

Dynamics of Internal Corporate Coaching Survey Report

Presented by Renee Robertson, PCC, Paul Higuchi, Karen Huff

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Introduction

In August 2004 this survey was conducted to gain insight on the impact of Internal Corporate Coaching in today's high performing organizations.

The survey instrument was developed by Renee Robertson, PCC, Paul Higuchi, and Karen Huff, and was conducted using the Zoomerang survey tool. ICF's Council of Internal Corporate Programs (CICP) and others with coaching expertise provided valuable insight and recommendations for the instrument: Carolyn Matherson, Florence Plessier, Lisa Birmingham, Beverly Wright, Nancy Philabaum, Meryl Moritz, Jane Cresswell, and Richard Zackon.

The survey was sent to approximately 80 Internal Coaches representing 30 companies in our CICP Networking database. An email that included the survey link to the Dynamics of Internal Coaching survey was sent to these coaches. Of these, 55 coaches responded, yielding a strong response rate of 69%. The individual survey responses were confidential.

Learning Objectives

Coaching is thriving as a strategic initiative to drive business results in many organizations. This study focused on the crucial elements that led to the development of successful Internal Coaching programs. The data quantified key metrics, issues and future trends to sharpen our understanding of this emerging Coaching profession.

Survey Outline

The survey had 34 coaching questions and 2 contact information questions. The survey was divided into these sections:

Company Identification

Coach Selection Criteria

Coach Positioning and Compensation

Coach Program Processes

Coach Issues

Coach Best Practices

The report will recap the top responses by section to each question. A summary of the key findings will be presented at the end of each section.

Company Identification

Determines where internal coaches are commonly employed today:

Q1. 28% of the coaches work in Technical/Computer Services industry; 20% work in the Manufacturing industry, and 11% work in the Telecommunications industry.

Q2. Nearly half, 49%, of the coaches work for large corporations with 75,000+ employees and 38% work for smaller companies with less than 10,000 employees.

Q3. **Nine** out of **ten** internal coaches work for companies whose corporate headquarters are located in the USA. Of those 56% are based in the US Eastern time zone, followed by 26% in the US Central time zone.

Q4. The annual revenue of respondents' companies was \$25 billion range 49%, and 25% were in the \$500 million range. Twelve percent were in the \$10 billion range.

Key Findings: Internal coaches are most commonly found in the high tech and manufacturing industries. The majority work for large companies with revenues in the \$25 billion range, with large staffs of 75,000 employees. Majority of the coaches work for companies with headquarters in the United States, and about 10% work for internationally based companies.

Internal Coach Selection Criteria

Examines the factors that companies use to select highly qualified internal coaches:

Q5. 61% of the companies have one to five full-time internal coaches on company payroll. 22% have a staff of six to ten coaches. 12% have larger coaching staffs of over 25 coaches.

Q6. In addition to coaching, **83%** of coaches are responsible for Leadership Development, 63% Organizational Development, 61% Training and 35% Succession/Workforce Planning.

Q7. Forty-six percent of companies require 1-3 years of coaching experience, and 42% require less than one year of coaching experience.

Q8. To coach senior level executives (those making over \$100,000 annually), 55% of companies require 1-3 years of coaching experience, and 19% require less than one year of coaching experience.

Q9. Education levels required for internal coaches are Bachelor's degree 46%, Masters of Business Administration 17% and Masters of Science 15%.

Q10. Fifty-eight percent of companies do not require graduation from an ICF accredited Coach training program and forty-two percent do require it.

Q11. Majority of companies, **88%**, do not require ICF certification (ACC, PCC, MCC) for internal coaches.

Q12. Key behavioral capabilities used to select internal coaches are: **81%** Deep listening skills, **80%** Ability to ask pertinent questions, **74%** Models trust and confidentiality, **70%** Models effective relationship building, 61% Culture fit with organization values, 56% Compels clients to take purposeful actions, and 54% Models influence and organizational savvy.

Q13. To evaluate and select internal coaches, 53% conduct in person interviews by Coach Program leader, and 21% conduct phone interviews by Coach Program leader.

Key Findings: Companies typically look at the internal coach's overall management and corporate experience. Most look for impressive professionals with less than one year of coaching experience. Graduation from an accredited Coach training program and ICF certification are not generally required at this time. An undergraduate degree is the most common education requirement in 46% of represented companies, while over a third does require graduate degrees. In person interviews by the Coach program leader is the leading method to select new internal coaches. Key behaviors in the selection process are deep listening skills, ability to ask great questions, ability to model trust and confidentiality, and ability to model effective relationship building.

Coach Positioning and Compensation

Discovers where Internal Coach functions reside, at what common position levels, and compensation ranges:

Q14. 44% of Internal Coach functions reside in Human Resources and 35% reside in a Business Unit in respective companies. 24% reside in the Organizational Development department.

Q15. Close margins: 54% reported their company has job descriptions for Internal Coaches and 46% do not.

Q16. Very close margins: 51% reported their company uses ICF core competencies to identify skills and development areas for Internal Coaches and 49% do not.

Q17. A third of coaches 31% indicated the position level held for Internal Coaches was Consultant; 25% indicated Specialist; 21% indicated Manager and 19% indicated Director.

Q18. 40% of Internal Coaches reported total compensation of \$85,000 to \$100,000; 25% reported \$100,000 to \$115,000; 23% reported \$70,000 to \$85,000.

Key Findings: Important issue is where is the most effective place for Coaching to report to in an organization. 44% report to the Human Resources department and 35% report to a Business Unit department. Half of the respondent companies have job descriptions and use ICF core competencies for their Internal coaching programs and half do not. There was a wide range of positions held by Internal Coaches – 1 out of every 3 coaches described their position at the Consultant level. Of the coaches who responded, 65% reported total compensation at \$85,000 or greater.

Internal Coach Program Processes

Answers key questions about the coaching process, metrics and outcomes:

Q19. The leading business driver that contributed to the establishment of Internal Coaching in companies was Leadership development enhancement **75%**; Executive sponsorship 40%; Critical skill retention 36%; HR/OD initiative for employee engagement 32%; and Succession planning enhancement 30%.

Q20. The primary goals of Internal Coach programs were described as Improve executive behaviors **80%**; Development of high potential employees identified in succession planning 65%; Development of executives to achieve critical business objectives 65% and Team coaching to achieve critical project goals 50%.

Q21. Client employees are matched to Internal Coaches in a variety of methods: 39% of companies had the Coach Program leader assign the client to a coach; 37% reported random matching based on client/coach time availability; 30% stated coaching was provided as follow-up after Leadership development programs.

Q22. 46% of coaches meet with client employees on a bi-weekly basis; 35% meet on a monthly basis; and 19% meet weekly.

Q23. 43% of coaching sessions are a combination in person and telephone; 30% are majority in person and 28% are majority over the phone.

Q24. Company coaching engagements generally last 6 months 42%; 12 months 19%; and 9 months 15%.

Q25. The resources that Internal Coach programs provide are Guidelines to outline the coaching program **74%**; Coaching plans with goals and intended goals and outcomes 67%; Confidentiality agreements 61%; strengths and development areas of client employees 57% and Coaching logs to track client session dates, times and themes 54%.

Q26. The most crucial challenges that Internal coach programs face are Inability to gauge coaching impact on business objectives **72%**; Lack of scalability due to limited resources 49%; and Disconnect from the organization due to lack of executive sponsorship 34%.

Q27. **68%** use Client evaluations completed by individual clients as a metric to determine the effectiveness of internal coaches. Other metrics include Specific coaching results after coaching engagements 47% and Executive sponsorship assessment on value to the business 34%. Only one-fourth use Return on Investment calculations or Client surveys completed by multiple clients.

Q28. 40% rated the executive sponsorship for Internal Coaching in their company as Good; 23% rated it as Fair; and 21% rated it as Excellent.

Q29. 51% rated the effectiveness of the performance of Internal Coaching in their companies as Good; Excellent 25%; and Fair 23%.

Q30. 42% rated the visibility of Internal Coaching in their companies as Good; Fair 25% and Excellent 17%.

Q31. 31% of Coaches rated the annual increase in clients since the inception of Internal Coaching in their company as Over 30%. 21% stated annual client growth as 11-20%; 13% stated annual client growth as 5-10%.

Key Findings: The results tell us that corporations commonly identify their best and brightest and use coaching to turn them into more effective leaders. Coaches improve executive behaviors by pinpointing blind spots, altering management styles, and keeping careers on track. Wide variety of how coaches are matched to clients, how often coaching sessions are held, and the coaching format. Coaching engagements are usually 6-9 months long. Internal coaching programs use written tools like Guidelines, Coaching plans, Confidentiality agreements, Assessments and Coaching logs to set measurable goals, track client progress and tie back to a business benefit. State of internal coaching is mostly Good in areas surveyed, and over a third of coaches reported an annual increase in clients as over 30%.

Coaching Issues

Q32. 53% of the companies that provide Internal Coaching programs are predicted to show growth over the next 12-24 months. 23% predict strong growth and 17% predict to maintain current status.

