

The Key Benefits of Coaching

The key benefits of coaching come from facilitating the learning and development of the client. The coach is focused on encouraging the client to think differently and to become solution orientated. As the client develops greater awareness they grow in confidence and motivation increases. Solutions which are self generated are generally owned by the client and as a result they are more likely to take action. Coaching encourages behavioural change which is usually sustained even when coaching ceases. This sustained behavioural change makes coaching a highly cost effective investment when compared to a more traditional training approach.

Independent Research

There have been various independent studies conducted on the effects of coaching in the workplace.

The following is a summary of their findings:

“Whether coaching is part of an ongoing programme of continuous improvement or used specifically to support an individual through a period of change, it can be extremely helpful”

Bill Lucas, Chief Executive, Campaign for Learning

Chartered Management Institute

Research conducted by the Chartered Management Institute has indicated that coaching as a learning and development tool is growing. While 41% of small organisations undertook coaching activities in 1996 this had increased to 74% by 2000.

The 2002 Coaching at Work survey carried out by the Chartered Management Institute supported by Lloyds TSB showed that 80% of organisations now have Coaching Programmes in place.

This study also showed:

The main reasons for using coaching are:

- Supporting structural change
- Staff motivation
- Demand from managers
- Retention of staff

The survey also found that:

- 80% of managers believe that they would benefit from coaching / more coaching in their workplace and 25% feel there is not enough time set aside for it.
- 93% of managers believe that coaching should be available to all employees regardless of seniority
- 85% believe that it enhances team morale
- 80% believe that coaching is good at generating responsibility on the part of the learner
- 80% feel that coaches should have training before they start to coach

Where as only:

- 5% thought that coaching was just another fad
- 7% thought that there are more appropriate training methods and
- 3% felt it was a waste of resources

The Chartered Institute of Personnel and Development (CIPD) – Coaching and Buying Coaching

Its respondents are typically the HR professionals in the organisations. Its findings include:

- 79% of responding organisations use coaching
- 78% cite improving individual performance as the main objective
- 99% of respondents agree that coaching can deliver tangible benefits to both individuals and organisations
- 93% of respondents agree that coaching and mentoring are key mechanisms for transferring learning from training courses back to the workplace
- 92% agree that when coaching is managed effectively it can have a positive impact on an organisation's bottom line.

It also cites a MetrixGlobal LLC survey that coaching produced a 528% return on investment alongside significant intangible benefits to the business.

A US Leading Career Management Consulting Firm

Published in 2001, a study by Manchester (MPS) – a US leading career management consulting firm – surveyed 100 executives, mostly from Fortune 1000 companies who had received coaching. The results showed:

The programmes delivered an average return on investment **of 5.7 times the initial investment** in the coaching programme – or a return of \$100,000 according to executives who estimated the monetary value of the results achieved through coaching.

Among the benefits to companies that provided coaching to executives were improvements in:

- Productivity (reported by 53% of executives)
- Quality (48%)
- Customer Service (39%)
- Reducing Customer Complaints (34%)
- Retaining Executives who received coaching (32%)
- Bottom-line profitability (22%)

Among the benefits to executives who received coaching were improvements in:

- Working relationships with direct reports (reported by 77% of executives)
- Working relationships with immediate supervisors (71%)
- Teamwork (67%)
- Working relationships with peers (63%)
- Job satisfaction (61%)
- Conflict Reduction (52%)
- Organisational commitment (44%)

The Industrial Society's "Managing Best Practice"

A 2000 issue of The Industrial Society's "Managing Best Practice" series focussed on coaching. The report includes a survey of 5700 UK Human Resource specialists and showed:

The main benefits of coaching to the recipient are:

- Generates improvements in individuals' performance/targets/goals (84%)
- Increased openness to personal learning and development (60%)
- Helps identify solutions to specific work-related issues (58%)
- Greater ownership and responsibility (52%)
- Developing self-awareness (42%)
- Improves specific skills or behaviour (38%)
- Greater clarity in roles and objectives (37%)
- Corrects behaviour/performance difficulties (33%)

The main benefits of coaching to the organisation are:

- Allows fuller use of individuals' talents/potential (79%)
- Demonstrates commitment to individuals and their development (69%)
- Higher organisational performance/productivity (69%)
- Increased creativity, learning, and knowledge (63%)
- Intrinsically motivates people (57%)
- Facilitates the adoption of a new culture/management style (39%)
- Improves relationships between people and departments (35%)

A 1997 survey on the effects of Coaching on productivity in a public agency showed that:

Training alone increased productivity by 22.4% and training followed by 8 weeks of one-to-one coaching increased productivity by 88%. The study was based on 31 participants (top managers, mid-level managers and supervisors) at a US health agency. 8 managers were trained as coaches and the other 23 acted as participants who each had a project to measure their performance at a specific task before and after training and coaching. The results were compared to archival data on the benefits of training alone.

The report closes drawing the conclusion that the benefits of managerial training will likely be sub-optimal if there is limited follow-up. Executive coaching is an important way of ensuring that knowledge acquired during training actually emerges as skills that are applied at work.