

This case study was prepared to serve as a basis for discussion rather than to illustrate either effective or ineffective administrative and management practices. Names of places, organizations, or people have been disguised at the request of the authors or the organization.

## Coaching Makes an Unexpected Difference for a Global Telecommunications Firm

*Madeleine Homan, Linda Miller, and Scott Blanchard*

A business unit of a global telecommunications firm engaged Blanchard Coaching Services, formerly Coaching.com™, to provide a series of coaching sessions for 67 employees. The participants in the coaching process included all sales managers—from the executive level to district sales managers. This intervention began early in 2001 and concluded for most participants in May 2001. The express intention of the coaching intervention was to deliver results against the following key business objectives:

- demonstrated increase in leadership capability
- improved alignment to achieve key responsibility areas
- measurable increase in the areas of retention, productivity, and Value versus Commodity sales

A third-party study performed three months after the coaching revealed that the coaching intervention had produced significant business and economic impact, specifically in the areas of retention, change in work environment, increase in productivity and revenues, and decrease in the erosion of customer base.

### Organizational Profile

The client organization was a field sales division within a significant business unit of a global telecommunications company. Operating in more than 65 countries, the company offers Internet, voice, and data solutions that make business more productive, secure, and cost-effective. As measured by revenues and traffic carried, this organization is the leading global data, Internet, and network services provider. It generated revenues of \$22.8 billion in 2001. Based on all forms of traffic, the organization carries more data over its networks than any competitor.

The field sales division, which is the client group, had four successful years providing one percent of the company's overall revenues and four percent of its profits. The field sales division's era of single-digit growth was slowing down, and it needed to move from being an entrepreneurial environment to a mature process-oriented environment but without losing passion and energy. The organization had 600 employees, 38 district sales managers, 11 regional sales managers, 8 sales directors, 5 sales operations managers, and 1 vice president of sales.

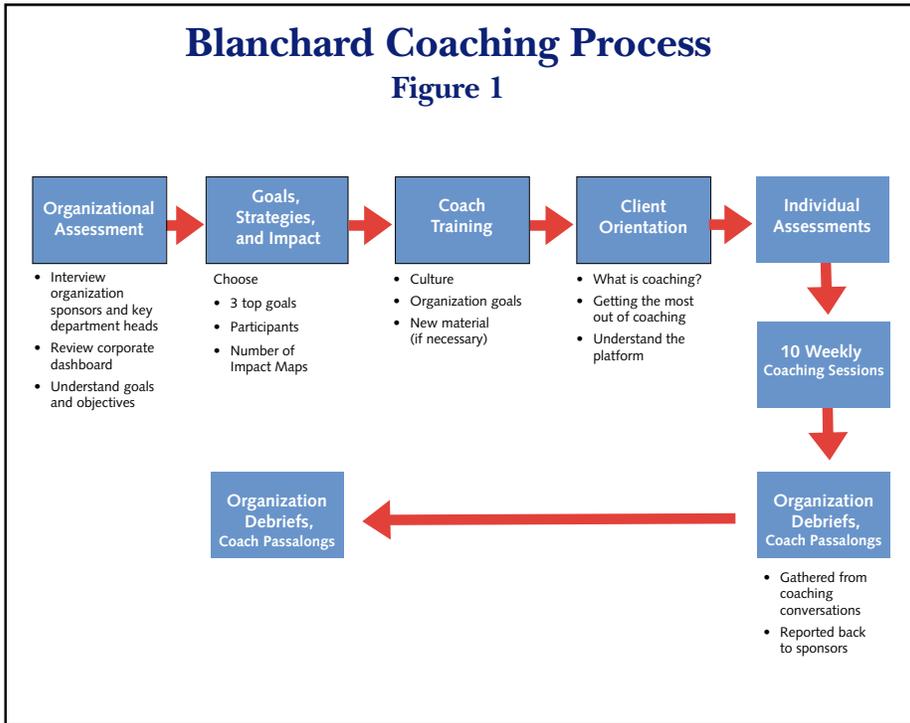
### Background

The training professionals who invited Coaching.com to discuss their business needs originally discovered Coaching.com on the Internet and expanded their research through conversations with the director of coaching services. A meeting between the client organization's two training directors and Coaching.com staff revealed a potential fit of service to business need. The vice president and senior leader of the client organization attended the meeting, and there was consensus that the organization did not need more training. The organization had previously invested significantly in Situational Leadership® II, a key product of Coaching.com's parent company, The Ken Blanchard Companies. Instead, the organization was interested in something fresh that would allow individuals to get what they needed to move forward. There was a great deal of synergy between the two companies, particularly since both actively use telephone and Internet technology to ease communication. This commonality immeasurably increased understanding and the impression of "fit."

