE



SMG RESEARCH

Quantitative
survey

n=47

Quantitative
interviews

n=10

- Respondents mostly HR Directors, Executive managers, Heads and Managers with at least 10+ years experience
- 95% of respondents use coaching
- Survey conducted by independent researcher, Dr Be Pannell an executive coach and academic

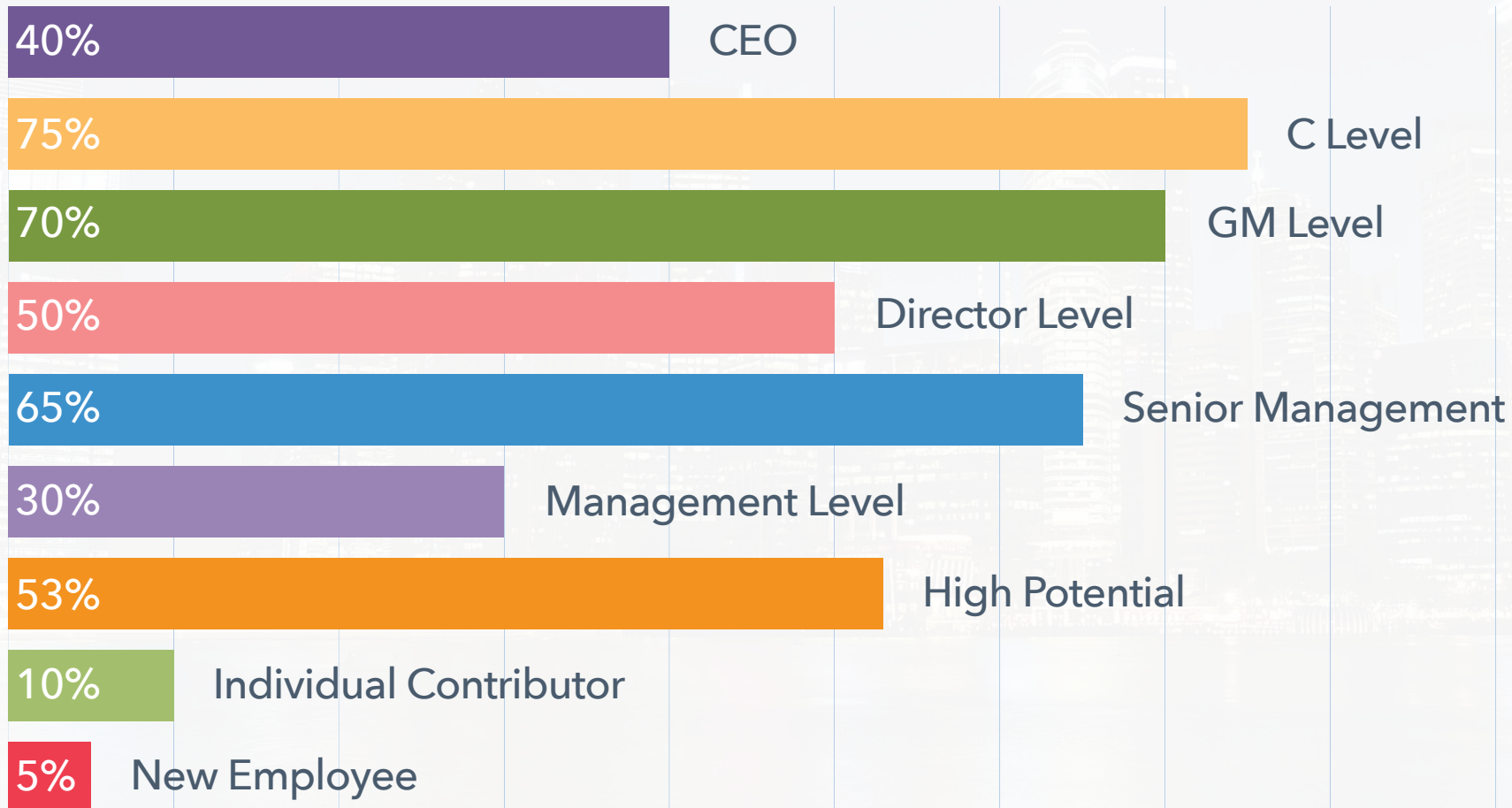
WHAT IS COACHING USED FOR?

