INTERNAL COACHING AND COACHING CULTURE

Mehdi Ebrahimi
Central Queensland University, School of Management & Marketing,
Gold Coast campus, Australia
m.ebrahimi@cqu.edu.au

Dr Roslyn Cameron
Central Queensland University, School of Management & Marketing,
Gladstone campus, Australia
r.cameron@cqu.edu.au

Australian and New Zealand Academy of Management Conference 2012
Management Research Revisited: Prospects for Theory and Practice
December 5-7, Perth, Australia, 2012

Track: Leadership and Governance

The authors are grateful to the CRC for Rail Innovation (established and supported under the Australian Government’s Cooperative Research Centres program) for the funding of this research, Project P4.119 Mentoring and Coaching for the Rail industry
Internal Coaching and Coaching Culture

ABSTRACT

Coaching is an emerging and increasingly popular field due to the demand from various industries to hire professional coaches to develop their human resources and increase organisational performance. The high cost of hiring external coaches, has led some organizations to adopt internal coaching practices. This has increased the focus on building internal coaching capacity and enabling leaders to become effective internal coaches. The models and theoretical approaches to developing internal coaching highlights the importance of creating a coaching culture to support internal coaching. This is a conceptual paper which explores and maps the new and emerging field of internal coaching and the development of a coaching culture and presents a proposed research study for the Australian rail industry.

KEYWORDS: coaching, internal coaching, coaching culture, rail industry, leadership, organisational development

INTRODUCTION

Various industries, corporations and organizations have seen the growing trend of engaging professional coaches to work closely with leaders and managers in their development process, and to assist HRD activities in organizations (Frisch, 2001; Kilburg, 1996; Morris, 2000; Tyler, 2000; Peterson, Uranowitz, & Hicks 1996). However, in the last decade, internal coaching has seen major growth as a result of globalization across all industries (Frisch 2001), the high and sometimes unaffordable cost of hiring external coaching services (Frisch 2001; Mckee, Tilin & Delores 2009), challenges in recruiting professional coaches, the multiple changes that organizations face more than ever and finally, the growth of cultural diversity and the increased number of skilled migrants joining Australian workforces as a result of skills shortage and aging workforces in a number of countries.
There are also other trends that have influenced and facilitated the growth of internal coaching practices. Managers and leaders these days are encouraged to develop their staff, and are expected to be concerned and actively engaged in programs to develop their own growth (Frisch, 2001).

This research has identified a gap in the literature on developing internal coaching capacity and enabling leaders to become effective in-house coaches. Furthermore, the planned research will be conducted based on the assumption that creating a coaching culture can promote a collaborative environment where internal coaching programs can be launched and practiced successfully. As a result, the paper is presented based on the following assumptions:

1. *When a culture of positive coaching is consistently present at all levels of an organization, a systematic program designed to develop the performance behaviours of an individual will inevitably meet less resistance than one presented on an ad hoc basis* (Rolfe, 2010: 295).

2. *In order to maximise the returns on what was seen as the very high potential of developing a coaching culture in the organization, it was determined that training and developing internal coaches would be better financial stewardship than contracting with external executive coaches* (Ali, Lewis & McAdams, 2010: 241).


This proposed research aims to provide evidence that the growth of internal coaching activities can contribute a major portion of human resource development achievements in organizations. Ultimately, this research will produce rail relevant coaching deliverables that can be easily implemented and integrated into existing rail HR structures of the Australian rail industry. This proposed study may make a contribution towards a range practices such as human resource development, leadership development, organizational behaviour, organizational development, and change management.

The research will be conducted using an exploratory mixed methods research design. The exploratory design has been identified as 'a two phased approach' (Creswell and Plano Clark 2007: 77). This
design begins with the collection of qualitative data to explore a phenomenon followed by a quantitative phase. ‘This design is best suited when there is little empirical knowledge about a particular research area (i.e., lack of a theoretical framework, instruments or variables)’ (Plano Clark et al. 2008: 1554). As noted by Leech and Onwuegbuzie (2009: 265) ‘in general, mixed methods research represents research that involves collecting, analysing, and interpreting quantitative and qualitative data in a single study or in a series of studies that investigate the same underlying phenomenon’.