# Coaching Article

## Strategy Overview

Once the business needs were understood, Coaching.com proposed a combined solution that included consulting services and coaching services. Figure 1 presents a map of events.



Coaching.com agreed to provide consulting services (development of KRAs and Impact Maps for 11 positions, customized for the client organization) and project management services as needed. Coaching.com also agreed to provide the following services:

- Individual coaching services
  - conducting individual coaching with the client organization’s managers to improve quality and quantity of One on One meetings with their direct reports
  - assisting the client organization’s managers with the completion of their individual Impact Maps, with the express purpose of aligning individual development plans, KRAs, unit goals, and business goals
  - facilitating the completion and documentation of personal development plans, including, but not limited to, more effective use of SLII® skills, utilization of effective hiring and selection practices, and improved frequency and quality of One on One meetings
  - providing an orientation to the coaching process and the platform during sessions one and two; first session to include management history and experience, assessment of SLII® training, review of current important issues pending for each individual, and discussions regarding goals for the coaching experience
  - completing the self-assessment used on the Coaching.com Web site during sessions three through ten. This trademarked Scrubdown process requires the client to decide that something is either true or not true on the premise that clients will work on and be willing to change things about which they are currently telling the truth. Sessions three through ten also included a review of the KRAs and Impact Maps, application of SLII® practices, review and practice of the One on One process, and completion of the Impact Maps and individual development plans.

## Project Design and Implementation

### Scope of Work and Objectives

The client organization agreed to utilize Coaching.com to

- Develop key responsibility areas (KRAs) and Impact Maps for 11 of the client organization’s positions. Impact Mapping is a process that begins with identifying organization goals, and then identifying and defining by job role the strategic competencies critical to the achievement of those goals.
- Provide orientation to, practice with, and application of the standard Situational Leadership® II (SLII®) One on One Conversations forms with individual coaching clients.
- Help individuals emerge from their final coaching sessions with a completed professional development plan around their interviewing and recruiting practices and with completed Impact Maps based on their key responsibility areas (KRAs).
- Increase usage and application of SLII® with coaching clients based on individual coaching.
- Provide general business coaching services to improve quality management practices and leadership skills and behaviors. A series of 10 coaching sessions (two sessions lasting up to one hour; subsequent sessions lasting up to 45 minutes) was provided to each manager over a four-month period.

- Reports
  - monthly administrative reports were created to review important aspects of the coaching sessions from the data collected every week. The following trend data had to be reported by one third or more people to ensure anonymity and confidentiality:
    - qualitative written data describing the themes that had emerged during coaching sessions, which had resulted in shifts of perspectives or attitudes
    - qualitative written data regarding the client organization’s processes and policies that were or were not working
    - qualitative written data regarding the discrepancies between the client organization’s leaders’ actions and words
    - quantitative data regarding the number of sessions that coaching clients had completed or missed and the number of participants that dropped out
  - project summary reports, including an overall review from data presented in monthly reports

## The Coaching Process

### Clients

Prior to their first sessions, individuals participated in an orientation designed to explain

- what coaching is and is not
- why their company was investing in coaching
- what they could expect of their coaches and their coaching experiences
- what was expected of them
- the level of confidentiality they could expect

- logistical aspects involved in scheduling, using the Coaching.com Internet platform, cancellations, and coach-client mismatches.

During this orientation, participants heard about some early wins that their leader had experienced with his own coaching, which had started earlier by design. After the orientation, they used their log-on names and the passwords they had received with their Coaching Guidebook to navigate the Internet to the Coaching.com platform to take their Scrubdowns. They then used the automatic scheduler to arrange their first sessions with their coaches.

Once the participants were off to a good start with their coaches they could choose to use a preparation form on the Internet platform to focus themselves and prepare their coaches for their upcoming sessions.

### Coaches

Blanchard coaches used the same basic process with each client. Prior to the first session with the client, the coach used the Scrubdown Calculator, a tool that uses information from the client to identify potential issues and focus areas. If focus areas were unfamiliar to the coach, he or she could read about the subject from the materials on the Web site.

