



Sagency

ULTIMATE GUIDE TO CREATING

A COACHING CULTURE



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- Why Top Managers Need to Coach Their Employees
- Creating a Culture for Coaching in Your Organization
- Ten Critical Steps Towards Becoming a Top Coaching Manager
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COACHING FOR SUCCESS:

A MUST FOR YOUR BUSINESS

Ask anyone what the secret to a successful sports team is and they'll tell you it's good coaching.

No matter how talented the players are, a team won't excel without proper nurturing, direction, discipline, and focus.

It's the same in business.

If you don't coach your employees properly, you won't have a winning team, no matter how competent they are.

Let's face it. Most managers don't bring out the best in their employees. In fact, managers are cited as the number one reason talented people leave their organizations. Basic company problems aside, managers are inherent to employee satisfaction. People and culture drive bottom-line performance, and nothing affects either more than the person who manages them.

Coaching is a process that helps people achieve their highest potential within an organization.

At its core, coaching is about giving others the opportunity to perform at a higher level. It can be used to correct underperformance, improve existing skills, or develop entirely new ones. Effective managers at all levels recognize the need to develop the employees they supervise. By helping others expand their capabilities and improve their performance, managers drive bottom-line contributions to their departments and organizations. This is why it is so critical for them to be competent in coaching. Coaching managers significantly increase commitment, engagement,

and performance. And, of course, these benefits flow to their organization's bottom line.

How do you become an effective coaching manager?

This guide will cover everything you need to know to get on the path to coaching success. We'll cover:

- Why coaching is quickly becoming a required leadership skill
- The practical information and solutions you need to coach your team to big wins
- How to implement what you've learned

But before we dig in, let's recap the "whys" of adopting coaching into your management style and your business.

WHY TOP MANAGERS NEED TO COACH THEIR EMPLOYEES

There are almost countless reasons to incorporate coaching into your management practice, but we've boiled them down to the top four business reasons here.

In case you need a little extra incentive: anecdotal evidence shows that coaching managers are far more likely to be nominated for "Boss of the Year" by their team. And who doesn't want to increase their chances there?

Now on to the facts.

Commitment is more valuable than compliance

Managing people isn't what it used to be—or at least it shouldn't be. In today's workforce, more than 70% of employees work in knowledge or service-related roles—a far cry from the task-oriented industrial age where traditional management practices were forged.

No wonder these practices seem downright counterproductive to the modern workplace's emphasis on teamwork, collaboration, and culture.

Traditional methods of managing often included command-and-control and an over-reliance on lagging measures such as financial reports.

Managers would use carrot-and-stick methods to motivate or bribe their employees into good behavior. And when unproductive behavior existed, they employed positional authority to correct course.

While both of these methods typically improve performance in the short term, the gains that come from them don't last.

Compliant employees may get the job done, but committed ones do it better.

The difference between the leader who gains commitment and the one who only achieves compliance is the ability to coach.

Removing barriers drives engagement

Coaching managers pay close attention to the behaviors and activities that drive performance outcomes and long-term impact. And they create a more efficient, aligned, and satisfied workforce.

Recent data on employee engagement indicates coaching has a positive impact in a number of areas, including:

- Individual performance
- Team performance
- Operating income & profitability
- Employee retention
- Customer loyalty & retention

And another surprising result of the research?

Employees place a high value on managers who help them perform their jobs better.

Effective coaching assists an employee with removing the internal and external barriers to performance, leading to organization-wide benefit.

And a core piece of that is having a coach who helps them win in their role.

Individual and team performance improvements flow to the bottom line

A good coaching manager can help an employee understand the way his/her role and performance affects the goals of the organization. To paraphrase Peter Drucker, “The responsibility of the manager is to make sure the organization is successful.” This is as true today as it was 25 years ago.

Today’s coaching managers maximize the work of those they supervise by coaching them to greatness.

Let’s look at how Duke University Coach, Mike Krzyzewski, functions: By building team culture, observing behavior, providing honest and timely feedback, and encouraging players to do their best every day, he allows them to reach their full potential.

The result?

His team wins championship after championship.

But what if he managed his team the way many organizations do today...with an annual review?

It would be an absolute dereliction of duty for him to wait until the end of the season to give his players feedback.

So why are we still doing that in business, instead of reviewing and coaching like Mike?

Instead of waiting until the end of the season to give feedback to his team, he reviews performance each week and coaches players on ways to improve their skills *for the next game*.

His players go into their next game knowing exactly what they need to do to perform better.

Ongoing and timely coaching is necessary to improve all types of performance, engage employees, and challenge, motivate, and build the team.

Moral of the story?

Be like Mike, and you’ll be leading a team of formidable excellence in no time.

Great coaching managers are in high demand

Coaching is quickly becoming a core competency for leadership positions.