The quantitative data will be collected through an online survey. The qualitative data will be collected through a case study approach followed by document analysis and semi-structured interviews with two rail organisations. The results are expected to provide a better understanding of several factors associated with the process of creating a coaching culture and building internal coaching capacity in organizations. The overall aim is to provide a national coaching framework to benefit the human resource development activities within the Australian rail industry.

**BACKGROUND TO THE PROPOSED STUDY**

A number of coaching and internal coaching definitions are provided in Table 1 in the next section of the paper. However, this can be also beneficial to provide a definition of coaching culture here. Clutterbuck and Megginson (2005:19) define coaching culture as: ‘the predominant style of managing and working together, and where a commitment to grow the organisation is embedded in a parallel commitment to grow the people in the organisation’. On the whole, creating a coaching culture and building an internal coaching capacity can be seen as a foundation for developing leaders and managers in organizations and to assist in developing their human resources across all levels of the organization.

Creating a coaching culture has multiple benefits for organizations and individuals (Goeglein & Robilotta 2006; Goldsmith, Giber & Carter 2001; Lindbom 2007; Wilson 2011; Wood 2012). This may include improvement of organizational learning and performance across all levels of an organization. Furthermore, building and promoting internal coaching capacity may enable internal leaders to become champions of the new coaching culture. This planned study will investigate the benefits of a coaching culture and ways in which this can be developed and operationalised within the Australian
rail industry.

- This research investigates innovative models and practices in relation to coaching so as to best inform the development of a contextualized National Coaching Framework for rail (Source: CRC Research Proposal Mentoring & Coaching 2012).

- This research aims to produce rail relevant coaching research deliverables that can be easily implemented and integrated into existing rail HR structures (Source: CRC Research Proposal Mentoring & Coaching, 2012)

The main goal of this research is to conduct an environmental scan across the rail industry and monitor and examine current coaching activities and to explore best practices in coaching. An extensive literature review on contemporary coaching research and practices has been conducted. As a result the research questions which have been posited for this study are as follows:

**Research Questions**

RQ1: How is internal coaching differentiated from external coaching?

RQ2: What are the characteristics of an effective internal coaching program?

RQ3: What are knowledge, skills and attributes (KSAs) needed to be an effective internal coach?

**LITERATURE REVIEW**

A comprehensive literature review of the coaching field has been conducted and has found there is very little research in the areas of internal coaching and coaching culture. In fact, the bulk of the literature and a large amount of research has made a major contribution to developmental coaching, executive coaching, business coaching, life coaching and sports coaching. However, there is a considerably large gap in the literature on the importance of creating a coaching culture and building internal coaching capacity. The review found that more research is needed to support the argument for the effectiveness of internal coaching in organizations. According to Frisch (2001:241) 'the numbers of internal coaches or organizations employing them is unknown at this point, but their presence is clear'.
Rock and Donde (2008b) discuss coaching culture as a strategic integration into human resource management functions. The authors explain that, this covers practices such as 'senior leadership development, talent management, transition, performance management, skills development and on-boarding' (Rock and Donde 2008b:76). As Evans (2011:70) points out 'the literature remains largely silent on the effects of coaching upon organizations'. There has to be a scientific way to outline what needs to be done to increase the effectiveness of coaching internally, so that it influences an organization's culture instead of solely affecting the behaviour of individual managers/leaders.