During their sessions with their clients, coaches

- established relationships with clients, assessing style and approach
- reviewed basic “housekeeping” details as needed
- debriefed Scrubdown experiences and reviewed responses
- discussed potential areas of focus for work together
- assessed “brushfire” areas that could be causing too much distraction and needed to be handled immediately

- connected to larger strategic focus areas where applicable
- discussed and clarified the confluence or opposition of personal goals with corporate objectives
- reviewed the Impact Maps and assessed areas for development

At the end of each session, coaches asked the following types of questions to make sure that value was perceived:

- What will you take away from this session?
- What do you know, see, feel, or realize now that you hadn’t before our session?
- What will you do differently moving forward?
- Is there anything you need to say to feel grounded, clear, and purposeful?

Over the course of later sessions the coaches continued to drill down into focus areas, setting clear SMART (Specific, Motivating, Attainable, Relevant, Trackable) goals, brainstorming and deciding on action steps, and reviewing activities for effectiveness. Accountability was offered according to client need as appropriate.

## Measurement and Evaluation of Coaching Program

The following is an excerpt from an Impact Evaluation Report on the Coaching.com Intervention. The study and report were designed and completed by Triad (2040 Raybrook SE, Suite 207, Grand Rapids, MI 49546, [www.triadperform.com](http://www.triadperform.com)).

“It was the expressed intention of the coaching intervention to deliver results against key business goals. The purpose of this impact evaluation was to determine if those results were produced, why and by whom, and if not, why not.”

## Background and Methodology of Study

The investigators used a “success case” methodology that sought to answer these questions:

- What business impact has this coaching intervention produced?
- What is the economic value of that impact to the client organization?
- When coaching produces a business impact, what contributes to that outcome?
- When participants do not see a business impact from their participation, why not?
- What can the client organization do differently or better to increase the impact of similar interventions that might be offered in the future?

The “success case” methodology uses a two-step approach to gather impact data.

**Step One:** An Impact Map was created for each job role to determine how coaching participants could use the coaching process to produce business impact. A survey based on that map was structured to identify participants who claimed the most success in using the coaching process in order to produce positive business impacts.

The survey was emailed to 59 coaching participants. Fifty participants returned completed surveys, for a return rate of 95 percent. Figure 2 presents the survey, and Figure 3 shows the results.

## Coaching Initiative—Impact Survey

### Figure 2

Directions: Select your response to each question by clicking on the radio button for your answer. When finished, click on the Submit button. Your responses will be treated confidentially. *Thank you!*

1. When I began participating in the coaching sessions, I had very clear goals for my participation.

Strongly Disagree     Disagree     Agree     Strongly Agree

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2. The coaching sessions helped me better understand what I needed to change/do differently if I was going to help achieve our business goals of increasing employee productivity, protecting current pricing, retaining the best employees, deeper account penetration, etc.

Strongly Disagree     Disagree     Agree     Strongly Agree

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3. My coaching sessions gave me the skill and confidence I needed to do things that were important to achieving my own and my company’s goals.

Strongly Disagree     Disagree     Agree     Strongly Agree

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4. I have learned some things about effective coaching from this process that I am already using with my direct reports.

Strongly Disagree     Disagree     Agree     Strongly Agree

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5. My manager was extremely supportive of my participation in this coaching process.

Strongly Disagree     Disagree     Agree     Strongly Agree

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6. Overall, the impact that the coaching sessions have had on my own and my company’s business goals has been:

Very Low     Low     Somewhat     High     Very High

## Survey Results

### Figure 3

**Q.1** When I began participating in the coaching sessions, I had very clear goals for my participation.

Choice	Count	Percentage Answered
1. Strongly Disagree	1	1.8%
2. Disagree	17	30.9%
3. Agree	29	52.7%
4. Strongly Agree	8	14.5%

**Q.2** The coaching sessions helped me better understand what I needed to change/do differently if I was going to help achieve our business goals of increasing employee productivity, protecting current pricing, retaining the best employees, deeper account penetration, etc.

Choice	Count	Percentage Answered
1. Strongly Disagree	2	3.6%
2. Disagree	5	9.1%
3. Agree	29	52.7%
4. Strongly Agree	19	34.5%

**Q.3** My coaching sessions gave me the skill and confidence I needed to do things that were important to achieving my own and my company's goals.

Choice	Count	Percentage Answered
1. Strongly Disagree	0	0.0%
2. Disagree	3	5.5%
3. Agree	33	60.0%
4. Strongly Agree	19	34.5%

**Q.4** I have learned some things about effective coaching from this process that I am already using with my direct reports.