Recent research suggests that coaching is the **single most important managerial competency** to separate top managers from average ones.

In fact, it’s so important that Google prioritized great management within engineering teams-no small feat when working with a group of people who fundamentally question that value of management and would rather spend their time in the code than dealing with managers.

Developing coaching as a skill is not only important team development, it’s also a career booster.

Organizations are looking for managers with coaching ability to fill the pipeline for more senior leadership positions.

If you're serious about adding coaching to your skillset and advancing your career, we would highly recommend you read [The Inner Game of Work: Focus, Learning, Pleasure, and Mobility in the Workplace.](#)

Now that you know why top managers need to coach their employees, let's look at what it takes to become a top coaching manager.

CREATING A CULTURE FOR COACHING IN YOUR ORGANIZATION

A strong coaching culture may represent the greatest competitive advantage a company can have in today's market. Strong coaching cultures drive performance and are magnets for talent.

Sustainable, high-performance cultures leverage coaching to motivate, develop, and engage team members and increase bottom-line performance.

What is a coaching culture?

Remember, we defined coaching as a process to help people achieve their highest potential within an organization.

We define culture as the shared customs, values, and beliefs that govern the way people behave within their organizations.

A strong coaching culture is present when all members of the culture engage in proactive coaching conversations.

These conversations focus on improving individual capacity and delivering superior organizational results. A coaching culture provides an environment where coaching becomes

second nature, a behavioral norm, and an expectation of all supervisors.

Creating a strong coaching culture takes a patient approach that involves group commitment.

Coaching is so effective for building high-performance cultures that rewards come quickly once the coaching is a well-established leadership trait. In fact, in our work advising clients on talent selection, we recommend that coaching skills be among the top requirements for managers in every organization.

Here are four things you can do to make coaching a required leadership skill and build a strong coaching culture within your organization.

1. Get executive buy-in

Senior leadership sets the tone for organizational culture. If coaching is to be part of the culture, senior leaders need to actively commit to creating a coaching culture. In our experience, in order to gain the traction necessary to bring a culture of coaching to your organization, the value of coaching must be clearly established.

Do this by showing the correlation between a strong coaching culture and:

- Employee engagement
- Higher employee retention
- Stronger financial performance
- Increased customer loyalty & retention
- The insurance that a full leadership pipeline provides for the future

Tangible outcomes are critical to making the case. Enlist senior leaders to articulate the importance of coaching and back it up in meaningful and visible ways.

2. Model coaching

To create a coaching culture, it is imperative to have leaders who model coaching. This sends a powerful message of endorsement and commitment to everyone in the company.

Getting leaders to demonstrate the coaching behaviors they expect from others is critical, inexpensive, and efficient.

Having senior managers lead the way on coaching demonstrates that it's a competency that is valued and rewarded.

Furthermore, because culture flows from the top down, having senior management leading the charge also embeds coaching into the culture as coaching practices flow down from managers to those they supervise.

Like most things, coaching is better caught than taught.

3. Equip managers to coach

The most successful coaching cultures we've seen take the time and resources necessary to ensure each manager has been trained in coaching.

They impart practical coaching leadership skills in as many supervisors and senior leaders as possible. The shift from the traditional model of management to the model of managers as coaches can be attained through practice.

If done correctly, organizational performance will accelerate.

Fundamental coaching competencies can be taught and enhanced in a variety of formats.

Critical coaching competencies include:

- Active listening
- Action planning
- Questioning
- Active inquiry
- Observing
- Building trust and rapport
- Empathy
- Building confidence
- Holding others accountable
- Managing and preventing conflict

Methods of teaching range from formal coaching workshops to informal one-on-one sessions.

The key is that the message is consistent and clear: Coaching is a valued leadership competency that is good for the organization, the coach, and the coachee.

4. Address potential barriers

In order for coaching to take root and thrive in a culture, objections and barriers must be addressed from the beginning.

Here are the top four barriers we see organizations face when working towards a coaching culture:

1. Resistance from managers due to a lack of experience and understanding

Historically, coaching has been seen as something only for underperformers and has largely been used for remedial purposes.

Clearly stating the case for the merits of coaching is essential, and must include a component of “what’s in it for me?” for the manager.

2. Lack of time and resources

A well-developed and comprehensive coaching initiative must be properly resourced. Legitimate heavy workloads are a barrier, and the response of, “I don’t have time” is typical.

Selling coaching, by clearly articulating the efficiencies that come along with it, can reduce this barrier. Coaching almost always saves time.

This is true, especially if the manager understands and uses the competency of delegation correctly.

3. Lack of understanding of the value of coaching

Many people don’t consider coaching a valid or credible business practice with perceivable benefits, and therefore, don’t view it as cost-effective.