**What Is Coaching?**

The term *coaching* comes from an old Anglo-Saxon word meaning *carriage*, in other words, something that takes you from where you are now to where you want to be. Kennedy (2009: 4) lists the following general definitions of coaching from the literature:

- *The art of facilitating the performance, learning and development of another.*

- *Coaching closes the gap between thinking about doing and doing.*

- *Coaching is about performing at your best through the individual and private assistance of someone who will challenge, stimulate and guide you to keep growing.*

Coaching is an emerging profession which draws upon an array of theoretical foundations, approaches and contexts; consequently defining coaching is not a straightforward exercise. For the purposes of this paper Table 1 provides specific definitions from scholars who have developed definitions of coaching. Although, there are a number of definitions and approaches, they all seem to be based on some common key factors such as facilitating performance and development, challenging, stimulating and guiding individuals to grow and assisting individuals to manage their own improvement. Cameron and Ebrahimi (2012:5) point out that 'the working definition of coaching is greatly influenced by the purpose, context, genre and approach taken'.

<Insert Table 1 here>
One of the issues that has been highlighted in the literature is the lack of clarity on the term 'coaching' itself. In fact, when training courses have been running for managers, it is very common that some of the participants have already received training in coaching with an organization that they have worked for previously, or they have completed previous training in the current organization. In spite of the previous training, confusion on the term coaching remains and participants are not able to distinguish coaching from other human resource development practices.

The confusion increases when the difference between mentoring and coaching is not clarified for participants. These two terms have been used interchangeably by some organizations and this can be the reason for confusion by managers or coaching program participants who may not see the value of coaching training. The first step in creating a coaching culture is to clarify and familiarize staff with the terms and underlying principles in the coaching program. At times, there is also confusion between coaching and therapy at times. The dramatic differences between these two practices are sometimes not clarified in organizations. According to the large number of surveys such as research conducted by Coutu and Kauffman (2009: 97) 'coaching focuses on the future, whereas therapy focuses on the past'.

In Figure 1, Wilson (2011) highlights one of the most commonly accepted definitions of coaching which can assist in clarifying the difference between coaching and mentoring.

<Insert Figure 1 here>

There is also a distinct of difference between coaching and counseling. ‘Counselling examines past experiences and aims to explain and rationalise them. Coaching is about the present and the future, accepting we are who we are, shaped by our past history and deciding what we want now’ (Kennedy 2009:27).

The main point that needs to be highlighted here is to make a prior clarification for the clients of coaching programs that coaching stands in a different level from the other human resource development activities addressed above. The definitions given above in relation to the mentoring, counselling, therapy and coaching confirm that all these activities differ from each other. Therefore, once the client or the coachee understands definitions and the nature of each program, then more values can be seen by the client in attending and participating in either of these programs to achieve a particular goal based on the nature of the program.
DEVELOPING A COACHING CULTURE

The Chartered Institute of Personnel and Development (CIPD) conducted an Annual Learning and Development Survey in 2006. The result found that 'a coaching culture is considered ‘very important’ or ‘important’ to the success of an organisation by 93% of the respondents who undertake coaching activities (CIPD 2006:2). In another study conducted by Megginson and Clutterbuck (2006), the authors point out that the potential benefit of coaching practices has been widely understood and captured by individual employees, managers and even leaders, but the challenge is the lack of commitment to coaching behaviours and being positively engaged in the coaching process. The key factor lying behind this issue is the environment. In general, people recognize the need to develop and improve in the workplace but they will only have commitment to this in an environment where they feel very safe.

Organizations may understand and appreciate the value of creating a coaching culture, but there is little understanding of what that means exactly and what the attributes of a coaching culture are, how it works and what will be involved in it. Understanding is also needed in relation to how coaching can enhance employee's performance and how the success of a coaching culture can be measured.

'There has been considerable effort expended to educate managers and employees in the value of coaching and to give people the competence (and therefore confidence) to coach in variety of situations' (Megginson and Clutterbuck 2006:233). Directing attention and energy towards the benefits of a coaching culture is a key challenge and a hot topic in the field of human resource development. The principles of a coaching culture, the factors involved in implementing a coaching culture and launching a coaching program are some of the challenges facing organizations and HR managers.