Choice	Count	Percentage Answered
1. Strongly Disagree	2	3.6%
2. Disagree	2	3.6%
3. Agree	23	41.8%
4. Strongly Agree	28	50.9%

**Q.5** My manager was extremely supportive of my participation in this coaching process.

Choice	Count	Percentage Answered
1. Strongly Disagree	2	3.6%
2. Disagree	2	3.6%
3. Agree	22	40.0%
4. Strongly Agree	29	52.7%

**Q.6** Overall, the impact of the coaching sessions on my own and my company's business goals has been:

Choice	Count	Percentage Answered
1. Very Low	0	0.0%
2. Low	3	5.5%
3. Somewhat	11	20.0%
4. High	29	52.7%
5. Very High	12	21.8%

After completed surveys were returned, the investigators strategically selected individuals for in-depth interviews. For "success cases," the selection criteria included respondents who

- selected either "high" or "very high" when asked to rate the business impact of the coaching intervention
- were equally distributed by region of the country, by job role, and by gender

"Low success cases" were selected using the same demographic criteria. However, on the question of overall positive impact from the course, these individuals rated the business impact of the coaching intervention as "low." The investigators interviewed the three out of 55 respondents who selected this response.

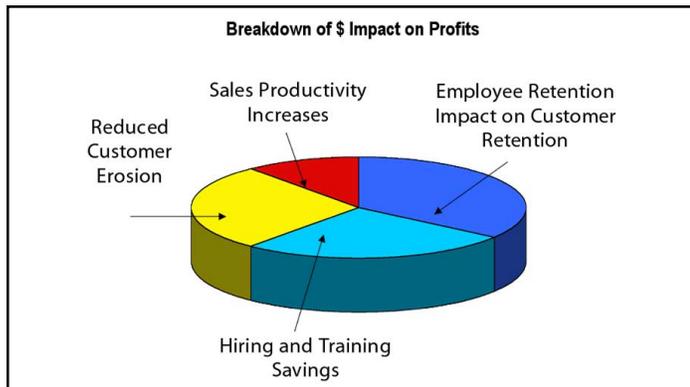
**Step Two:** Using the role-specific Impact Maps as guides, in-depth interviews were conducted with survey respondents who had reported either high or low impact from the coaching. These interviews took 20 to 40 minutes. In some cases, investigators received permission to talk with direct reports and managers of those interviewed to corroborate the stories they had shared.

Using all of the data from the surveys, the nine "success cases," and three "low success case" interviews, the investigators arrived at the key findings and recommendations that follow. These findings are supported by multiple data sources, including all survey and in-depth interview data; they are not based on comments or data from a single source or only a few sources.

## Key Findings

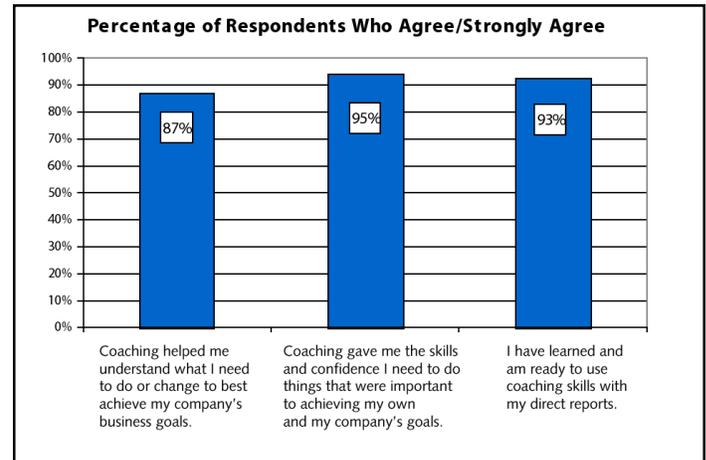
- **The Coaching.com intervention produced significant business and economic impact.** Both the survey data and the in-depth interviews provided ample evidence that this intervention produced, and will continue to produce, significant impact. Specifically, the investigators found abundant evidence that this intervention contributed directly to the following KRAs:
  - top-performing staff had been retained.
  - a positive work environment had been created.
  - revenue had been increased by moving formerly average performers to a point at which they were exceeding their plans. A revenue increase may be too much to expect, given the company's year-to-date revenue levels. However, this conclusion is not about the company's revenue but about the way in which the coaching intervention helped managers work more effectively with targeted individuals. The more accurate question would be; "How much farther below plan might the company be if the coaching initiative had not been in place?"
  - erosion in customer-based revenues and customer satisfaction was reduced due to the ability to fully staff territories more quickly when vacancies occur.