SMG and CoachLogix Research 2019



WHO RECEIVES COACHING?

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MEASURING IMPACT

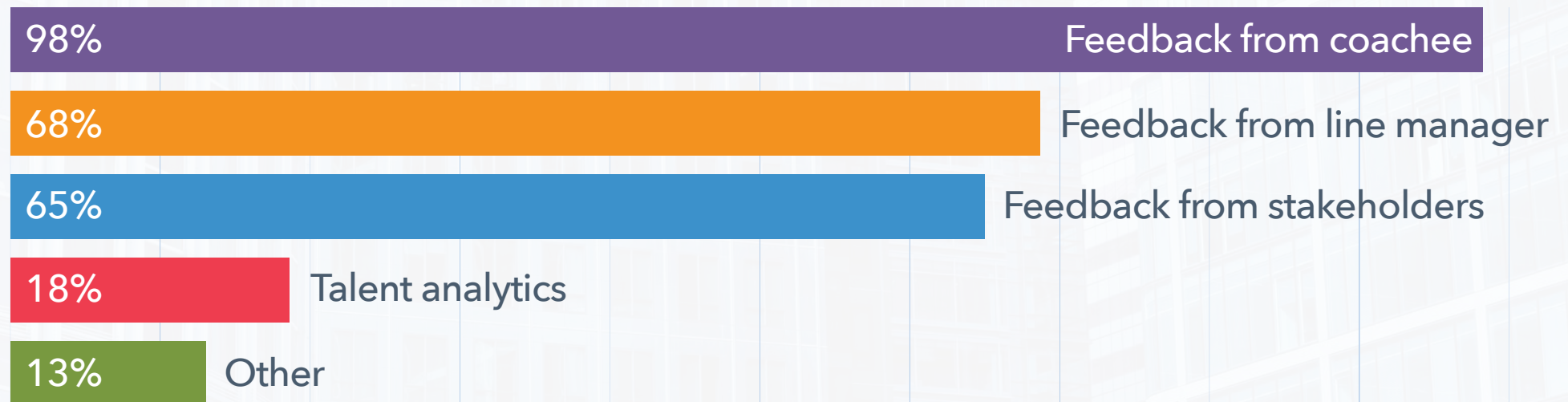
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Historical

