

# The assessment of the impact of coaching interactions on a company's performance

Angelina ROŠA (ROSHA)

Faculty of Engineering Economics and Management, Riga Technical University  
6 Kalnciema Str., Riga, LV-1048, Latvia

Natalja LACE

Faculty of Engineering Economics and Management, Riga Technical University  
6 Kalnciema Str., Riga, LV-1048, Latvia

Karine OGANISJANA

Faculty of Engineering Economics and Management, Riga Technical University  
6 Kalnciema Str., Riga, LV-1048, Latvia

## ABSTRACT

This article presents the methodology for assessing the impact of coaching interactions on a company's performance and provides the results of testing the methodology in the company engaged in the wholesale trade in the field of construction industry. The methodology developed in the course of the research gives both theoretical insight into the possibility of assessing the outcomes of coaching interactions, on the one hand, and provide a practical tool which enables companies to track return on coaching, on the other hand.

**Keywords:** Coaching, Assessment of the Impact, Methodology, Company's Performance.

## 1. INTRODUCTION

The assessment of the impact of coaching on a company's performance still remains a highly debated issue nowadays. While the researchers agree regarding the importance of assessing the impact of coaching, they lack consensus on the methods to be applied for the assessment. The impact of coaching has been estimated in different ways, such as measuring the degree of satisfaction of coaching clients with coaching interactions, determining the achievement of goals, evaluating behaviour change due to coaching interaction, assessing the impact of coaching at organisational level. This variety of methods is partly due to the fact that the scholars and practitioners have different views on how coaching should be assessed [1].

This issue is also topical for companies which invest in coaching and want to have insight into the assessment of its impact on their companies' performance for being sure that coaching really brings to visible positive growth of final outcomes. There is a point of view that a company's decision on investing into coaching is to be based on the assessment of the impact of coaching throughout the

entire process of this interaction combining qualitative and quantitative methods of assessment [2].

However, there is a lack of a holistic framework which would provide a methodology for assessing the changes, which owing to coaching interaction take place:

- in the process of achieving a company's goals;
- in employees' skills and behaviours throughout the coaching interaction;
- in the outcomes of coaching from multi-level perspectives [3].

This article covers the major points of the methodology for assessing the impact of coaching interactions on a company's performance which was elaborated in the course of the research related to coaching interactions. The article describes the methods used to estimate the impact of coaching interaction in the short-term and the long-term perspectives and provides the results of testing the methodology.

## 2. LITERATURE REVIEW

The analysis of the scientific literature identified the critical areas in the field of evaluation of coaching. The following principles crucial for assessing the impact of coaching were identified by the scholars [1].

1. The integration of the evaluation of ongoing coaching activities towards achieving the established goals with the assessment of the outcomes of a completed interaction.
2. The establishment of a clear criteria (ROI vs. coaching objectives) against which to assess the impact of coaching interactions on a company's performance.
3. Ensuring that the assessment of the impact is carried out with sufficient accuracy. It is recognised that the use of a pre-post design to assess the impact and the establishment of a control group can increase the rigor of the estimation of the impact of coaching.

4. The use of the type of coaching (remedial or developmental) depending on the needs of coaching clients and organisations.

Researchers also offer to track the progress of coaching throughout the intervention providing systematic evaluation of the outcomes [4].

A group of scientists urges for estimating the economic Return on Investments (ROI) as outcomes of coaching [5], while others criticize this approach [6]. The criticism is based on the judgement that quantitative methods are not appropriate for assessing the impact of coaching to such an extent as it can be done using qualitative assessment methods which are able to provide a stronger evidence and comprehension of the issue [1]. The fact is that the impact of coaching is not linked only to the achievement of the goals set, but it also entails individual's self-development which is more appropriate to assess by applying qualitative methods [7].