Principles of a Coaching Culture


Responsibility: Managers are responsible for providing positive feedback, suggestions and advice for improvement to encourage people to develop and progress faster. Managers who don't take responsibility and instead criticize, bully or micro-manage their staff, will have a negative impact in retaining the top talent and helping staff to perceive the development process as a positive and
Self-belief: Having certain qualities is one of the essential factors to obtain success and achieve the main goals in everyone's life, career and profession. One of those qualities is to have self-belief. Having self-belief is not easy and there are a number of factors involved in gaining or losing it. The culture of workplace or the organization that one works in it has been highlighted as an important element in increasing or decreasing self-belief in the workplace. Wilson (2011) believes that the support and praise from managers and peers can dramatically boost self-belief. 'Think of a child learning to walk; it is encouraged by praise from the parents, but the key aspect is that the child is allowed to learn by falling down' (Wilson 2011:408).

Blame free: This can be considered as one of the key principles of a coaching culture. It is less likely to find an organization where both the above elements are presented and creating a blame free environment is promoted as well. Research has been done on the human learning process and it confirms that people learn through making mistakes, so we need to create an environment and a culture to let people 'make their own individual progress through trial and error, from the CEO to the most junior new recruit' (Wilson 2011:408). The coaching approach here suggests to openly discuss and analyze people's performance instead of telling staff what they have done is wrong. Giving people a chance to talk and describe the problems they were facing in their performance is an approach that is more likely to find a solution for problem and a more effective way to deal with challenges in overall performance.

Coaching and Organizational Climate

Developing organizational culture and creating a positive organizational climate have been highlighted by Stewart and Palmer (2008) as important factors that support the coaching transfer process and internal or external coaching activities. Transferring coaching development to the workplace requires a number of factors to be present in the organizational climate. Some elements within the organization can motivate staff to be positively and actively engaged in coaching activities and to transfer their coaching development to the workplace. This may happen when:

- there is visible support for coaching at all levels of the organization, including the most senior levels
• innovation and development are encouraged and nurtured
• action arising from developmental initiatives is permitted and encouraged (Stewart & Palmer 2008:15).

Rolfe (2010:295) highlighted the important role of coaching culture in organizations and states ‘when a culture of positive coaching is consistently present at all levels of an organization, a systematic program designed to develop the performance behaviours of an individual will inevitably meet less resistance than one presented on an ad hoc basis’.

The need to understand and compare cross-cultural needs has been raised as a result of the current trend in human resource management activities where a number of industries face critical skill shortages in the workforce. Recruiting workers in the 21st century is no longer limited to hiring domestic workers and being able to fill vacant positions by using the available local talent anymore. In today's global economy, many companies are forced to fill vacancies by recruiting staff from overseas which opens up a new era of cross-cultural context in organizations. The trend toward global labour market has widely influenced the process of coaching programs in organizations. Coaches now face more situations where their client’s workplaces are very diverse. Rojon and McDowall (2010:1) highlight the fact that 'considering the role of culture in the work of clients is an important responsibility for coaches and in fact, a sound understanding of clients cultural perspectives can act as an important leverage to add value to an international coaching the role of cross-cultural assessments becomes more important than ever'.

INTERNAL COACHING

A number of surveys and research has shown that a high volume of managers believe that coaching activities must be actively practiced in most levels of their organizations (Frisch 2001; Rock and Donde 2008a). A survey that was conducted in the UK with 280 leading UK organizations, found that 93 percent of managers have a positive perception and view in relation to the importance of availability of coaching to all staff, from recently recruited juniors to seniors and more experienced staff (Rock and Donde 2008a). In the Annual Learning and Development Survey conducted by CIPD ‘79% of survey respondents are using coaching within their organisation and that 77% say coaching has been increasing in recent years. Yet 81% agree that there is a great deal of confusion around what
is meant by the term coaching' (CIPD 2006: 2).