Simply put, these folks just don’t get it. Some eventually will, some won’t. Education is key to bringing those who are willing into the fold.

4. Fear of losing control

Some managers still believe their job is to command and control. They are convinced that ordering people around has been a successful way of doing things, and to change that, would result in failure.

Therefore, they may sabotage the coaching initiative

because they can’t see the merit in it or because they can’t let go of control.

Coaching has long been seen as important to executives who wish to further develop their skills, but it is now seen as a valuable career development tool for all employees.

Think of all the athletes who have benefited from having coaches. Even Peyton Manning, arguably the greatest quarterback in NFL history, recently said this about his current need to have a personal coach,

“I want to be coached. I actually get angry when I’m not coached.”

And when Larry Page, CEO of Google, was asked what the most important advice he ever received was, he promptly replied, “Get a coach.”

And it’s not just good for Google--Studies show that, on average, organizations that implement a policy of developing and supporting a coaching culture achieve a 700 percent return on their investment.*

Even if it were half that much, it would be an enormous gain for your company.

While the strength of the relationship between the coach and the coachee is a critical component of an effective coaching initiative, laying the groundwork for functional coaching relationships is the foundation for a solid program.

Developing a coaching model or process provides an underlying structure for your coaching and is a cornerstone for setting new or up-and-coming coaching managers up for success.

*(2006) “The bottom line of executive coaching: Evidence of 700 percent return on investment”, Development and Learning in Organizations: An International Journal, Vol. 20 Iss: 6, pp.32 – 3

TEN CRITICAL STEPS TOWARDS BECOMING A TOP COACHING MANAGER

1. Adopt a proactive coaching model

A coaching model is the underlying structure of a coaching relationship. It doesn't dictate how you coach, but instead, it provides you with a specific plan for your coaching.

We use what we call a talent-centric model, which we'll cover in the next section of this guide, along with a bonus cheat-sheet of Sagency's coaching method.

2. Learn to recognize and let go

Learning and adopting new behaviors forces us to let go of old ones. The skill of coaching is relatively simple and usually builds on strengths the manager already possesses.

For most people, the most challenging part of adopting a coaching mindset is recognizing when the old command-and-control techniques that are embedded in their subconscious start creeping out, so that they can replace the behavior with a more coaching-focused response.

3. Build alignment and accountability

Coach in the context of long-term business objectives. Coaching for its own sake is unlikely to have significant organizational results. Coaching for attainment of worthwhile goals, however, helps everyone.

Building awareness and attention to results is the essence of good coaching.

4. Listen, listen, and listen some more

Active inquiry and listening is a skill every coach needs to develop.

Listening will help you gain your employees' trust, and by asking clarifying questions and paraphrasing, you send a message that you are present and totally invested in the conversation.

5. Create a positive environment

Optimism and positivity will create a safe and compelling environment so employees can meet your expectations.

The key to positive encouragement is to be timely and specific.

While a comment like, "great job" is positive, it is also too general. Saying, "Angie, great job on creating a fantastic experience for the staff at the appreciation event!" is encouraging and specific enough to provide a valuable takeaway for the recipient.

6. Ensure the coaching communication is a two-way process

Ask meaningful questions, discuss, and listen. Don't drive the conversation, and don't lecture. It is critical that your employees discover their own path and solutions.

People learn better and are more likely to take decisive action when they discover their own answers with guidance from their coach.

7. Challenge in a positive way

Coaching questions should be presented in a positive manner. They require the employee to contemplate the question and develop an answer that is focused on the issue. As a result, you and your employee develop a

positive feedback loop with a strong focus on proactive solutions.

Instructing and challenging in a negative way does the opposite. To keep the feedback relevant, precise, and focused on outcomes, make the challenge positive.

8. Be constructive, not critical

An overly critical coach will be ineffective when trying to bring about mindset or behavioral changes in an employee.

Attack the problem, not the person.

Actively inquire about situation and offer positive suggestions if the employee isn't generating solid solutions on their own.

When correction and critiquing are necessary, always focus on the actions, not on the individual.

9. Continue to grow and develop your skills

Don't forget about your own education and continued development. Reading books on human behavior, motivation, and the science of influence are important keys to your continued growth on becoming a better coaching manager.

Staying current with articles on leadership and coaching will also keep you up to date on the latest research and development in the field.

Remember to ask for honest feedback from the people you coach so you can continue to refine your approach.

And most importantly, don't forget Larry Page's advice: get coaching for yourself!

10. Celebrate success when employees achieve their goals

Don't forget to celebrate before you move on to the next goal. Recognizing achievement makes it that much easier to accomplish.

Almost everyone has the potential to perform at a higher level and achieve greatness-- coaching helps them go even farther, faster. Great coaching managers leverage strengths to help their people achieve more than they thought possible. Coaching conversations around an employee's development are essential, and good coaching helps remove barriers, which drives engagement.