- Verbatim feedback
- Coach Evaluations

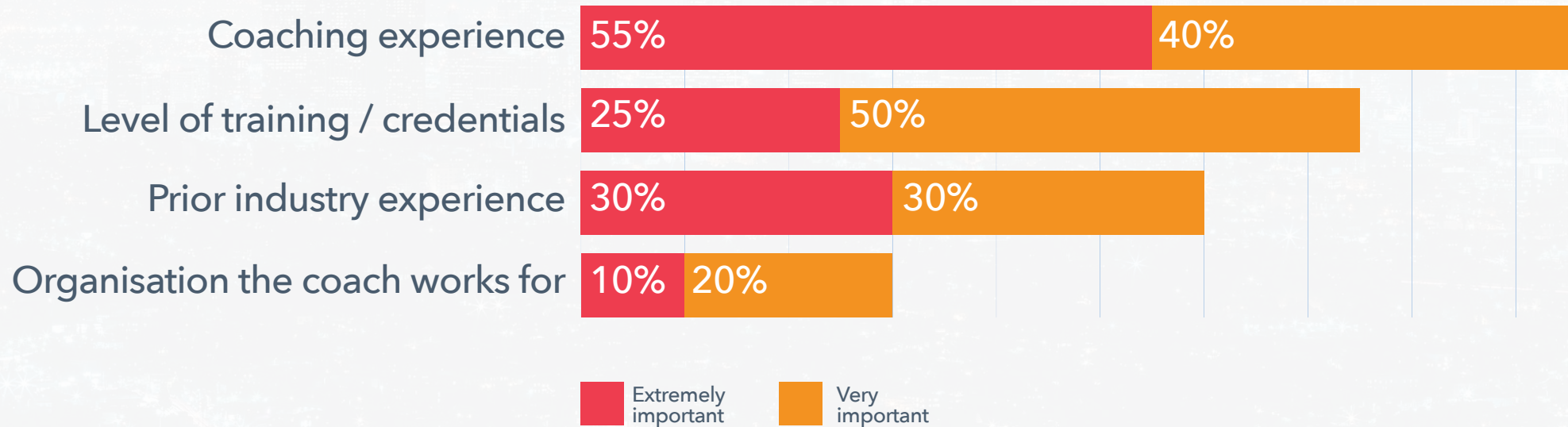
Technology-enabled

- Coaching Impact Survey
- Pulse survey
- Data Analytics



WHAT IS IMPORTANT WHEN SELECTING A COACH?

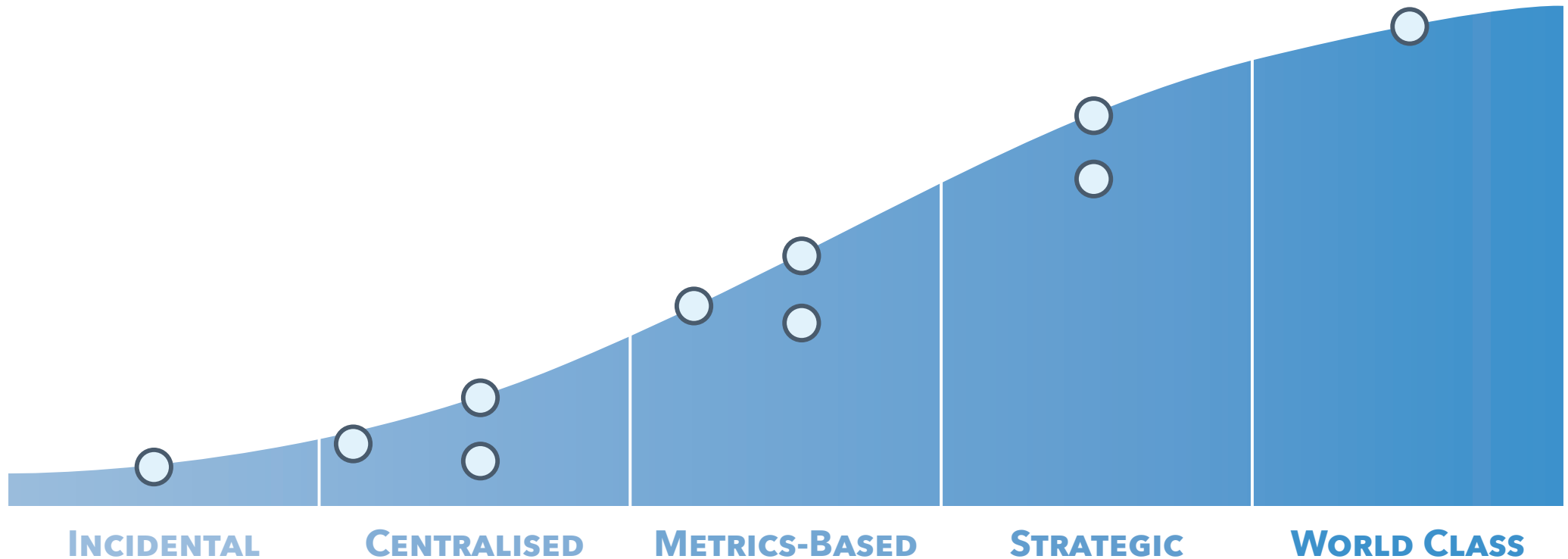
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QUALITATIVE INTERVIEWS



As part of the research we interviewed 10 key stakeholders, all from different organisations. From these qualitative interviews we were able to plot where they fell on the maturity curve and identify specific insights on how to move along the maturity curve.