Leaving staff development to the sands of time or a trial and error system in organizations may have a negative impact on the overall performance of organizations. It may cause the loss of top talent and skilled employees, a considerable reduction in productivity and work performance, a lack of motivation and sense of loyalty among staff that can eventually result in a major loss in the profit and turnover of the companies and organizations. In contrast to this situation:

*Internal coaching helps develop trust and professional relationships by deepening communication between the coach and the participating staff, and strengthening information sharing connections among peers. Conflict resolution becomes more manageable when there is a permanent open channel for communicating ideas and concerns (Rolfe 2010: 294).*

The perception of using external coaches as a common approach to coaching is shifting to the use of internal coaches to assist organizations to develop the capacity to implement major changes. There are many employees that might regularly experience coaching in the workplace and organizations may have engaged in informal coaching practices for many years. However, 'although well meaning, it is often ad hoc, haphazard and short-lived' (Parsloe 1999:11).

**Internal vs. External Coaching**

Many organizations perceive hiring external coaches as a common practice for developing human resources and managing change in the organization. There are a number of elements that need to be considered when selecting a coaching approach. The perception that external coaching works better than internal coaching has changed in human resource development practices in today's business world. Frisch (2001) confirms that external coaching doesn't necessarily contribute more than internal coaching practices in effective human resource development activities in organizations. Rock and Donde (2008a) highlight internal coaching as an emerging approach of utilizing coaching services which differs from external coaching and has a number of recognizable benefits that makes this approach a more attractive method of coaching activity for some organizations. There are many benefits of internal coaching and are of these to the cost-effective nature of this option in comparison with external coaching fees and programs. Frisch (2001) points out that 'internal coaches can often use their existing insight about the organization and its players to make faster initial progress in suggestion
a development agenda' (Frisch 2001: 243).

The literature further highlights the contentious topic of hiring external coaches, particularly in relation to cost and the return on investment afforded to organizations by these coaches. In a research conducted by Rock and Donde (2008a:11) it has been mentioned that the cost of external coaches may vary ‘from $10,000 to $100,000 per person’. Stewart and Palmer (2008:14) point out ‘despite the often considerable financial and human resource investment, staff are not guaranteed to employ the development that they gain in coaching within their workplace'.

Calculating the return on investment (ROI) in relation to coaching has been highlighted in the literature. There is evidence that the ROI can be increased if a strategic coaching program of this has been developed to coach staff internally. Rock and Donde (2008b) provide an example using a Blended Learning Approach. The authors highlight this approach as an investment for library branch managers who participated in a training program. The program promised long-term benefits and with the cost of the program, and its substantial outcomes, more than justifying the cost of delivery.

**METHODOLOGY**

The proposed study will utilise a mixed methods research (MMR) approach through the application of an exploratory MMR design. According to Creswell (2009) ‘the concept of mixing methods originated in 1959 when Campbell and Fisk used multi-methods to study the validity of psychological traits'(Creswell 2009: 14). Today, a large number of academics and researchers from across a variety of discipline areas have adopted mixed methods research, which increasingly appears to be a legitimate methodological option. Mixed methods studies can present a combination of methods from different paradigms; it may also use multiple methods within the same paradigm. Cameron and Molina-Azorin (2011) focused on the acceptance of mixed methods research in business and management research and found that MMR was increasingly being utilised across several business and management disciplines. Creswell and Plano Clark (2007) define mixed methods as:

> Mixed methods research is a research design with philosophical assumptions as well as methods of inquiry. As a methodology, it involves philosophical assumptions that guide the direction of the collection and analysis of data and the mixture of qualitative and quantitative
Johnson and Onwuegbuzie (2004) define mixed methods research where 'the researcher mixes or combines quantitative and qualitative research techniques, methods, approaches, concepts or language into a single study' (Johnson and Onwuegbuzie 2004: 17).

