

What are the global trends in coaching?

Denise Wright, Regional Manager of Asia for Results Coaching Systems, explores the global trends in the use of coaching, specifically from a workplace perspective, looking at what organisations are doing with coaching in different ways, with some emphasis on what's happening in the Asian market.

Coaching Field Overview

Before we look at the trends, let me give you some background to the whole field. To me, having been coaching for five years professionally, coaching is simply another learning tool. There are currently three groups of learning tools – training, e-learning and coaching. Coaching is particularly effective in certain situations because it is 'just in time' learning that is personalised, delivered one-to-one, over time. While you might not think this makes coaching that different to training, the reality is that changing these variables changes everything. Knowing how to train, manage or teach is not necessarily the same as knowing how to coach.

Coaching is quite a new field. The first formal training in Australia was in 1998 and in Singapore, around 2000. The industry is still in formation stage, experiencing rapid growth and unregulated. I estimate that coaching makes up less than 1% of the total spend in organisations, with training being the main spend, followed by e-learning. To me, coaching should be around 20% to 25%, thus there is still a long way to go.

Even though it is still early days, coaching is already a global movement. Globally, there were around 30,000 coaches in 2004, spread over 30 countries. It is also a confusing field, with many different approaches to coaching, founded in principles as diverse as personal development, consulting, mentoring, Neuro Linguistic Programming, Adult Learning Theory, Behavioural science and others.

I believe coaching is also an important field. According to a survey of 280 leading UK companies in 2002, 93% of managers believe that coaching should be available to all employees, regardless of seniority. Although it is important, coaching is also one of those things that are substantially harder than they look. A recent study in Australia found "coaching staff" among the top five management challenges, just behind "keeping cool under pressure". I have had heard hundreds of people say over the years, "I really thought I would be a natural at this, but there's far more to it than I thought."

At the core of this is that people think coaching is about solving problems, giving advice or telling people how to think. The reality is that coaching, in its pure form, is simply a way of facilitating positive change faster than it might happen on its own. Given that people only change when they see things for themselves, it means that coaching is simply a structured approach to helping people think more clearly for themselves. That is actually both harder and easier than it sounds. Harder because we all love to give advice; easier because if you have a good model, you don't have to have all the answers!

Putting all that aside, coaching is clearly a valuable tool. A study by the International Professional Management Association found that training plus coaching was up to four times more effective than training alone.

Finally, there is a range of socio-economic and corporate trends that show that coaching is here to stay. First, there is significant pressure on people to perform, and all high performers tend to use coaches. Second, knowledge workers need a new approach. Knowledge workers are paid to think, create and build relationships. Coaching is one of the best resources possible for doing all three. And of course, generation X needs a new type of manager – someone to help them develop, not tell him or her what to do.

How Coaching Is Being Used By Organizations

Coaching was initially introduced into organisations in the 1980s as a skill set that managers were supposed to have. The majority of this work was delivered by external consultants in short courses as part of management development programmes. However, the programmes tended to be fairly basic, founded around a few key principles such as action learning and goal-setting techniques. Overall, this field had minimal long-term impact on organisations.

Life Coaching

In the mid to late 1990s, we started to see the growth of 'life coaching' as something that stressed-out executives were doing, generally paid by themselves, rather than the company. There are now over 20,000 life coaches worldwide, and I estimate some 1,000-plus executives have gone through some kind of intensive coaching programme in Asia. The impact of the coaching on the individual is often quite deep. People change habits, build confidence and clarity, and unfortunately for the organisation, often define their values to such a clear point that they decide to leave their employment.

We are starting to see life coaching being used within work-life balance programmes. For example, to improve retention, Results Coaching Systems is delivering teams of coaches to help call centre staff with work-life balance. There has been some use of personal coaching for preferred employer benefits, like Flight Centre creating a panel of coaches so their managers have this as a resource to draw on. Life coaching has even started to go online, as an alternative to EAP (employee assistance programme) providers, delivered via the web.

The key issues for organisations to be aware of when introducing life coaching include:

- Being clear on the outcomes you want from bringing in coaches.
- Finding a coaching model that fits your DNA.
- Building a panel of credible coaches with a track record.
- Allowing people to select their own coach.

- Establishing basic reporting principles.

Executive coaching

I define this as personal coaching with the organisation paying the bill, so there are two agendas at play.

According to the Hay Group, an international HR consultancy, 25-40% of *Fortune 500* companies are using executive coaches. In the UK, 87% of organisations use coaching and mentoring, according to a Chartered Institute of Personnel and Development study. And according to Leadership Management Australia, one in eight Australian senior managers has a coach. So coaching is certainly being widely used now.

The most common use for executive coaching is currently as a remedial resource, i.e. when an organisation recognises it has a problem with an executive. Executive coaching is also being used as a leadership development tool tied to 360s. It is also being touted as a perk for high achievers by some smart organisations.