Q33. About a third of the coaches responded to the question on Coaching Issues to bring forward on this survey. Most common issues listed were:

- Return on Investment metrics to show significant business value
- Management commitment to give support and budget to coaching
- Growth strategies to locate and develop new coaches
- Effective coaching models to establish consistent coaching programs
- How to get the message out on internal coaching

Q34. Over half of the respondents wrote in their company's Best Practices as it relates to Coaching. These are some of the effective ways of doing things that work:

- Strong sponsorship by senior executives to use coaching to develop their field organizations and accelerate business results
- Engagement process that assesses a team or individual's readiness to be coached as well as multiple initial session that set the stage for coaching
- Use of coaching during action learning projects for High Potential Candidates participating in an intensive 17 (month) leadership development program
- Company coach website is very good. It has many resources and a place for each internal coach to put their bio.
- Ability to identify trends and themes and fix business issues
- Assignment of coaches to associates throughout the organization. Performance coaching process documentation
- Internal coaching programme to ICF standards for 48 internal coaches. Measurement of impact
- Coaching workshop for leaders plus 4 months of follow up work

- Team coaching for intact Sales teams
- The 360 process; ability to establish credibility and confidentiality; addition of team coaching and group coaching

Summary

This research has identified these latest trends and developments in the internal coaching profession:

1. USA is leader in Internal Coaching programs.
2. Leadership Development is crucial driver in initiating Internal Coaching in organizations.
3. Companies look for impressive professionals when hiring internal coaches.
4. Key coaching behaviors required are consistent with ICF competencies.
5. Professional Development is important to building credibility for internal coaches.
6. Infrastructure Program work continues to outline coaching policies and processes.
7. Executive Sponsorship is strategic focus to add budget and support for coaching programs.
8. Return on Investment is major challenge to show coaching's impact on business results.
9. Internal Coaches add clients after inception of coaching as employees experience the value.
10. Future Growth predicted by majority of internal coaches in next two years.

We hope that there is continued assessment of internal coaching's impact. We predict process upgrades and changes to track the success of coaching on business goal achievement, more structured feedback, and career development.

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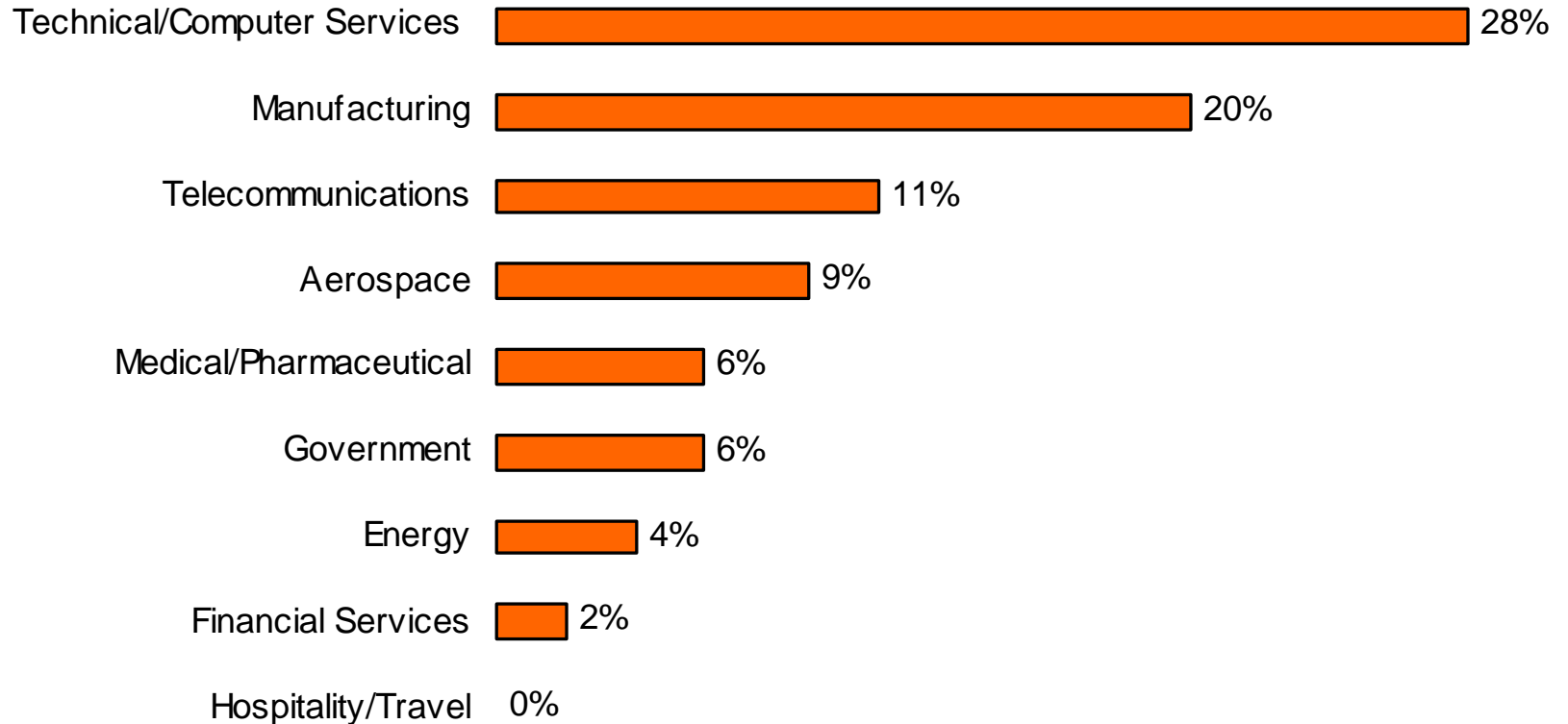
Survey Results by Section

- Company Identification
- Coach Selection Criteria
- Coach Positioning and Compensation
- Coach Program Processes
- Summary – Top Ten Trends

