

It is no secret that coaching generates a high return on investment. But what does a culture of coaching look like at an industrial engineering firm?

Coaching requires a people-focused mindset. In addition to a business asking, "Did you make your numbers?" a coaching culture asks, "Who are you helping grow?" By focusing on growing staff, businesses see improvement internally and with clients.

"Even modest improvements can justify hiring a coach. An investment of \$30,000 or so in an executive who has responsibility for tens of millions of dollars is a rounding error," Jerome Abarbanel, vice president of executive resources for Citibank, has said.

Not all coaching is created equal, though. Bad coaching practices can cause more damage than no coaching at all. An employee who has an ineffective coach learns bad coaching practices and passes those along to the next level of staff.

Successful coaching also doesn't happen without a plan. Who should be coached? Who should do the coaching? Internal or external coaches? What type of coaching? What topics should be covered?

Here is a leadership development plan for building a culture of coaching at every level of your firm, starting at the top.

CEOs

When coaching isn't happening at the top, odds are it isn't happening at other levels of the organization. Does the CEO have a coach? Who is the CEO coaching? If the answer is "no one," good luck building a culture of coaching. It won't happen.

CEOs set expectations. Employees model what they see. Yet nearly 66% of CEOs do not receive coaching from outside consultants, though 100% report that they are receptive to feedback.

If you want to build a coaching culture, the CEO must have an external executive coach. This does not mean it should be a member of the board. It should be a neutral third party who can bring an outside perspective.

Successful CEOs often have more

than one coach. One coach might zero in on financial skills while another focuses on leadership, communication and interpersonal skills. Outside coaches can be brought in to help a CEO navigate new territory, such as a merger, organizationwide change or a shift in company

That CEO will also learn effective coaching practices from his or her own coach. A smart CEO will then pass that knowledge on when coaching key direct reports.

- Who should coach the CEO: External executive coach
- Type of coaching: External oneon-one coaching

Executive team

In a small firm, the CEO should coach his or her direct reports. CEOs are responsible for the development of those who report directly to them. Yet in large firms, it is not always feasible for a CEO to coach every member of the executive team. In these cases, the CEO is responsible for coaching key direct reports. External coaches should be hired as needed for the rest of the executive team.

Direct reports are often coached on areas of development, such as leadership, communication and managing people. Highly prized skills for executive leaders also include asking good questions, planning engaging meetings and giving meaningful feedback. The most valuable direct reports also know how to "manage up" - i.e., understand how to best support the CEO.

When the executive team is coached, they are more inclined to coach the next generation. So who should the executive team be coaching? The next generation of midlevel management.

- · Who should coach the executive team: CEO or external coaches
- Type of coaching: One-on-one coaching

Midlevel management

If you have a bright and capable group of

they will excel in the C-suite. That is not always the case. Many next-generation managers fail when they are promoted to the executive level. They need coaching now. It is too late to wait until they arrive in the executive suite.

There is a large knowledge gap between managing individual departments of a business and leading an entire company.

"I realized I'd received much more management training in the last five years than I did in the first 20 years - when I really needed it - combined," said Victor Lipman, president at Howling Wolf Management Training, LLC in a Harvard Business Review article. "I know talent development budgets are perpetually tight, but we can't afford to overlook the junior managers who would most benefit from management knowledge. I'm not arguing that senior leadership development doesn't have value – of course it does – but our proportions seem out There is a of balance. We may be unconsciously harming our organizations by giving short shrift to those at lower levels."

Next generation leaders need to know about operations, business development, recruiting, retention and strategy. These are critical areas for the next generation to understand before taking the helm. ments of

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So who should coach the midlevel managers? Invest in external coaches for the top three- to five-star players. Then assign trained, internal executive coaches for other midlevel managers.

- · Who should coach midlevel management: External coaches and the internal executive team
- Type of coaching: One-on-one coaching

Young professionals

Young professionals need support applying the theories and technical expertise they learned in school to realworld situations. Since they are new to the workforce, young professionals often need to learn basic communication, time management and project management skills. Many of these skills can be taught in group settings.

As a result, most young profes-

midlevel managers, it is easy to assume



sionals do not need a dedicated external or internal coach. Leverage midlevel management to facilitate group coaching sessions. Not only do young professionals thrive in a group learning environment by connecting with each other, but it also gives midlevel management the opportunity to develop coaching skills.

- · Who should coach young professionals: Internal midlevel management
- Type of coaching: Group coaching

Coaching = transformation

A culture of coaching transforms your business. In exit interviews, the top reason survey respondents gave for leaving their jobs was lack of career development (22%), followed by work-life balance (12%), managers' behavior (11%), compensation and benefits (9%) and well-being (9%), according to Work Institute's "2017 Retention Report" (info.workinstitute.com/retentionreport2017).

Of all the job qualities millennials most valued, "opportunities to learn and grow" came in at No.1 in a Gallup survey. In fact, 87% of millennials said that personal

development is very important to them.

"Don't listen to the hype from tech companies about what makes a 'great place to work," wrote Jim Clifton, chairman and CEO at Gallup. "Today's employees don't really want free lunch, A culture toys in the office, volleyball courts or 'Bring Your Pet to Work Day.' What they really want is career development. They want the same thing their team leader **business**. wants from them – they want to improve. They want someone to take a real interest in their development. They don't really care about pingpong tables." *

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