Figure #4



- **The intervention will have long-lasting impact on the client organization's people and business.** Ninety-two percent of all the survey respondents indicated that they had learned coaching techniques they are now using with their direct reports; Figure 5 shows the results. Thus the impact has had a cascading effect in the organization. A coaching approach is a powerful way to develop a highly accountable, empowered workforce that is quick to respond to opportunities that provide high levels of customer satisfaction. A consulting approach is typically driven from the top and is slow and not very responsive to customers. In this intervention, participants experienced the power of the coaching process and found themselves receiving great benefits. It proved so beneficial that participants are willing to use the process with their reports. The long-term impact will be significant.

Figure #5



- **Some participants were confused about whether they were working with a coach or a consultant.** At the beginning of the process, many participants wanted the Coaching.com coach to tell them what to do in response to a specific need. Initially, the refusal of the coaches to do this frustrated some participants, but most discovered that the coaching process was about *their* discovery of solutions. They appreciated that the coaches stuck with the coaching approach because they felt as if they ended up owning the actions and were excited to see how they played out.
- **The process did not have a clear exit strategy.** Many participants were uncertain about the next steps, if any, that would follow their 10 coaching sessions. Most participants suggested that they would like to have three to five more coaching sessions that they could schedule as needed over the next six to 12 months. Managers suggested that it would be helpful if they could have 20 to 40 coaching sessions that they could make available to their direct reports on an as-needed basis. This feedback indicates that participants found great value in this process and wanted to have more sessions, but to be used as they determined.
- **Participants wanted more control over the scheduling of their sessions.** A significant number of participants thought they needed to have a coaching session each week for 10 weeks. After the third or fourth session, many would have liked to schedule their next sessions based on need or have more time to take the actions they had planned in their most recent sessions.

- **Sponsorship of this initiative at the executive level of leadership in the organization made the business impact more likely.** The level of engagement of senior leaders in this coaching process was highly effective, contributing significantly to its success. Individuals talked about how engaged their leaders had been in this process and how often they had been asked about progress and how it was helping the business. These messages from management made the coaching intervention visible, important, and worth investing with time and energy. This also led to a significant level of internal discussion among participants about their coaching experiences and the process. This further reinforced the value of the intervention.
- **The timing of this intervention contributed to the high level of business impact.** The coaching intervention taking place during a time of changing organizational structure, reporting relationships, and sales processes increased the business impact. The client organization's staff members asked hard questions about their commitment to the client organization; whether they would fit into the new structure, roles, and processes; and what level of feedback they should direct toward the organization if they felt the changes were unfair or inappropriate. Having a third-party coach available during this time helped many individuals work through these issues and move through the organizational changes with greater commitment to the client organization, to their work, and to their managers and direct reports. Specifically, participants said they were able to discuss some of these tough issues with their managers. Some managers were able to use transferred coaching skills to effectively coach direct reports who were considering leaving the client organization. Several participants found their personal commitment to the client organization changed for the better.
- **Participant openness to the coaching process made a decided difference in the personal and business impact that was achieved.** Participants who reported the highest levels of personal and business impact were excited by the coaching opportunity. In fact, a number of those interviewed indicated that they had considered engaging a personal coach or mentor before this coaching initiative was announced. They perceived the client organization's commitment to this process as very positive and were anxious to get started. The three respondents who reported little business impact perceived the process as a time for them to meet with a "shrink" because they were not performing well and needed help. Thus, these three individuals were unable to take full advantage of the coaching process.
- **Significant business and personal alignment among individuals and within teams occurred as a result of the coaching intervention.** Individuals frequently reported that they used their coaches to help them improve less-than-ideal working relationships with their managers or with one or more of their direct reports. Many commented that the use of the Impact Maps, especially with their direct reports, brought greater alignment on critical business issues. Others found themselves talking and working with their managers much more effectively. In these cases, their coaches had helped them develop approaches and strategies to bring about the desired change. In one situation, a manager used his coach's support to help two employees whose competitiveness was causing their team to function poorly. Both employees are now working effectively together and exceeding their individual plans.
- **This intervention demonstrates how people and performance can be positively changed using a process and not an event.** When a performance improvement intervention is spread over time and built into the job—as this intervention was—very positive results can be expected. Had this been one intensive 10-hour experience, the impact would have been only a small fraction of what was produced. The coaching process allowed participants to work on new behaviors over time, create shifts in perspective that otherwise might not have occurred in the classroom in two days, and integrate their coaching into their jobs rather than just learning about coaching. The client organization and Coaching.com used a powerful process that produced significant business value.
- **A neutral third-party coach proved valuable at several levels.** Participants described how they talked with their coaches about issues that they had had difficulty raising with their managers or direct reports, and ended with plans, strategies, and options as how to bring attention to those difficult issues.