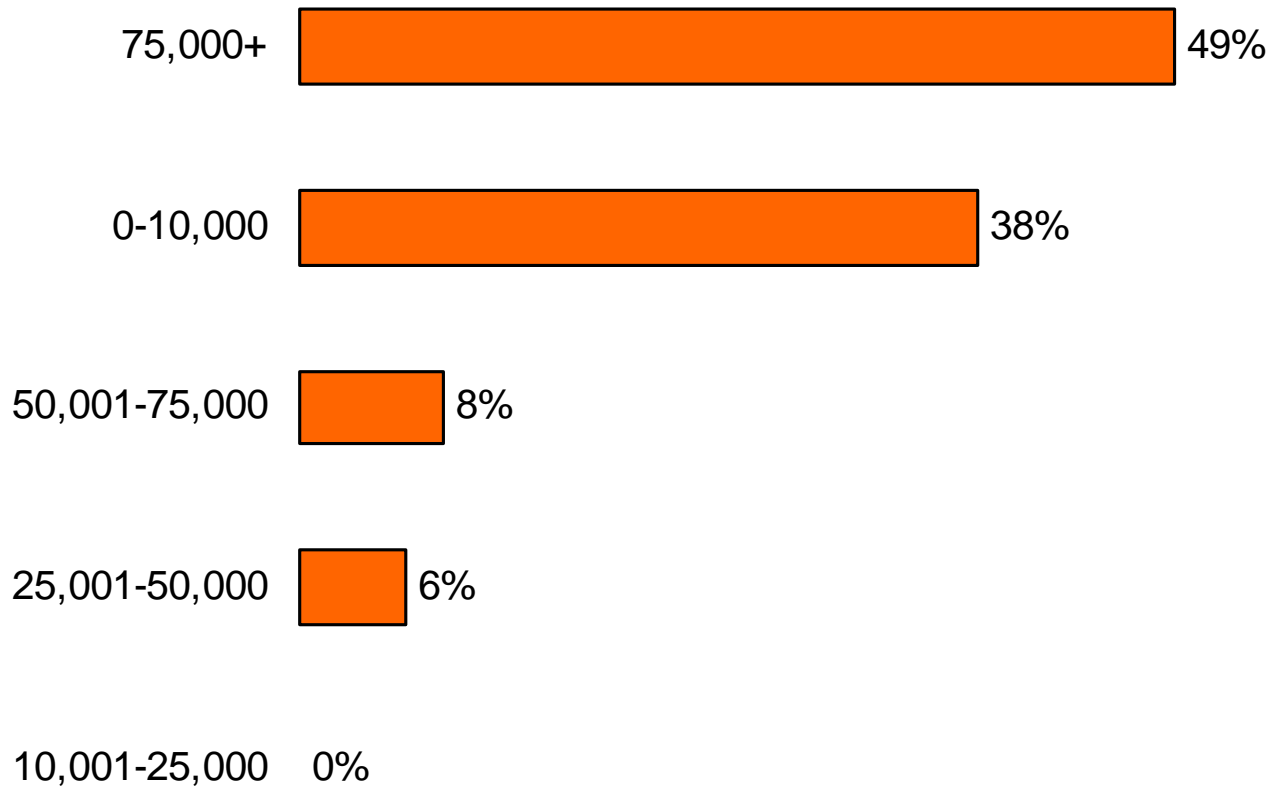
Company Identification

Determines where Internal Coaches are employed today

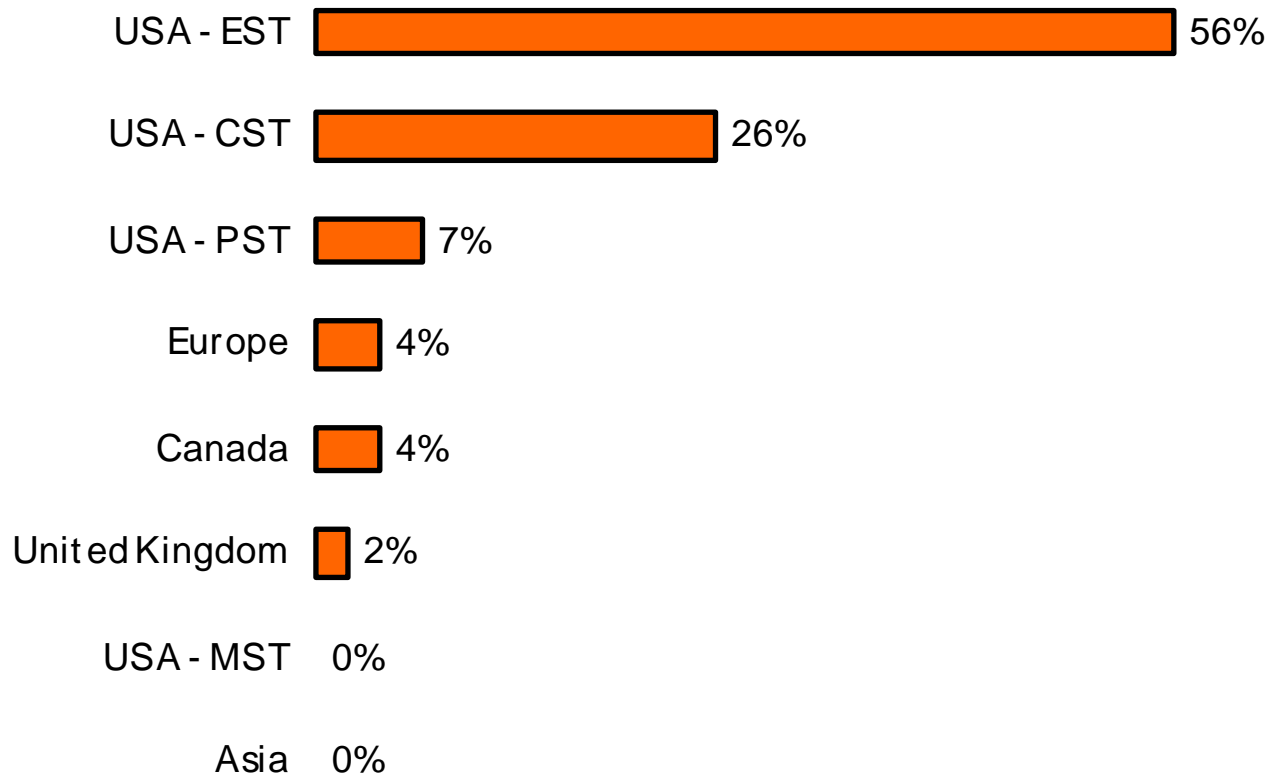
What Industry is your company in?



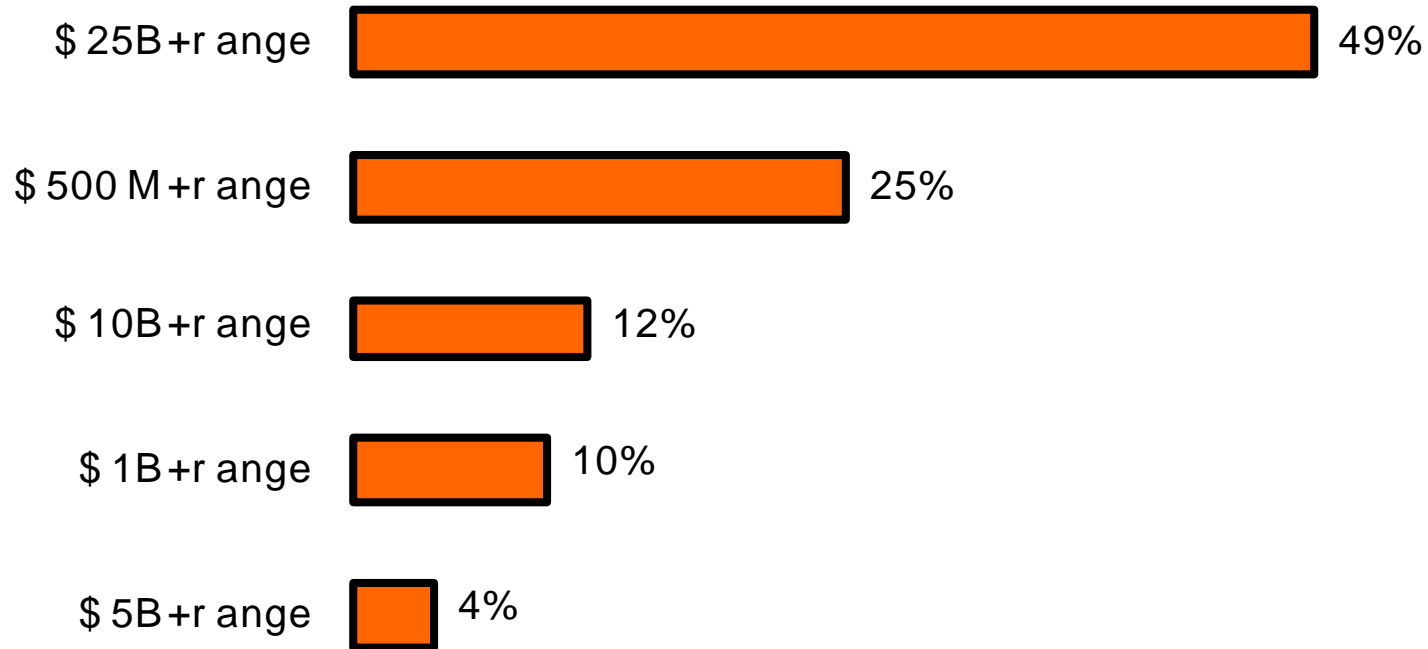
How many employees are in your company?



What is the location of your company headquarters?



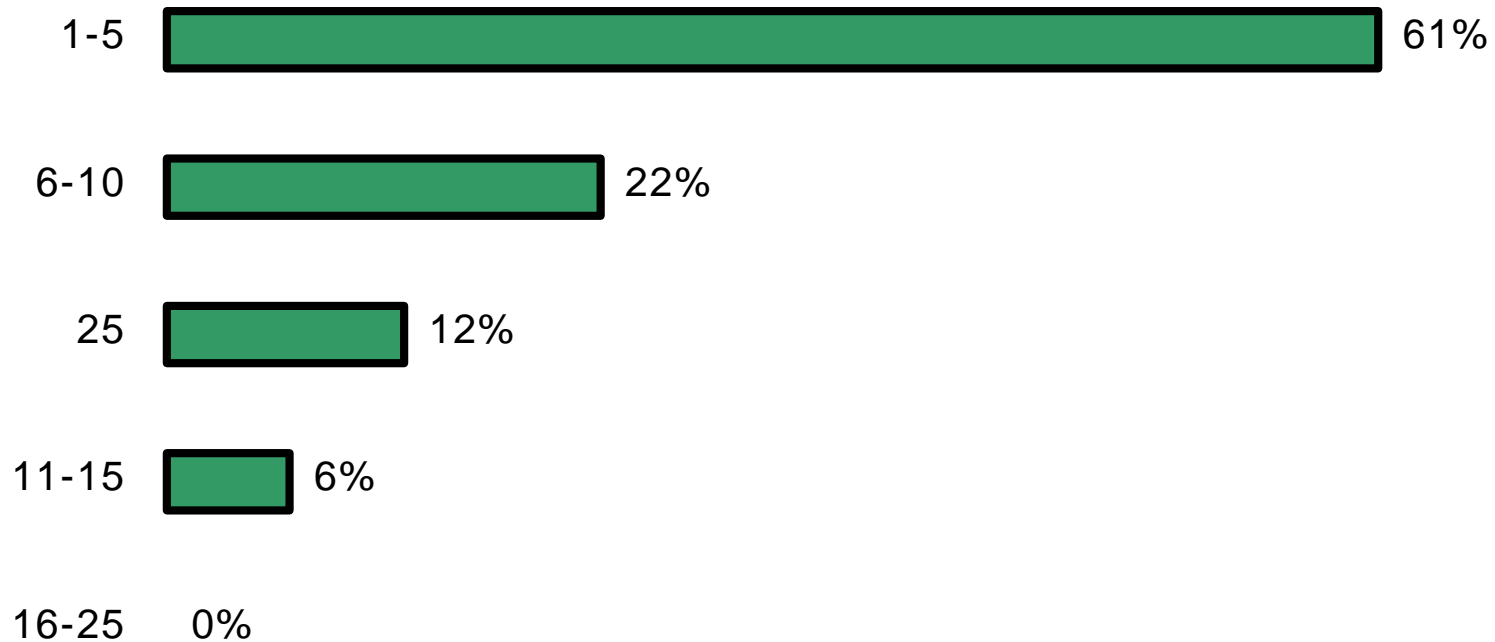
What is the annual revenue of your company?