The design chosen for this study is the Exploratory Design. This MMR design has been identified as 'a two phased approach' (Creswell and Plano Clark 2007: 77). The design begins with qualitative data collection to explore a phenomenon followed by a quantitative phase as shown in Figure 2. As a deviation to this design, the first phase will be quantitative followed by a qualitative phase. The main reason that the quantitative data has been presented first in the proposed study is that, there is very little known about what coaching activities and practices are currently in process in the Australian rail industry which is the chosen population and sample for this research. As a result, the quantitative data collection needs to be conducted first to generate data on what types of coaching activities have been previously conducted and/or what is currently in progress. Furthermore, the qualitative phase of the study and semi-structured interview questions will be designed and developed based on the results of the quantitative phase.

The quantitative data will be collected through an online survey of the Australian rail industry to gauge the coaching activity across the industry. This will be followed by a case study approach that will be used to build on the result of the first quantitative phase. Two case studies are planned for two large rail industry organizations in Queensland and NSW.

<Insert Figure 2 here>

LIMITATIONS

The study is geographically limited to Australia from one specific industry (rail). Both quantitative and qualitative data will be collected and includes an online survey followed by case studies (document analysis and semi-structured interviews). Access to data sources may be limited due to the fact leaders and managers have busy schedules and the interviews might be limited to a small number...
of participants who are willing to allocate some portion of their time during the data collection stages.

CONCLUSION

Coaching is an emerging and increasingly popular human resource intervention that is being applied in organisations for a multitude of purposes ranging from change management to leadership development. The relatively high cost of hiring external coaches, has led some organizations to adopt internal coaching practices. This has increased the focus on building internal coaching capacity and enabling leaders to become effective internal coaches. Developing internal coaching highlights the importance of creating a coaching culture to support internal coaching. This paper has reported a review of the literature around this new and emerging field and presents a proposed study that will be conducted with the Australian rail industry.
REFERENCES


Evans, G (2011) 'Second order observations on a coaching programme: the changes in organizational culture', International Journal of Evidenced Based Coaching and Mentoring, Special Issue(5): 70-87


Kennedy, Julie (2009) A definition of coaching (unpublished manuscript), Potsdam, Germany.


Peterson, DB, Uranowitz, SW, & Hicks, MD (1996) 'Management coaching at work: Current practices in Fortune 250 companies', Paper presented at the 104th Annual Convention of the American Psychological Association, Toronto, Ontario, Canada


Figure 1 – Coaching vs. Mentoring adopted from Wilson (2011, p. 408)
### Table 1- Coaching Definitions

<table>
<thead>
<tr>
<th>Source</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passmore &amp; Fillery-Travis (2011, p. 74)</td>
<td>‘A Socratic based dialogue between a facilitator (coach) and a participant (client) where the majority of interventions used by the facilitator are open questions which are aimed at stimulating the self-awareness and personal responsibility of the participant’</td>
</tr>
<tr>
<td>Peterson &amp; Hicks (1996, p. 14)</td>
<td>‘Coaching is the process of equipping people with the tools, knowledge, and opportunities they need to develop themselves and become more effective’</td>
</tr>
<tr>
<td>Homan &amp; Miller (2008, p.7)</td>
<td>‘Coaching is a deliberate process using focused conversations to create an environment for individual growth, purposeful action, and sustained improvement’</td>
</tr>
<tr>
<td>Grant (2008, p.8)</td>
<td>‘Coaching is a collaborative, solution-focused, result-oriented and systematic process in which the coach facilitates the enhancement of work performance, life experience, self-directed learning and personal growth of the coachee’</td>
</tr>
<tr>
<td>Clutterbuck (1998, p.19)</td>
<td>‘Coaching is a pragmatic approach to helping people manage their acquisition or improvement of skills’</td>
</tr>
</tbody>
</table>

---

**Figure 2- Exploratory Design in MMR**

- **QUAN**: Online survey of rail industry members
- **Qual**: Case Studies (n=2)
- Interpretation based on QUAN ➔ Qual results