The methodology for assessing the impact of coaching interactions was developed in the light of the scientific findings in field of coaching. A group of scholars developed the model for evaluating investment in coaching which highlights the importance of aligning the purpose for coaching with strategic goals of a company to ensure the valuable outcomes from the coaching interaction [5]. Other scholars investigated the potential outcomes from coaching in organisations and areas where coaching has positive effect. They proposed the comprehensive approach to evaluating the coaching process and the framework of outcome criteria from coaching which is recommended to be applied for evaluation of the impact of coaching [8]. The researchers also provided a new insight in the factors that determine the effectiveness of coaching in the workplace context [9]. The scholars assume that the impact of coaching is not to be assessed only at the end of the coaching interaction; they suggest that the evaluation of the impact of coaching is a continual process which covers the whole interaction [10].

The following findings from the literature concerning to the general features of a coaching programme, as the most effective coaching interaction, were taken into consideration in the course of the elaboration of the methodology for assessing the impact of coaching.

- The scholars suggest that all coaching contract parties, i.e. coach, coaching client and organisational sponsor, should clearly understand the objectives of the coaching programme, the system of outcome measurement and obtaining feedback [11].
- The scholars also emphasized that it is important to set a number of coaching sessions and have a clear vision of each coaching engagement. They recommend to vary the lengths of the sessions from 30 to 120 minutes with the number of

sessions from six to eight within a time period of four to six months [11].

The findings of the literature review suggest the following hypothesis. The impact of coaching interaction on a company's performance is to be assessed:

- adjusting the capacity of different types and forms of coaching to the company's wants in the current stage of its life cycle;
- identifying the availability of direct and indirect external and internal conditions which support coaching;
- based on the process and outcomes of coaching interaction at individual, team or/and organisational levels in the short and long run perspective.

### **3. METHODOLOGY**

The methodology for assessing the impact of coaching interactions on a company's performance is viewed in a broad perspective as the methodology for assessing the prerequisites, process and outcomes of the coaching interaction. The methodology presents a set of methods and materials developed for assessing the impact of coaching interaction at individual and organisational levels in the short- and long-term perspective. The methodology covers all stages of the coaching interaction (preliminary stage, active stage and period after the interaction), and uses both qualitative and quantitative methods of data collection and analysis.

The selection of methods to be used is determined by the principles underlying the methodology.

- Establishing prerequisites for ensuring the greatest possible impact of the coaching interaction on a company's performance prior to its implementation.
- Tracking of key performance indicators which can be affected in the course of the coaching interaction.
- Assessing the short- and long-term impacts at individual and organisational levels after the completion of the coaching interaction.

The process of assessing the impact of coaching is initiated with identifying a company's needs and wants in the current stage of its life cycle. The method which is used for this purpose is the executives' judgments about key parameters of a company's current performance and the needs for the continued development. The judgments are based on the specially developed unlabeled descriptions corresponding to one of the five stages of the organisational live cycle. The type of coaching with appropriate capacity to contribute to meeting the current company's needs is then proposed. The choice of the type of coaching is based on the model for adjusting the

capacity of different types and forms of coaching to the company's wants in the current stage of its life cycle. The model was specifically developed for this methodology [12].

Before the first coaching session, the direct and indirect external and internal conditions are determined. The availability of such conditions is likely to promote coaching in the course of interaction and impact the results. The pre-programme survey of the participants of the coaching interaction is designed to ascertain the favorable conditions. The pre-programme questionnaire consists of four parts. Using the scale from 1 to 10, with —1 being the lowest score of evaluation and —10 being the highest score of evaluation, the participants evaluate the conditions which are significant for the successful implementation of the coaching interaction. The first group of questions aims to identify the respondent's level of motivation, readiness and willingness to participate in the coaching interaction. The rest three groups of questions focus on the participant's perception of the organisational environment, the atmosphere in a team and the perception of one's self.

The methods assessing the impacts of the coaching interaction on a company's performance estimate

- the short-term impact:
  - the end-of-programme feedback survey;
  - the comparison between the coached group and the control group
- the long-term impact:
  - after-the-programme individual interviews.