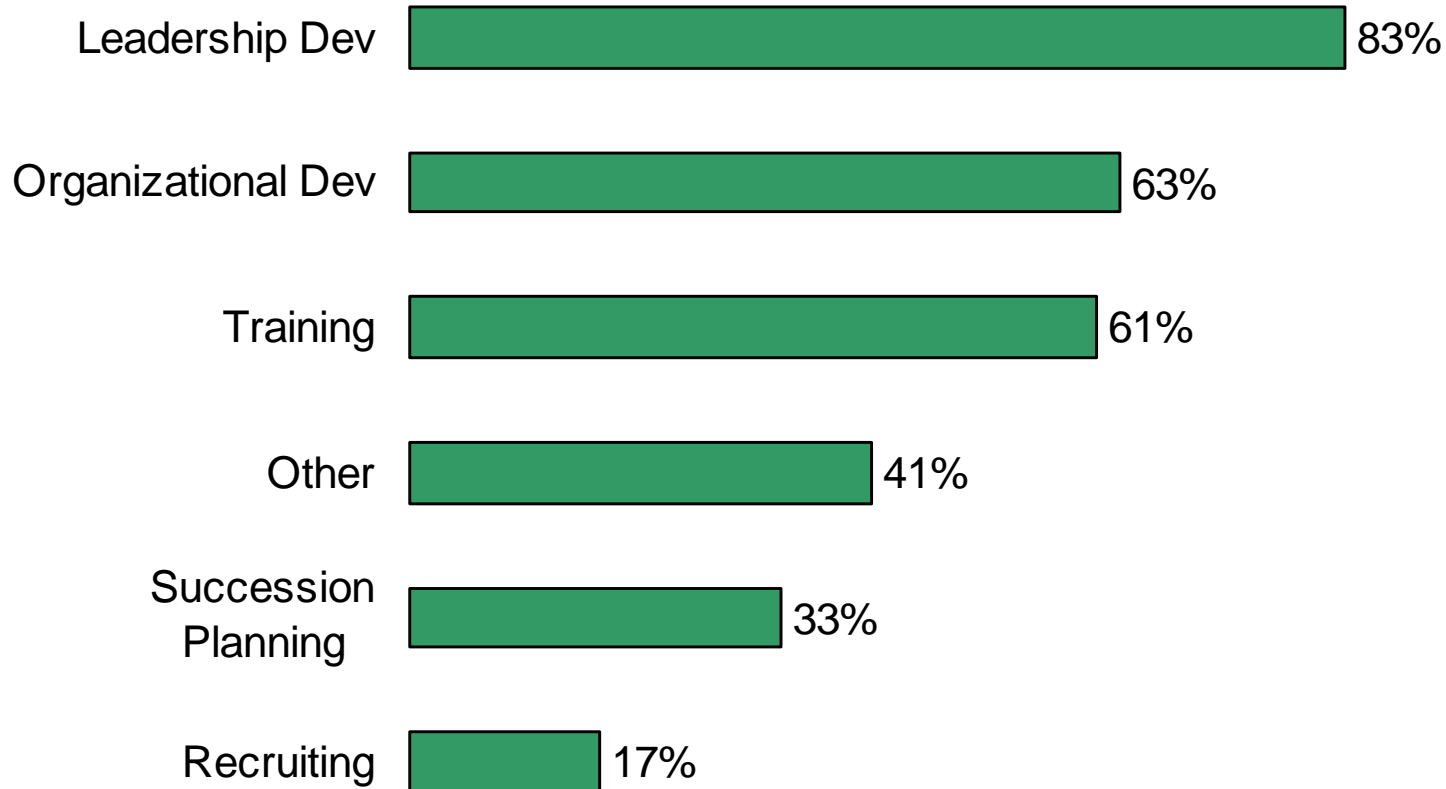
Internal Coach Selection Criteria

Examines the factors that companies use to select highly qualified coaches

How many full-time Internal Coaches on company payroll are employed in your company?



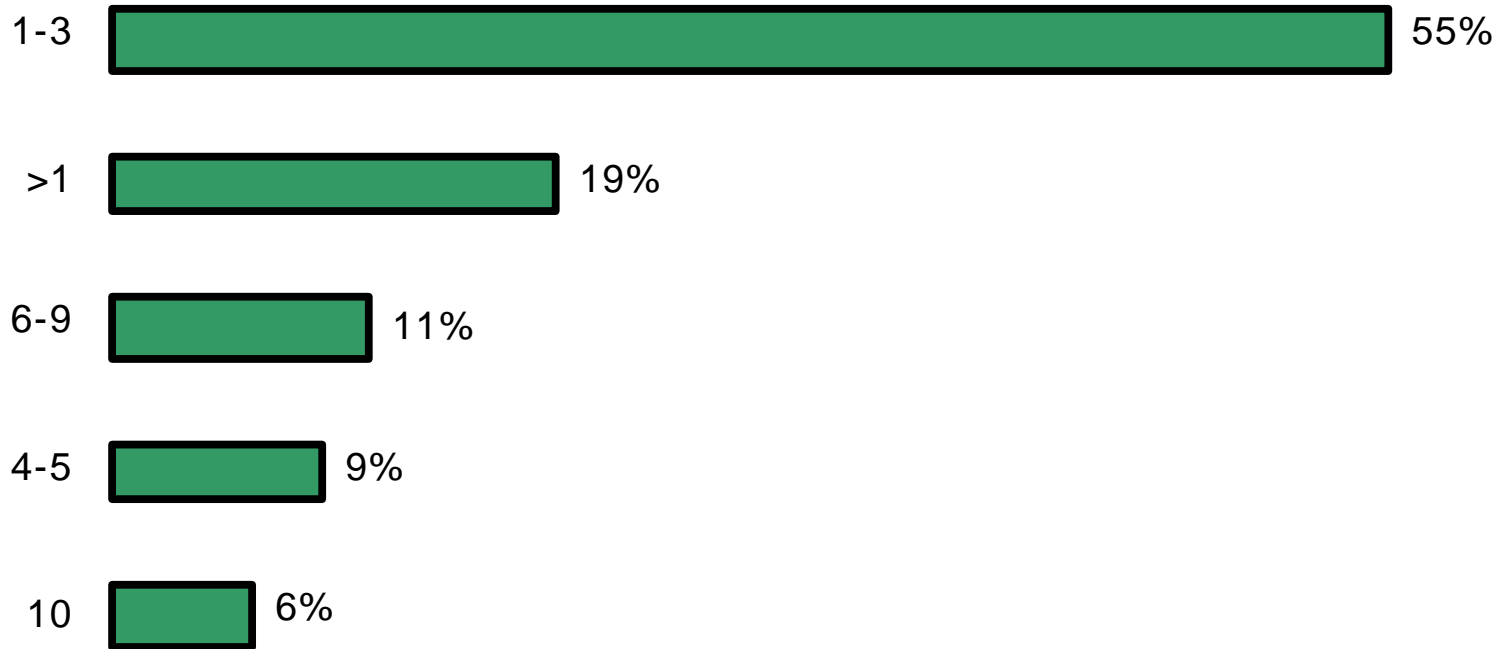
In addition to 1:1 and team coaching, what other job duties are Internal Coaches responsible for?



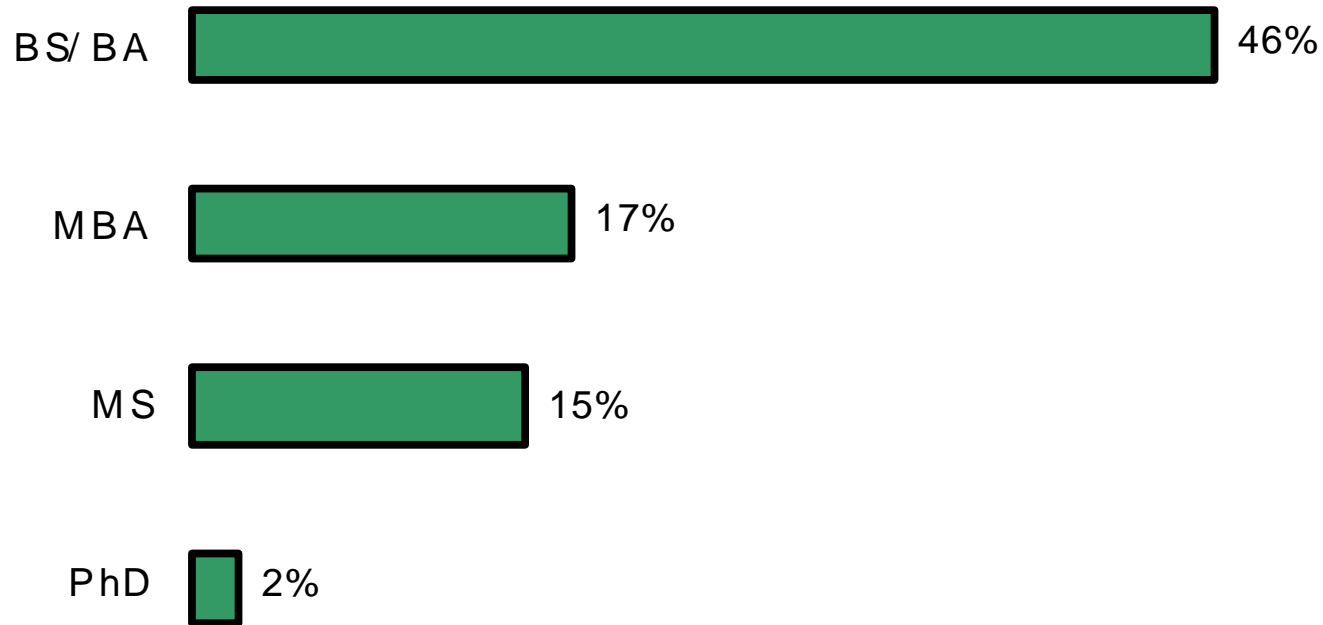
How many years of coaching experience does your company require for Internal Coaches?