When third-party coaches begin working in organizations, there is often a concern that this process might drive a wedge between people being coached and their managers. This evaluation proved the opposite to be true. Instead of separating the manager and direct report, it served to bring them together, helped them to become aligned with key business goals, and brought about more effective working relationships.

The third-party coach also provided a safe haven in which to try new ideas and approaches, build confidence, create strategies for raising concerns and problems, and bring clarity and gather support among staff. Because the coach was not connected to the client organization, the participants were confident that there was no underlying agenda on the coach's part. They saw their time with their coaches as a "free discussion zone." The coaches are trained to not allow "gripe" or "victim" sessions, but to focus on personal accountability and action.

## Closing Thoughts

The vision of Blanchard Coaching Services is to democratize coaching in organizations, using the best technologies offered today. After years of working with individuals, the company suspected that coaching would improve the bottom line if delivered on a large scale in organizations. Now there is proof.

Although it wasn't relevant to coaching objectives, the client organization went through a reduction in workforce and a reorganization in the middle of the coaching initiative. The anecdotal evidence that coaching provided relief for those participants undergoing inordinate stress is abundant. One evening the sponsor called and used the term "divine intervention" about the serendipitous fact that 14 Coaching.com coaches were serving his organization at the time. The experience for the coaches was profoundly moving.

## Questions for Discussion

1. If you had a chance to recreate the coaching initiative outlined—with the same objectives—what would you change in the original design?
2. How was the sudden reduction in workforce and reorganization a factor in the success of the coaching?
3. In your estimation, was the assessment of economic impact fair?
4. How might the economic impact have been measured differently?
5. Why did coaching make such a positive impact?

## About the Authors

**Madeleine Homan**, chief coaching officer of Blanchard Coaching Services and founder of Coaching.com, was the head coach on this project. With more than 12 years of coaching experience, Ms. Homan was an original advisory board member and senior trainer at Coach University and recently served as the vice president for professional development for the International Coach Federation, of which she is a founding board member and from which she earned the master certified coach designation. She has designed and led several coaching programs for international organizations, including PictureTel, Credit Suisse, and Forrester Research. She was the head coach and program manager for a coaching initiative at a New York investment bank, which rolled out coaching to support a new competency-based performance system to 2,100 employees worldwide. Homan's responsibilities at Blanchard Coaching Services include designing coaching initiatives, content, and process development; and overseeing staffing, training, and the development of coaches. She can be reached at [MadeleineH@coaching.com](mailto:MadeleineH@coaching.com).

**Linda Miller** was vice president of coaching services at Coaching.com, and was the senior coach on this project. She currently works with Blanchard Coaching Services in the position of director of coaching services. Since her introduction to coaching in 1995, Miller has focused on the launch and expansion of coaching within the corporate arena. In 1997, Corporate Coach U hired Miller to serve as director of training, where she was responsible for overseeing 200 certified coaches and for all on-site training. Since joining the Coaching.com team in 2000, Miller has been responsible for the development of coaching infrastructure, the deployment of coaches, and overseeing implementation of all major client initiatives. Miller has coached and trained corporate leaders and their teams, including Allied Signal, Boeing, Deloitte and Touche, Delta Faucet, Duke Energy, and US West. Miller is a founding recipient of the master certified coach designation from the International Coach Federation and is a member of the National Speakers Association. She can be reached at [LindaM@coaching.com](mailto:LindaM@coaching.com).

Scott Blanchard was CEO and founder of Coaching.com and the lead consultant for this project. Blanchard currently serves as vice president and client delivery director of The Ken Blanchard Companies. He is an experienced business consultant, trainer, and speaker. Prior to the creation of Coaching.com, he helped manage large training initiatives in the financial services, automotive, software, telecommunications, retail, and service industries. Scott holds a master's degree in organization development from American University. He can be reached at [ScottB@coaching.com](mailto:ScottB@coaching.com).

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