The aims of the end-of-programme feedback survey are:

1. to evaluate the usefulness of the coaching interaction in achieving the established goals;
2. to assess the impact of the coaching interaction at individual, team and organizational levels;
3. to identify the improvements in the delivery of the coaching interaction

The end-of-programme feedback questionnaire consists of two parts. In the first part, the respondents evaluate the degree of change that they have experienced in the course of the coaching interaction using the scale: 0 to 10, with 0 being —no change at all, 1 being —extremely small change and 10 being extremely big change. The following parameters, where the participants could perceive change, are presented for their consideration:

- personal development;
- understanding personal strength and weaknesses;
- personal behaviour;
- dealing with difficult customers and/or situations;
- time management;
- personal productivity;
- cooperation with colleagues.

The open-ended question is asked to describe what impact the coaching programme has had on the

participants, on the team and on the company as a whole. The second part of the questionnaire is focused on the possible improvements for the future coaching interactions.

The establishment of the control group enables to make the impact of coaching interaction on a company's performance more visible and precise. Comparing the results of a coached group with a control group of non-coached employees is considered as an effective approach which is highly recommended in the literature.

Individual interviews of the participants of the coaching interaction are conducted in 3 – 4 months after the completion of the coaching interaction. The aim of the interview is to evaluate the longer-term impact of the coaching interaction based on the changes in the behaviour of the participants of the coaching interaction. The following questions constitute the main content of the interview:

- Have you achieved the goals which were established?
- Please tell us about the session's activity (–es) which you found more useful for you.
- As a result of your participation, what are the most significant things you understood and/ or learned about?
- Are you doing any things differently after the completion of the coaching interaction?

#### **4. RESULTS AND DISCUSSION**

The methodology for assessing the impact of coaching interactions on a company's performance was tested in the company which is engaged the wholesale trade in the construction industry. The testing took place in the course of the coaching programme from June to December, 2018. The goals for the coaching programme were related to the core business of the company and included measurable indicators. All sales staff participated in the coaching programme. In total, there were 19 programme participants. The participants of the programme were divided into three groups: group of team leaders (ASM), salesmen group on-site (TSL) and salesmen Skype group (TSS). The team leaders (N = 4) constituted a separate group because of their managerial responsibilities and some difference in the goals set. The sales staff was organised in two groups: on-site group (N = 7) with face-to face coaching sessions and Skype group (N = 8) with distance coaching sessions. Such a division was done due to the location of the salesmen to avoid additional expenses. For each group, seven group coaching sessions of 60 minutes each were organised.

The results of testing the methodology to assess the impact of the coaching programme on the company's performance are presented in the Table 1.

Table 1

Testing of the methodology for assessing the impact of coaching interactions on a company’s performance

Stage / Period	Method applied	Outcomes	
Preliminary stage May, 2018	Executives’ judgments	<i>Revival stage</i> – a rapid positive growth; – changes in decision-making; – need in integration and collaboration	<i>Team coaching</i> – improves innovation capabilities; – enhances collective performance; – increases team collaboration.
Active stage June – December, 2018	Pre-programme survey (N = 19; response rate 95%)  After the sessions feedback surveys (5 surveys; N = 19; average response rate 56%)  Mid-programme group interviews (3 groups)  End of programme feedback questionnaire (response rate 68%)	<i>Clients-related favorable conditions:</i> – positive attitude to new knowledge; – receptivity to feedback.  Parameters which could impact the delivery of the programme: – the level of satisfaction with the coaching programme; – usefulness of the programme; – dynamics towards achieving the goals.  Changes in delivery of the programme: Focus on experience exchange during coaching sessions and on daily basis Short-term impact: – increase in the self-awareness and the improvement of communication. The team leaders demonstrated the highest rate of change	<i>Potential obstacles</i> – not all are motivated to take part; – not all fully understand how they can use the acquired knowledge
After the programme stage January-April, 2019	Coached group vs. control group  After the programme individual interviews (5 interviews)	Coached group demonstrated better performance in two out of three established goals.  Long-term impact: the things that the participants are doing differently. - ask questions, listen more and speak less; - improve planning; - double check the information which goes to the customers; - express their opinion in a more confident way.	