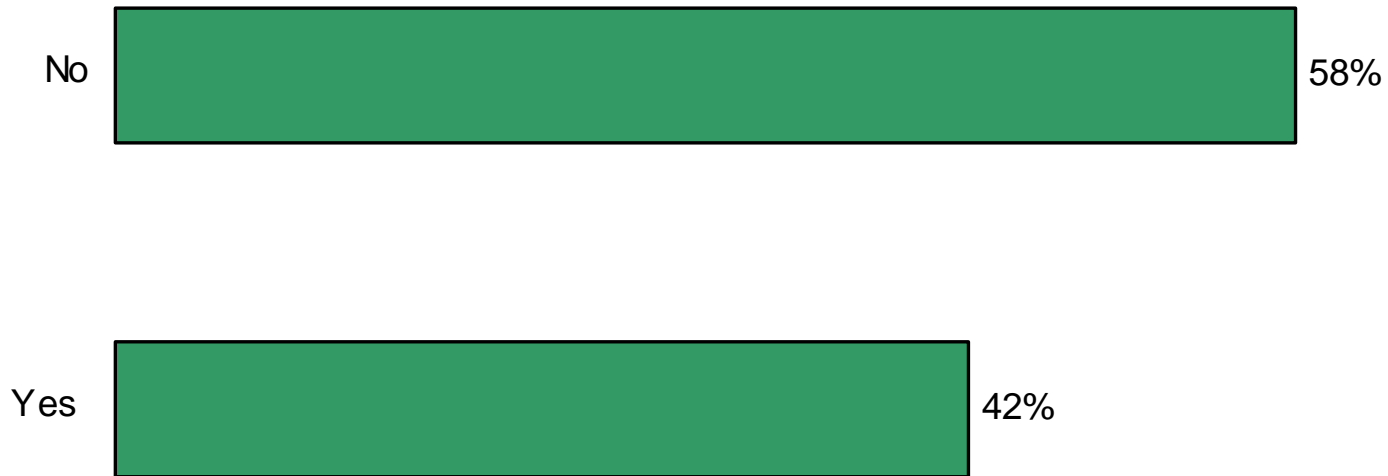
How many years of coaching experience does your co. require for coaching senior level execs?



What education level is required for Internal Coaches in your company?



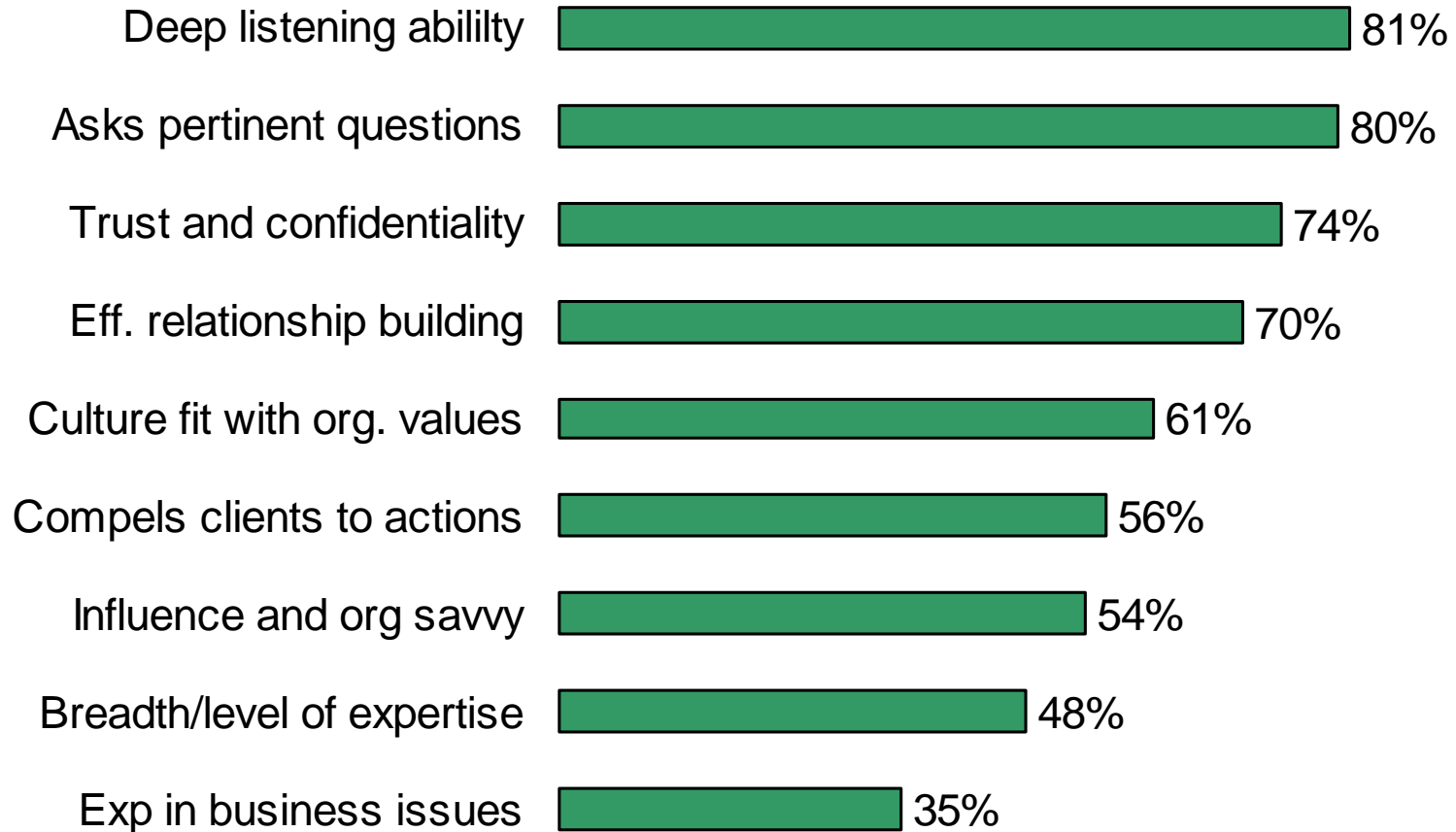
Does your co. require graduation from ICF accredited Coach training for Internal Coaches?



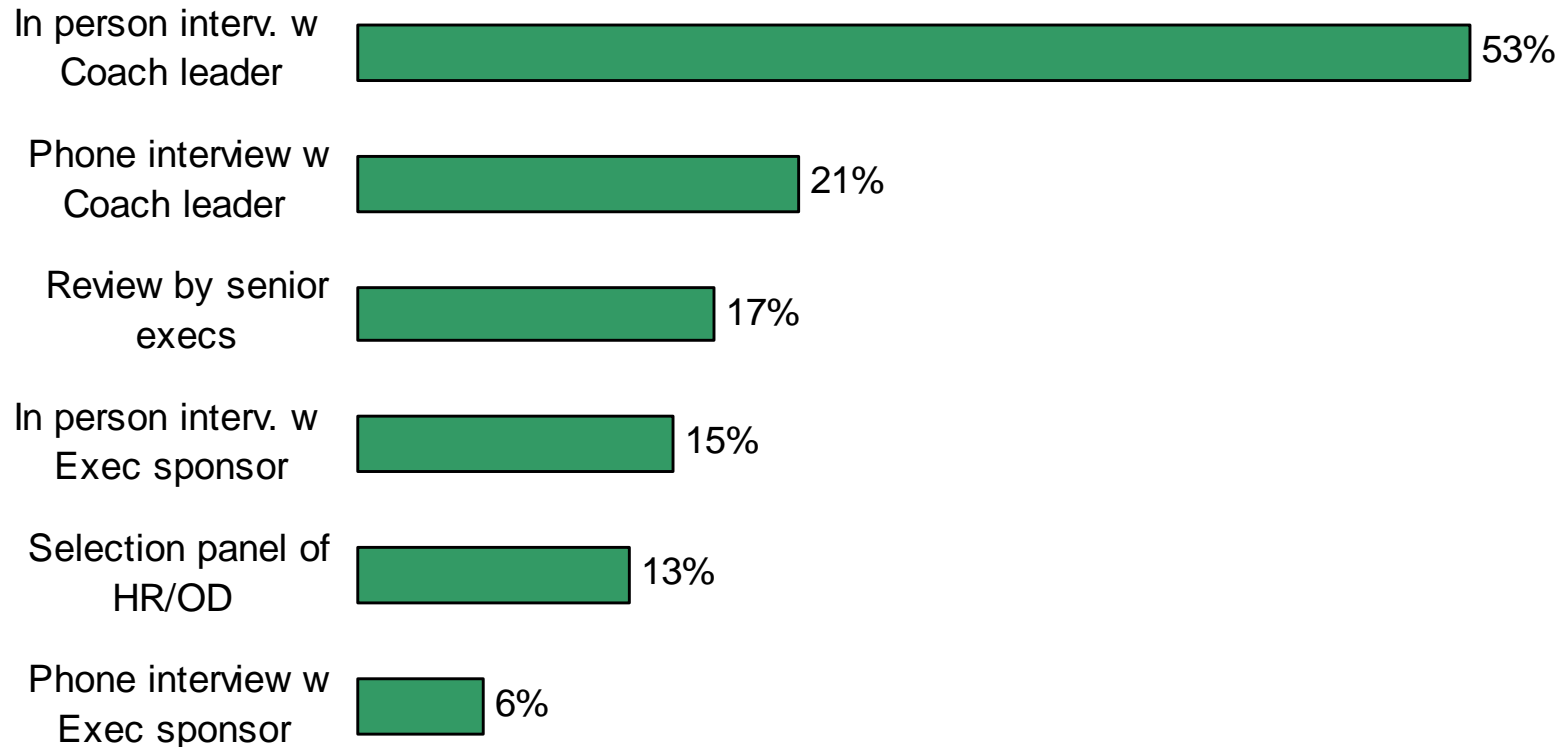
Does your company require ICF certification (ACC, PCC, MCC) for Internal Coaches?