Some of the global trends in executive coaching are:

- There are more competing coaching models – it is a battlefield of models, from the new age to a management consulting approach.
- There is increased use of 360-degree feedback tools, with coaching as an add-on.
- There is improved accountability and structuring of initiatives.
- Due to cost, coaching is currently delivered mostly at the senior level.
- There are difficulties in sourcing and assessing talent – coaches need IQ, EQ and credibility.
- There is a move to internal coaching for lower levels.
- We are starting to see some solid studies about return on investment.

Organisations interested in this area should ensure they:

- Link coaching to organisational goals and strategies.
- Choose their coaching model carefully – make sure it fits with the businesses' values, competencies, strategies and people.
- Manage the entire process for consistency and quality.
- Build a team of quality, screened coaches.
- Prepare people in advance and don't force coaching on anyone.
- Offer people the ability to select their coaches.
- Provide strong organisational support.
- Ensure coaches are grounded in the company's culture.

- Allow each coaching relationship to follow its own path.
- Ensure there are documented feedback loops.
- Build measurement and assessment into the process.

Manager As Coach

An area that is making a big comeback is the idea of 'manager as coach'. This is similar on the surface to a lot of programmes years ago, though now we are seeing richer coaching models. This approach to coaching can have a much bigger impact on the organisation, as you might train 500 managers as coaches at a similar cost to that of coaching just 25 people.

There has been a lot of research and debate about the quality of management in most western cultures. According to a Seek survey in October 2003, 75% of employees are not happy with their current job. And when asked what they hated most, 60% said "the quality of management". There does seem to be an increasing gap between how workers want to be managed and how they actually are being managed, and teaching managers to be coaches seems to be a step in the right direction.

There are a few challenges in this realm. Directive management looks easier and has become habit. There is fear around getting too personal and a lack of understanding of what coaching is. When managers are asked why they don't coach, they will always say, "I don't have time." The reality is, when they learn to coach, they discover an enormous amount of time they were wasting.

As one manager in a programme said recently, "I am better able to help people to help themselves without having to tell them what to do."

Or as social theorist Richard Florida said, "People don't need to be managed, they need to be unleashed."

Global trends we are seeing here include:

- **Interest from businesses of all sizes.**
- **Big business is undertaking large initiatives.**
- **Government bodies are very interested.**
- **There are dangers in cutting corners.**
- **Programmes are having an impact, and basic studies are available.**

In terms of **best practice**, the key points to note are:

- **Clearly define what the business means by coaching.**
- **Make coaching an integral part of management.**
- **Invest in sufficient training to build skills, not just knowledge.**

- **Use well structured, clear models.**
- **Ensure good cultural fit.**
- **Start from the top down.**

Building Teams Of Internal Coaches

This is happening mostly in large organisations and those really committed to developing their people.

According to a survey in 2004 by Goldsmith and Morgan of 86,000 people across eight global organisations, internal coaches can produce the same positive results as external coaches. The fact is that while an external coach may have a clearer view of things, companies may never invest the funds to give coaching to hundreds of managers, which can be done with a fraction of the cost if managed internally.

One project delivered by Results Coaching Systems Asia provides a good case study. The goal of the project was to provide solid development to a team of people who were already quite competent – the regional managers – while providing more resources for branch managers. Every regional manager was trained as a formal coach, and they would be coaching one to three people at any time inside the organisation, including people not reporting to them. The coaching went on for three months, with people meeting for an hour each fortnight during that time, working through three goals. People set their own goals without the organisation checking on them, and the goals included things like “the confidence of a top three branch manager”, “information flowing like water” and “look and feel like I did one year ago”.

Another case history that stands out had this feedback from the client, “At the beginning, the staff member was lacking direction – showing very low self-esteem and lack of motivation. By the end of 12 sessions, he was coming in early every day, had lost 20kg and had booked a trip to Europe – he is now one of the most motivated team members!” Both the organisation and the coaches have been surprised at just how personal the coaching can be, and at the depth and impact that can occur, even internally.

Some notable highlights of this new field include:

- Coaching is impacting revenues and targets as well as retention, development and succession planning.
- There is an ability to get more personal than expected.
- Staff appreciate the resource on many levels.

Some of the principles to keep in mind in this field are:

- Build coaching into people’s roles and rewards.

- Allocate enough time and resources to learning to coach.
- Appoint an internal sponsor to drive the logistics of the project.
- Coaches can be HR managers or line managers, or both.
- Both the coaches and coachees should be volunteers.
- Define your coachee pool clearly.
- Build structured inductions for coaches and coachees.
- Give people a solid structure to follow.
- Work with clearly defined goals.
- Remove all roadblocks to effective coaching.
- Provide ongoing support and mentoring.

Let's try and summarise all this. Business is more dependent on people and their relationships than ever before. Retaining talent has become more important than acquiring new staff. Yet most companies do not perform well at addressing basic human needs. **Organisations turning to coaching are investing in this very thing. Or, as Theodore Zeldin, noted philosopher and historian, said recently, "Can humans make as much progress in the way we treat each other as we have made in technology?"** Coaching is certainly a step in the right direction.

For further resources/ information please see www.workplacecoaching.com and /or contact DeniseWright@resultscoaches.com