(source: compiled by the authors)

During the preliminary stage of the programme, the executives identified the needs and wants in the development in accordance with the stage of the life cycle which the company has reached. The executives came to conclusion that the primary company’s need is integration which is crucial in the period of a rapid growth and diversification. Team coaching was proposed for implementation because of its capacity to enhance collaboration and improve teamwork.

Before the first session, the participants completed an online pre-programme questionnaire. The collected data were analysed quantitatively using descriptive statistics. The mean of data was calculated to indicate a central tendency of the data. The standard deviation was used to measure the dispersion, i.e. how data were spread out from mean. Standard deviation allowed to measure variability of the responses. The score close to zero indicate a relevant consistency in responses. The data show that the participants are generally receptive to new knowledge and change. This fact may turn out to be a good prerequisite for the programme success. The variables such as “the orientation of the company toward feedback” and “the ability of the participant to receive and reflect on the feedback” are at the top of the listed variables. For the potential positive impact of the coaching interaction this fact is crucial. Analyzing the variables such as “participant’s receptivity to outside help”, “goal-oriented organizational culture”, it was

concluded that these conditions are also available, and they may constitute preconditions that ensure the positive impact of the coaching programme on the company’s performance.

After-the- sessions feedback surveys and mid-programme group interviews provided the assessment of the parameters which could impact the effectiveness of the coaching programme.

The assessment of the short-term impact of the coaching programme on the company’s performance was undertaken based on the perception by the programme participants about the changes in their self-awareness and behaviour as a result of the coaching programme. The data of the end-of-programme survey were collected and analyzed separately for each group: team leaders (ASM), salesmen group on-site (TSL) and salesmen Skype group (TSS). The main reason of this was that the groups had certain differences in the goals set as well as the form of delivery of the coaching programme. The responses were calculated as the average score across the items which were the areas where changes might occur (see Figure 1). The results show that all participants perceived impact of the coaching programme on their awareness and behaviour in varying degrees.

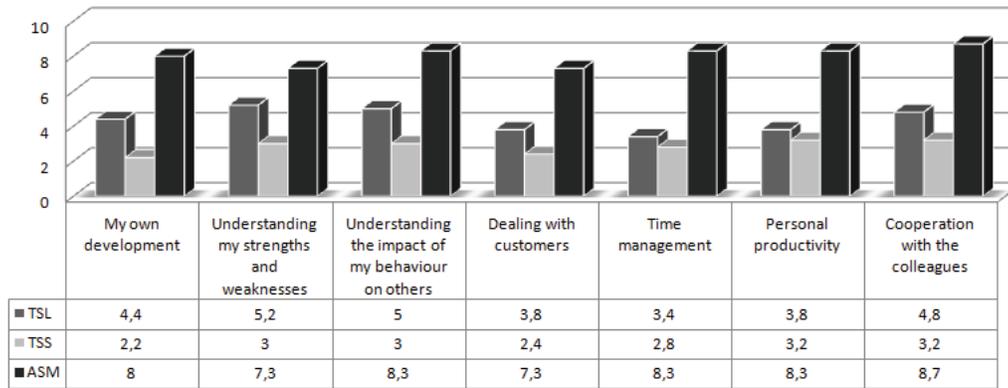


Figure 1 Perception of the participants about the changes which were brought about by the coaching programme (source: compiled by the authors).

The programme had a greater impact on the team leaders in their cooperation with the colleagues. This result may indicate the change in the understanding of the team leaders about the influence of their behaviour on other individuals. The results also demonstrate that the programme also made an impact on self-development of the team leaders, improve their time management skills and enhance their personal productivity. On the other hand, the sale staff pointed out on a lesser impact of the programme.