What key behavioral capabilities does your company use to select Internal Coaches?



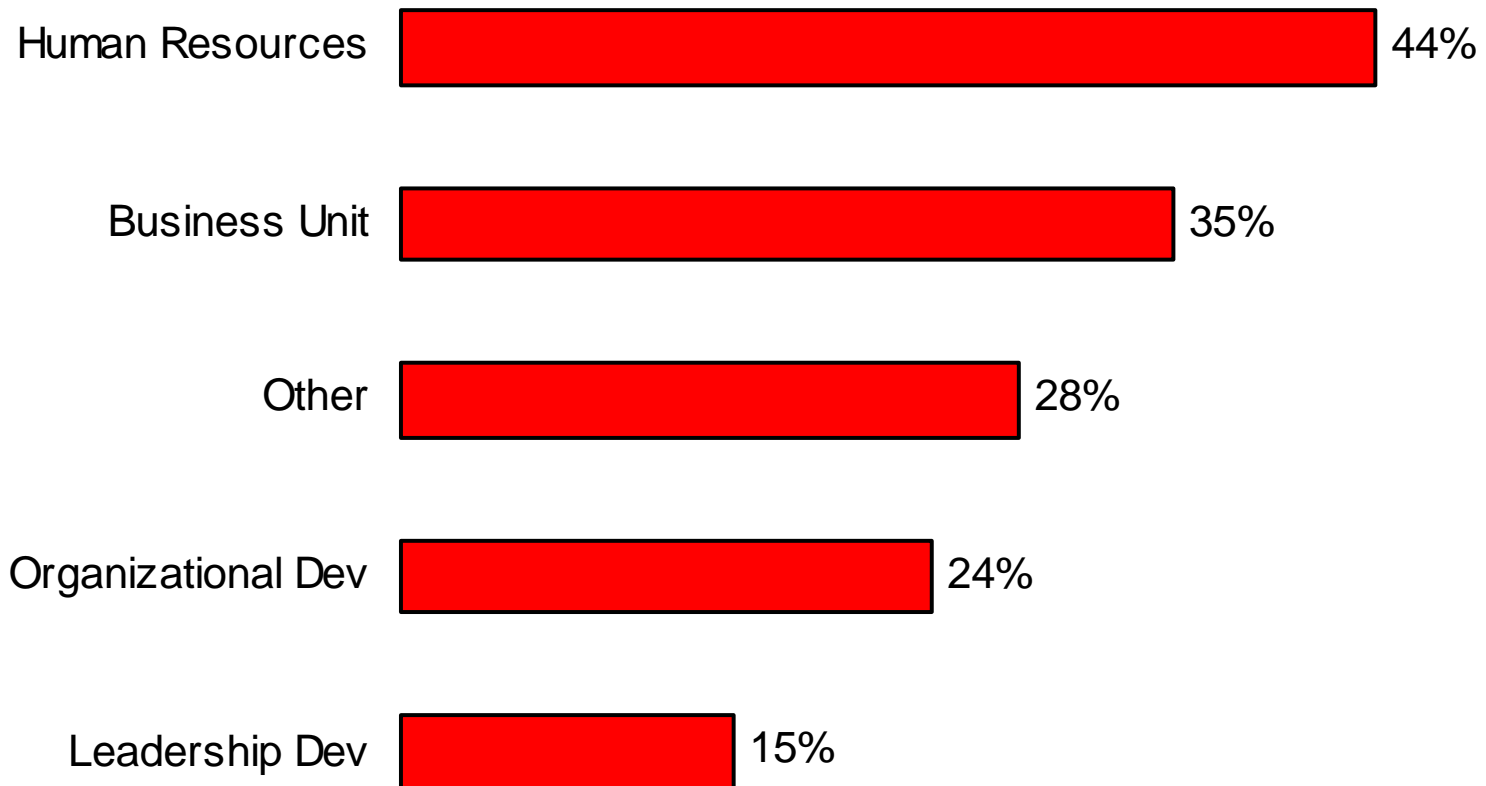
How does your company evaluate and select Internal Coaches?



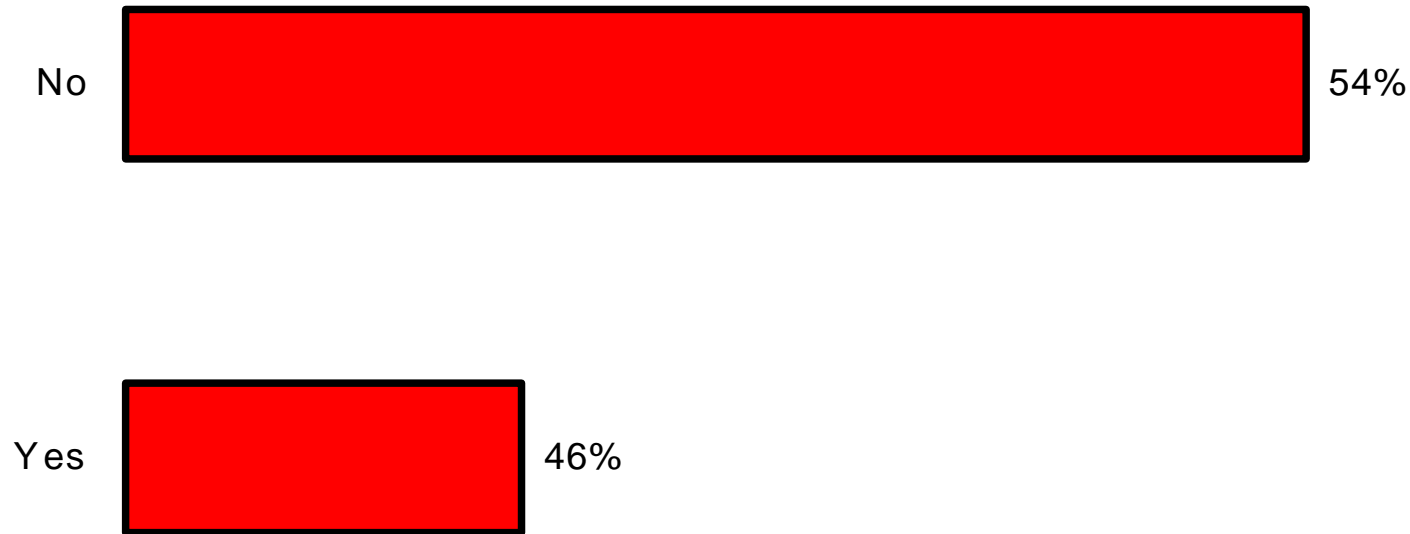
Coaching Positioning and Compensation

Discovers where Internal Coach functions reside, at what common position levels, and compensation ranges

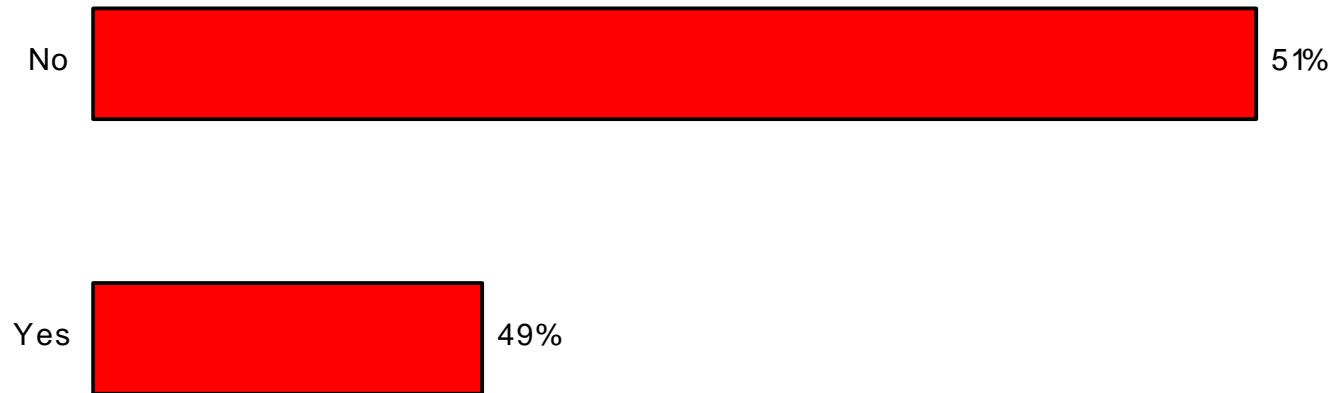
Where does the Internal Coach function reside in your company?



