WHERE IS THE RETURN-ON-EFFORT?

COACHING'S BUSINESS CASE

by Paul Diepenbroek[1]

It is possibly a controversial statement to suggest that coaching only has a marginal impact business performance. Outside of the executive suite, coaching on its own does really not show a direct and measurable impact other than addressing cognition and behaviour that impacts individual performance. In other words, the real coaching return on effort does not substantially move key business indicators unless directly linked to key business initiatives. Measurable impact and evidence may mean the rate of change adoption, client and staff retention, market penetration, sales performance or income growth. A poor return-on-effort is realized unless coaching supports realisable and measurable business initiatives.

An alternative approach to coaching is in support of key business initiatives; making coaching a key element in bringing about the required change or transformation effectiveness that specific business initiatives require. Examples follow . . . .

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COACHING ALIGNED TO CHANGE MANAGEMENT

Change management moves individuals and organizations through contextual current, transition and future states. To move out of the current state, individuals require awareness of the need for change and the desire to participate and support the change. Successfully moving through the transition state requires knowledge on how to change and the ability to implement the required skills and behaviours. In the future state, they need ability and reinforcement to sustain the change. At its core, coaching is about change albeit facilitating translational or transformational change.

A Towers Watson survey reveals only three out of 10 employees report their manager as effective at dealing openly with resistance to change (Infante & Drummond, 2010). The return-on-effort from coaching for change is realized through faster change transition and increased resilience to the vulnerability and felt uncertainty of change.

COACHING IN SUPPORT OF PROBLEM MANAGEMENT

Consider the struggle to establish a problem management culture as opposed to one that moves from crisis to crisis. The challenge manifests in random solutions being "thrown" at problems and people jumping straight to possible cause without appraising the situation or analysing the problem analysis - a classic case of putting the solution before the problem. The impact is unacceptable client dismay and ultimately churn supported by evidence of perpetual problems and delayed problem resolution.

Once a robust problem resolution approach has been prioritized, coaching plays a pivotal role in the adoption of the preferred problem resolution. Problem managers are made aware of how they manage problem situations with their teams and continually develop and optimize the problem management approach. The outcome is improved client experience and retention, clearly felt on the bottom line.

COACHING FOR COMMUNICATION INTELLIGENCE

Communication intelligence capacity is considered to be a required leadership and management competence that influences employee interaction, engagement and relatedness. Communication style and

behaviour has an impact on staff and client retention with the associated reduction in acquisition cost.

A clear indication of misalignment of communication styles and behaviours comes from a Forrester study revealing that 88% of sales professionals calling on business buyers are knowledgeable about their products and services, but only 24% understand the client's business issues (Santucci, Holmes & Feldman, 2012). Poor communication is cited as the main cause of failure for IT projects by 28% of respondents in a CTIA[2] survey (Rosencrance, 2007).

Harvard Business Review claims that nearly 90% of middle managers believe that top leaders communicate strategy frequently enough, yet less than half these managers can name one of the top five strategic priorities (Sull, Homkes & Sull, 2015). The question remains: how can so much communication yield so little understanding?

Communication Intelligence awareness creation[3] plays an integral role in communication style and behaviour development when done in conjunction with coaching. Coaching creates the possibility of committed change in benchmarked communication intelligence by maximizing and enhancing high and low scoring traits, respectively. The reality of experience of communication intelligence change is gauged and adjusted through assessment, coaching and mentoring.

An increase in communication intelligence capacity in leadership and management filters into the organization and fosters a culture of trust, so that staff feel empowered, certain, and related to in order to contribute whole heartedly to performance at a higher return-on-effort.

COACHING FOR SALES STRATEGY & EXECUTION

A 2016 CSO Insights assessment of change impacting sales organizations has indicated that 86% of respondents believe that client expectations tops the list, as opposed to competitive intensity and associated internal responses (Schenk, Dickie & Miller Heinman, 2016:2).

Interestingly, from the same survey, 39% of organizations rank increasing available selling time as a sales enablement productivity initiative, only second to on-boarding new sales people (Schenk *et al.*, 2016:5). Currently, sales professionals spend only a third of their time selling.

[2] Computer Technology Industry Association

[3] Interactive training and mentoring

Schenk suggests that the time spent selling should not be substituted for the quality of client interaction, if the changes in client expectation are to be met with valuable answers.

The CSO Insights survey also highlights that 69% of respondents indicate sales training as a function most required from their sales enablement function (2016:8), with more than half calling for specific sales coaching skills development of sales managers (2016:8).

Consider formal sales coaching (aligned with sales enablement training) focused on experiential learning gained from conversations during the awareness phase of the client journey. Coaching inquiry goes beyond inferences of the client's dynamic world that creates opportunity and solutions from confirmed business problem or result evidence and measurable impact. Coaching that explores the reality and awareness of the sales professional's experience with the client during their conversations enhances the client's subsequent experience with the sales professional.

A 2017 CSO Insights sales manager enablement study has measured between 12 and 28% increase in opportunity conversation-to-business rate as a result of coaching by sales management, when structured coaching is aligned sales enablement strategy (Schenk, Dickie & Miller Heinman, 2017:24).

THE REAL COACHING RETURN-ON-EFFORT

A number of cases have been made for real return-on-effort from coaching. By being directly linked to key business initiatives, coaching does influence the movement of key business performance indicators. Measurable impact and evidence is the rate of change adoption, client and staff retention, market penetration, sales performance and income growth.

Some questions remain though . . . .

What return-on-effort does coaching provide in your organisation? Which business initiatives are stalling or not living up to your expectation? How do you place coaching at the core of your business transformation?

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