1 COACHING IS ASPIRATIONAL, NOT REMEDIAL

In more mature coaching cultures, coaching is seen as a developmental intervention rather than a remedial one.

"Remedial coaching is seen as a bit of an insult"
HR Manager

"We've moved from a remedial coaching model to a developmental one"
CEO

"We don't intend it to be remedial, but that's the impression if we identify someone who could use some coaching, they immediately get upset"
People and Culture Manager

"Mindset is a really big thing here. If a leader has a blind spot, but is open to change, coaching is not perceived as remedial"
HR Director

"Coaching helps high performers to take on a bigger role, rather than coaching being used as remedial"
HR Manager

"Remedial coaching tends to focus on the short term"
Head of Talent

2 IT'S THE ORGANISATION, NOT JUST THE INDIVIDUAL

Maximum benefit arises when individuals are coached in a way that takes into account the entire organisational context and 'system'.

"Coaching needs to be more than an individual exercise. You need to involve the whole organisation so that you develop a culture defined by a common language and shared outcomes"
HR Director

"Our focus is on developing leadership capabilities at all levels in the organisation, and coaching is a key part of that strategy"
HR Director

3 COACHING IS FUNDAMENTAL FOR SENIOR LEADERS

Mature organisations believe that being a good coach is a core capability rather than a complementary skill.

“I view being a good coach as being a fundamental skill that an executive leader needs to have, and so organisationally we need to build that capability for all of our leaders over time. And hopefully by teaching executive leaders these skills, they then apply what they have learned and on-teach others”

CEO

4 FUNCTIONAL LEADERSHIP CAPABILITIES ARE BUILT VIA COACHING

Organisations move to maturity as they harness the power of coaching to develop functional leadership capabilities.

"Coaching has really enabled leaders to get clear on the difference between executive leaders and managers, and what level they should be operating... and a much greater sense of what they should and shouldn't be doing, what their role entails and where their strengths are... so the executive team is not firefighting, but doing their jobs effectively"

HR Senior Leader

"Coaching builds self awareness and understanding (the leader's) impact on others"

HR Manager

"We've got loads of people that get sucked into a level of operating way below what they should be because they have incompetent leaders underneath them, and without effective coaching they won't ever bring themselves above the whirlwind"

CEO

5 COACHING IS STRATEGIC, NOT TACTICAL

The more mature organisations look at coaching as a way of enabling strategy.

“The need for new and agile ways of working is driving culture change and coaching is a key part of that strategy”
HR Director

6 EFFECTIVE LEADERSHIP CAPABILITY STARTS FROM THE TOP

When senior leaders are engaged in a coaching based leadership development program, they drive coaching conversations in the organisation's culture.

"To enable us to build good leadership capability, we need to, starting from the top, build people as effective leaders and coaching is a critical component of that"
CEO

"Senior executives really appreciate the value of coaching and they want more of it"
HR Director

"We try to build into the agendas of our monthly one on one meetings, a discussion about how people are adhering to the values of the leadership team"
CEO ASX listed company

7 A HIGH PERFORMANCE COACHING CULTURE NEEDS TO BE VISIBLE

Organisations struggling to embed a high performance coaching culture, consistently failed to centralise the management of the coaching programs. Mature organisations centralise their coaching management and create a real-time dashboard so that they can track, assess and measure alignment, progress and return on investment.

"If it's not centralised, it's not possible to measure ROI or any other type of measure of coaching effectiveness"

People and Culture Manager



TOTAL INCOME

37.91%

31.86%

30.23%

"Decentralised coaching management leads to a lot of duplication and extra spend"

HR Director

BARRIERS

Some of the barriers to implementing a coaching culture include:

- Resistance to coaching due to perceived lack of time, not wanting to take time away from the business
- Day to day distractions impacting coaching engagements
- Cost of individual executive coaching
- Training considered a discretionary spend, and so budget cuts when things are tight
- An existing culture of 'command and control' that is not open to coaching
- Different physical sites, so difficult to centrally manage
- Resistance to centrally managing coaching engagement
- Staff not trusting the coaching process, not understanding the value

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