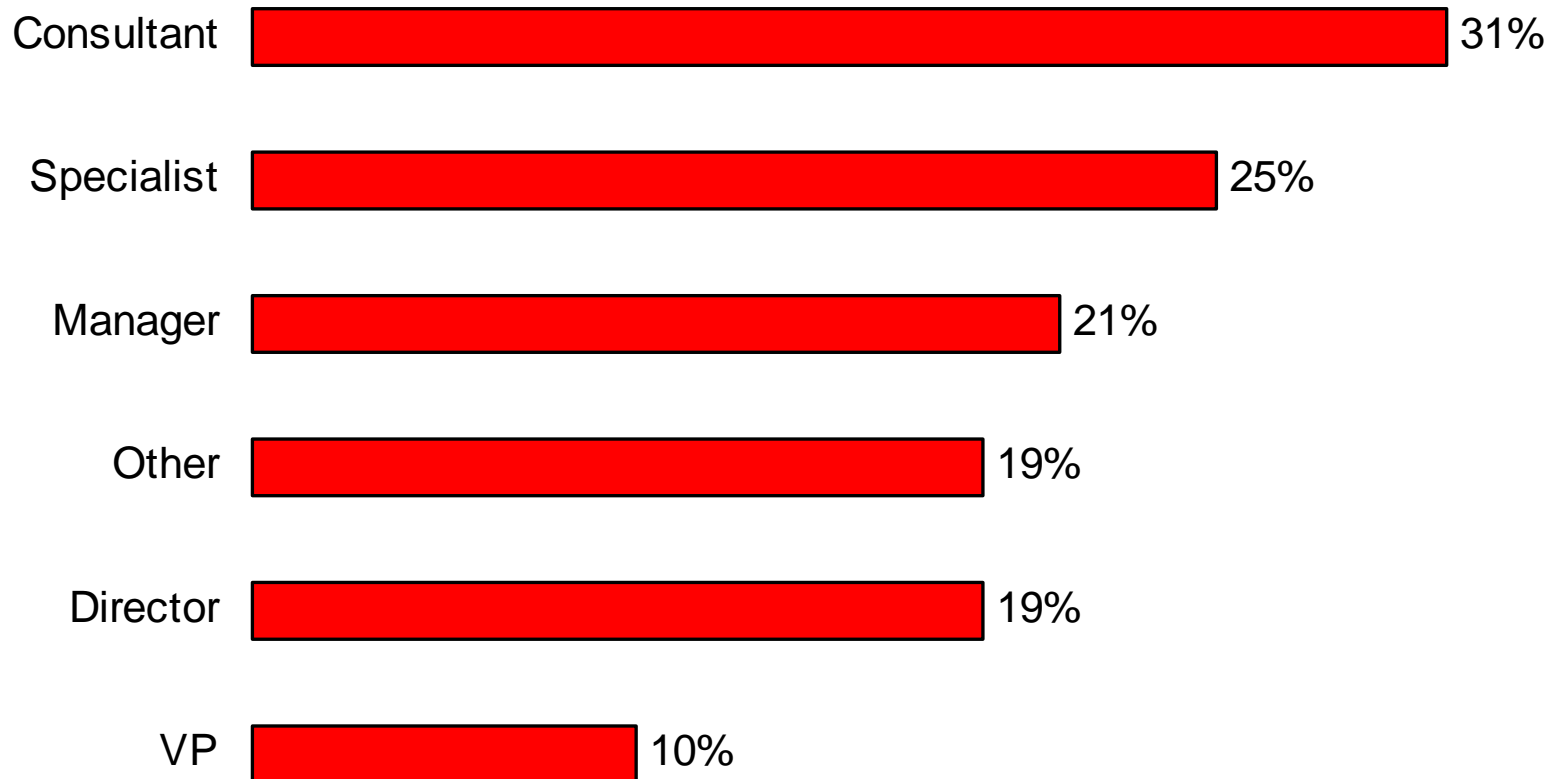
Does your company have job descriptions for Internal Coaches?



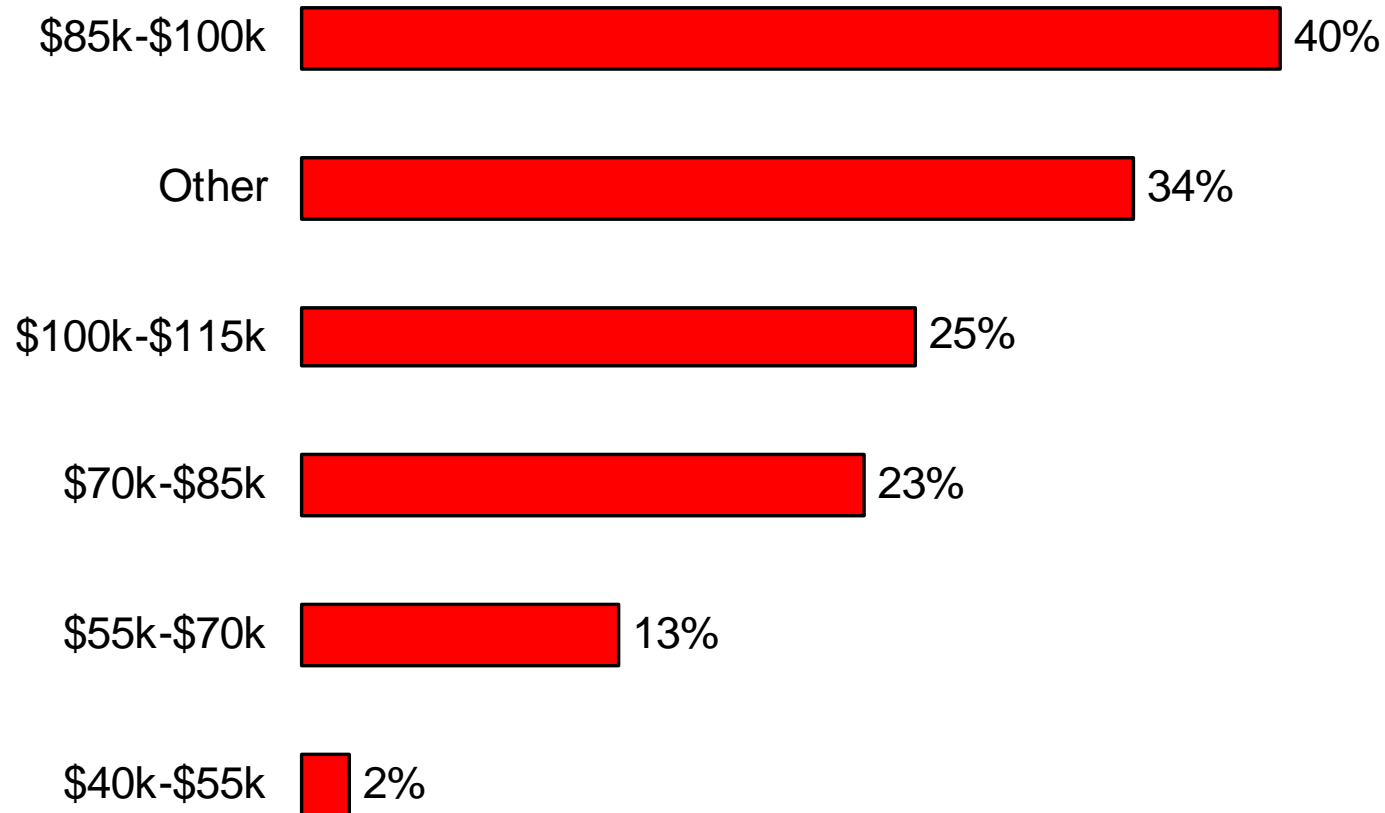
Does your co. use ICF core competencies to identify skills/development for Internal Coaches?



What is the position level for Internal Coaches in your company?