Despite the fact that there is difference in the evaluation of the impact of the programme among the groups; the answers to the open-ended question about the impact of the programme on the organisation, on the team and on the individual showed that the participants of all three groups could indicate the cases of the positive impact of the coaching programme.

At individual level, coaching:

- added some extra motivation, and encouraged to think from different angles about the tasks to be carried out;
- improved self-awareness of how the individual’s behaviour impacts others;
- facilitated to acquire open-minded attitude;
- helped to review the current situation.

At team level, coaching improved teamwork through increasing awareness of the team members about their team mates and improving cooperation in the team.

At organisational level, coaching

- provided the general understanding about the importance of the values of the company;
- contributed to attainment of the strategic goals.

The assessment of the achievement of the overall goals established was carried out by comparing the performance of the coached group with the performance of the control group on a monthly basis (see Table 2).

The sales staff of the other division of the company played the role of the control group. The control group had the same goals which were established for the coached group, yet the control group worked to achieve these goals without being engaged in the coaching.

Table 2

Comparison between the coached group and the control group (source: compiled by the authors)

Coached group	Control group
<b>Goal 1. Direct sales</b>	
<i>June – August 2018</i> the number of visits increased	<i>June – July 2018</i> there was no change
<i>September – October 2018</i> slight decrease	<i>August 2018 – October 2018</i> the drop of 20 per cent
<i>November – December, 2018</i> further fall	<i>September – October 2018</i> there was no change
	<i>November – December, 2018</i> there was no change
<b>Goal 2. New VIP customers</b>	
<i>June – August 2018</i> improvement about 60 % of the desired result	<i>June – August 2018</i> monthly drop
<i>September – October 2018</i> the same figures sustained	<i>September – October 2018</i> monthly drop
<i>November – December, 2018</i> the same figures sustained	<i>November – December, 2018</i> monthly drop
<b>Goal 3. New sales (NS) plan</b>	
<i>July 2018</i> <b>the best monthly year-to-date(YTD)</b> results at team level	<i>July 2018 –</i> team result wasn't achieved
<i>August 2018</i> the plan was achieved	<i>August 2018</i> good team result : over plan
<i>September 2018</i> slightly below the plan	<i>September 2018</i> team plan wasn't achieved
<i>October 2018</i> good team result: over plan	<i>October 2018</i> good team result : over plan
<i>November 2018</i> <b>the best monthly results at team level</b>	<i>November 2018</i> team plan was nearly achieved
<i>December 2018</i> <b>the worst result since June</b>	<i>December 2018</i> <b>the worst month of the year</b>

This comparison showed that the coached group demonstrated the increase in their performance when the programme began while the control group did not show any changes and even slightly reduced their performance. In the middle of the programme, the variability in the performance was observed in the coached group, the same process occurred in the control group. However, the coached group demonstrated greater positive dynamics in achieving two out of three goals. In spite of the fact that the ambitious goal 2 had not been achieved, the coached group demonstrated the improvement in the performance which sustained until the end of the programme. The control group showed constant slight decrease in the achievement of this goal, and by the end of the year they demonstrated the poorer performance that the coached

group. In July the coached group achieved the highest results on goal 3. It may provide evidence that coaching interaction made an impact on the performance of the programme participants and accelerated their capabilities. These findings are supported by the fact that during the same period the control group did not demonstrate any improvements in their performance, but instead they demonstrated a decrease. However, by the end of the programme the results of the coached group became poorer. This can be explained by the end of the year, when normally companies encounter difficulties with new sales. This fact is supported by the poor results of the control group in December as well.

After the programme individual interviews conducted in 3 - 4 months after the completion of the coaching programme. Five respondents, who took part in the interview, represented different categories of the programme participants. The main aim of the interview is to identify the long-term impact of the programme on the individual and organisational performance. The results revealed that in general the impact is manifested in the changes in the participant's self-development and self-awareness as well as in their attitude and work behaviour.