The most important functions of a manager are to get the job done well and then develop people so great performance is sustained. By investing in learning to manage by the principles of coaching, you'll see the jobs get done to a better and higher standard while you develop your people simultaneously--a true win-win.

IMPLEMENTING A TALENT-CENTRIC COACHING MODEL

For a manager who coaches on a regular basis, the process is much like riding a bicycle.

As you become more competent with coaching as a preferred form of development, you will reach the stage of unconscious competence. Coaching becomes a skill you can perform reliably without much thought. But while you're just starting out, a coaching model will provide the training wheels to begin practicing this critical competency.

A coaching model is the underlying structure of a coaching relationship. There are numerous coaching models, and they share many common characteristics, which include:

- Trust between the coach and the coachee
- Communication that sets the tone for coaching
- Confidentiality
- Mutually agreed-upon goals
- Assessment and self-examination
- Action planning
- Meeting deadlines
- Celebration of successes

There is no “right” coaching model for all settings. The one-size-fits-all approach ignores our individuality and rarely achieves its desired goals.

Coaching programs should be tailored to fit the particular needs of each coachee and shouldn't be too narrow or rigid.

At Sagency, we use a five-step talent-centric coaching model. We created it by integrating

best practices, our own experiences, scientific assessment, and formal coach training.

The coaching process has been broken down into the following steps with the aim of helping managers and executives think about how they might coach:

Step one | Identify the opportunities

This is where you find the gaps that exist in a person's skill set and performance. We suggested using a scientific assessment combined with 360-degree interviews to identify key strengths and areas for improvement. Identifying the performance gaps allows you to focus your coaching on what will make the most difference for the employee.

Step two | Isolate the challenge

This is where you and your employee collaborate to define the challenge. You will work with your employee to create the developmental goals that focus on closing the gaps identified in step one.

Through this process, you work together to decide on the employee's developmental needs and the targeted organizational outcomes that will be achieved.

Step three | Invest through proactive coaching

This is where you and the coachee work together to close the gaps by using a coaching approach that helps your employee remove their roadblocks to success.

Together, you will challenge current constraints, explore possible solutions, and ensure accountability for achieving the desired result.

Step four | Improve results for the long-haul

This is where you use data to measure the progress that has been made by executing the plan and closing any performance-limiting gaps.

The initial scientific assessment helps you understand the gaps and the pre-coaching performance, and it helps you clearly articulate what ideal performance would require.

A second assessment and follow-up interviews will uncover the impact of the coaching engagement, and it will provide validation that your coaching methodology produced sustainable and measurable change.

For you to be successful as a coach, the coachee needs to continue to grow and improve performance.

Want the cheat-sheet for our four-step coaching model so you can put it to use in your coaching practice? [Download it here.](#)

Coaching is a critical competency for any organization desiring world-class talent management. Better candidates are attracted to managers who coach. Coaching managers play a crucial role in maximizing their employees' contributions. They increase engagement, retention, and productivity. Non-coaching managers, by contrast, can have the opposite effect. When you use a talent-centric coaching model, you will gain all the organizational and personal benefits of a skilled coaching manager.

THE TAKEAWAY

There is no doubt: Good coaching is as important to a successful business team as it is to a winning sports team.

Employees who are coached are more likely to find their work meaningful and fulfilling than those who are not coached. Focused employees with their eyes set firmly on the prize are the key to achieving all your company's goals.

There is also no doubt that the key to good coaching is good coaching managers. Good coaching managers increase employee engagement and bring out the best in their people.

To recap, the ten most critical steps towards becoming a top coaching manager are...

1. Adopt a proactive coaching model
2. Learn to let go
3. Build alignment and accountability
4. Listen, listen, and listen some more
5. Create a positive environment
6. Ensure the coaching communication is a two-way process
7. Challenge in a positive way
8. Be constructive, not critical
9. Continue to grow and develop YOUR skills
10. Celebrate success when employees achieve their goals

It's time to get serious about developing incredible coaching managers who can bring out the best in people. In today's varied business climate, skilled coaching managers have never been more critical to the success of their organizations.

There's no better day than today to start developing your coaching competencies.

If you dedicate yourself to creating a strong coaching culture where coaching is modeled and seen as a required leadership skill, you will build and inspire a winning team whose increased contributions will flow to your organization's bottom line.

And you will stand out as a top performer.

Need some help getting started?

The Leadership Coaching and Development Team at Sagency is here to help. We specialize in helping organizations train coaching managers, so that they have the in-house expertise to drive the coaching culture necessary for long-term success.

If you'd like to learn more about how our team can help yours, *get in touch with one of Sagency's consultants today* at 888.877.4651 or info@sagencytalent.com.