## 5. CONCLUSIONS

Coaching inherently facilitates individuals to encourage their self-development and self-awareness, thereby contributes to the positive change in their behaviour. Thus, the positive impact of the coaching interaction is manifested first at individual level through increasing self-awareness and self-efficacy and improving behaviour.

The methodology of assessing the impact of coaching interaction on a company's performance is to consist of: adjustment of the capacity of different types and forms of coaching to the company's needs in development in the current stage of its life cycle; identification of the availability of direct and indirect external and internal conditions which support coaching; estimation of the process and outcomes of coaching interaction at individual, team or/and organisational levels in the short and long run perspective.

The results of testing the system and methodology for assessing the impact of coaching interaction on a company's performance give an evidence of their feasibility for using them as an appropriate framework both for theoretical and practical application.

## 6. ACKNOWLEDGEMENTS

The paper has been elaborated within European Social Fund Project "Strengthening of Academic Staff of Riga Technical University in Strategic Specialization Areas" Nr. 8.2.2.0/18/A/017.

## 7. REFERENCES

- [1] K. De Meuse, G. Dai, R. Lee, J. (2009). "Evaluating the effectiveness of executive coaching: beyond ROI?" **Coaching: An International Journal of Theory, Research and Practice**, Vol. 2, No 2, 2009, pp. 117–134.
- [2] S. Greif, "Advances in research on coaching outcomes", **International Coaching Psychology Review**, Vol. 2, No 3, 2007, pp. 222–245.
- [3] K. Ely, L. Boyce, J. Nelson, S. Zaccaro, G. Hernandez-Broome, W. Whyman, "Evaluating leadership coaching: A review and integrated framework", **Leadership Quarterly**, Vol.21, No 4, 2010, pp. 585–599.
- [4] G. Bozer, J. Sarros, J. Santora, "The role of coachee characteristics in executive coaching for effective sustainability", **Journal of Management Development** Vol. 32, No. 3, 2013, pp. 277–294.
- [5] P. Lawrence, A. Whyte, "Return on investment in executive coaching: a practical model for measuring ROI in organisations", **Coaching: An International Journal of Theory, Research and Practice**, Vol. 7, No 1, 2014, pp. 4–17.
- [6] A. Grant, "ROI is a poor measure of coaching success: towards a more holistic approach using a well-being and engagement framework", **Coaching: An International Journal of Theory, Research and Practice**, Vol. 5, No 2, 2012, pp. 74–85.
- [7] A. Grant, "Solution-focused coaching." In J. Passmore (Ed.), **Excellence in coaching: The industry guide**, 2006, pp. 73–90. London: Kogan.
- [8] R. Jones, S. Woods, Y. Guillaume, "The effectiveness of workplace coaching: A meta-analysis of learning and performance outcomes from coaching", **Journal of Occupational and Organizational Psychology**, Vol. 89, No 2, 2016, doi:10.1111/joop.12119
- [9] G. Bozer, R. Jones, "Understanding the factors that determine workplace coaching effectiveness: a systematic literature review", **European Journal of Work and Organizational Psychology**, Vol. 27, No. 3, 2018, pp. 342–361.
- [10] M. Leedham, "The Coaching Scorecard: a holistic approach to evaluating the benefits of business coaching." **International Journal**, Vol. 3, No. 2, 2005, pp. 30–44.
- [11] H. Williams, N. Edgerton, S. Palmer, "Cognitive Behavioural Coaching" in E. Cox, T. Bachkirova, D. Clutterbuck, (Eds.) **The Complete Handbook of Coaching**. 2011 London: Published by Sage Publications Ltd.
- [12] A. Roša (Rosh), N. Lace, "The Open Innovation Model of Coaching Interaction in Organisations for Sustainable Performance within the Life Cycle", **Sustainability**, Vol. 10 No 10: 3516, 2018.