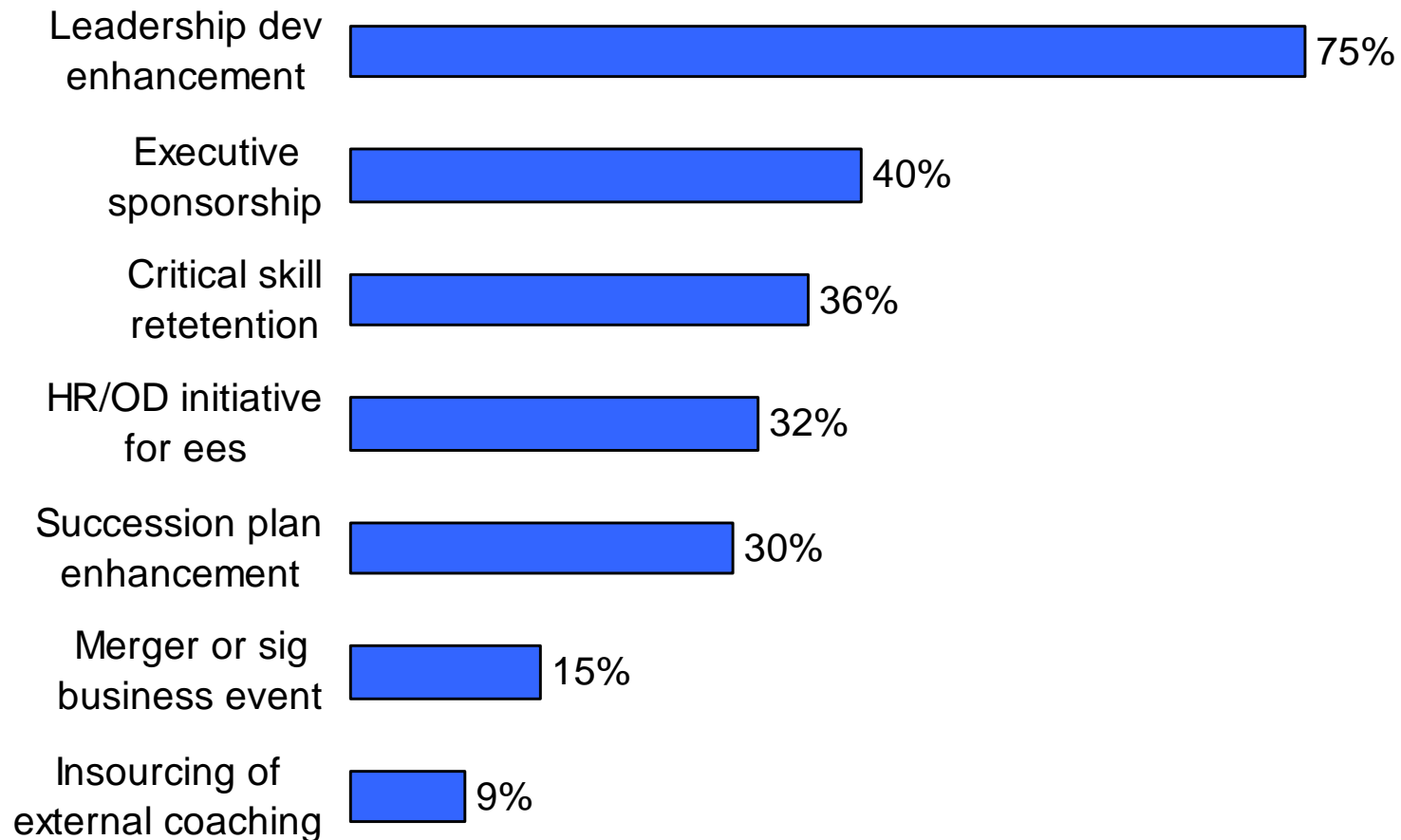
What is the compensation range for Internal Coaches, inc base salary/incentives, in your co?



Internal Coach Program Processes

Answers key questions about the coaching process, metrics, and outcomes

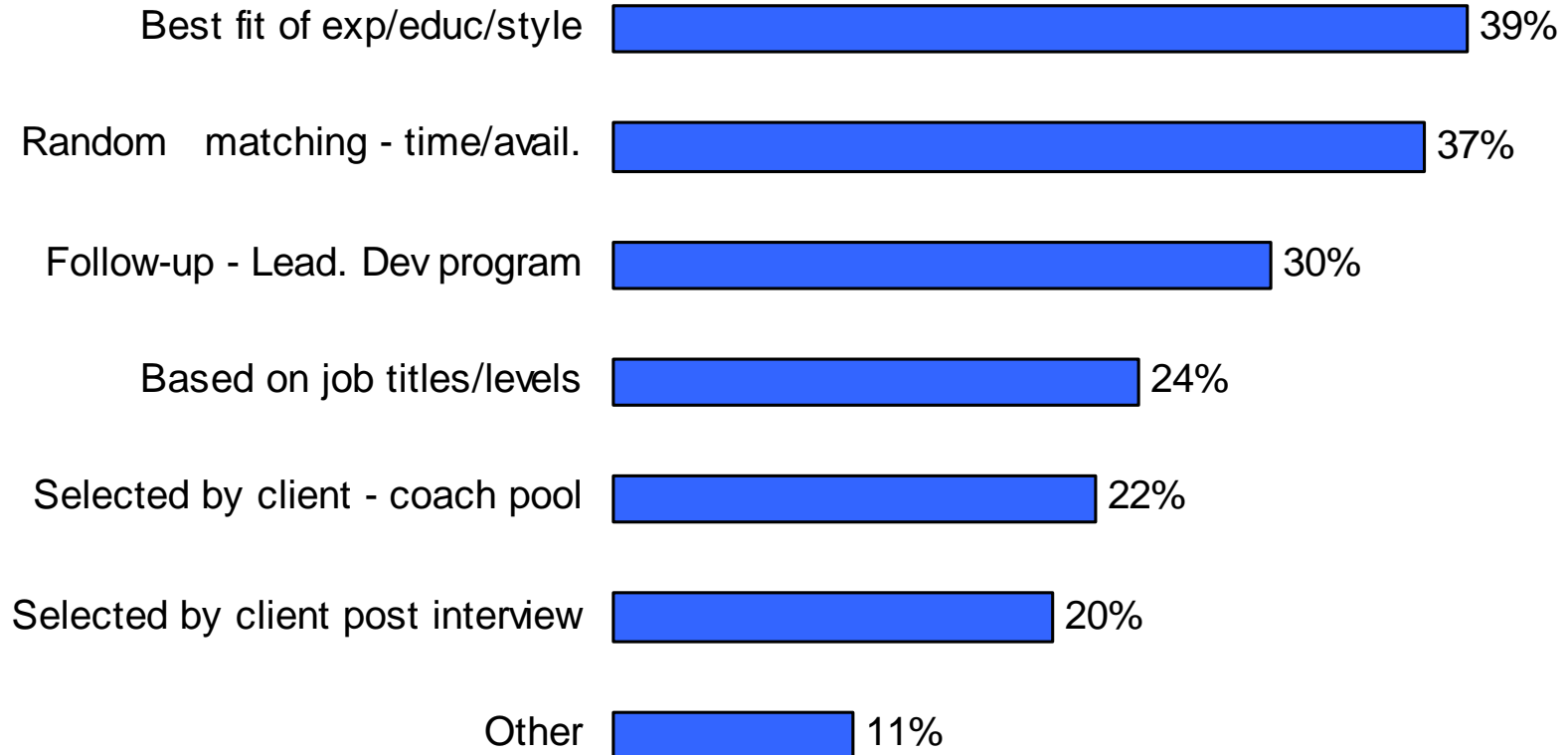
What business drivers established the Internal Coach program in your company?



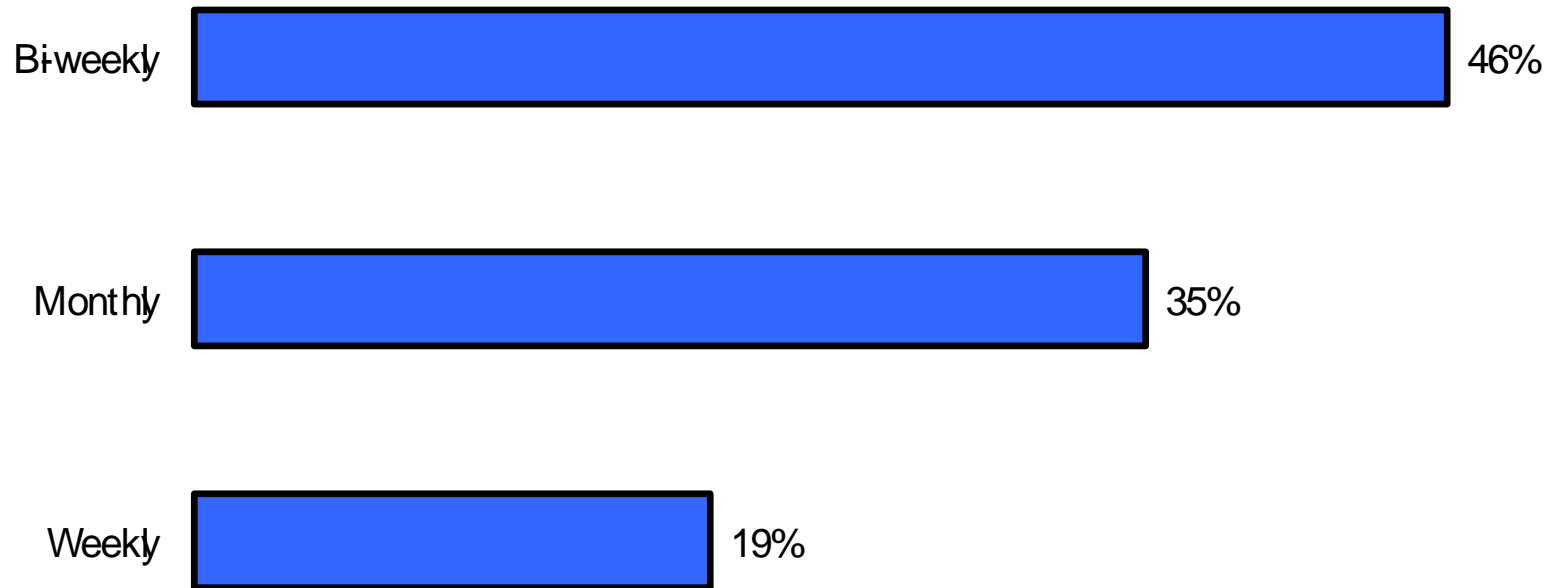
What are the primary goals of your company's Internal Coach program?



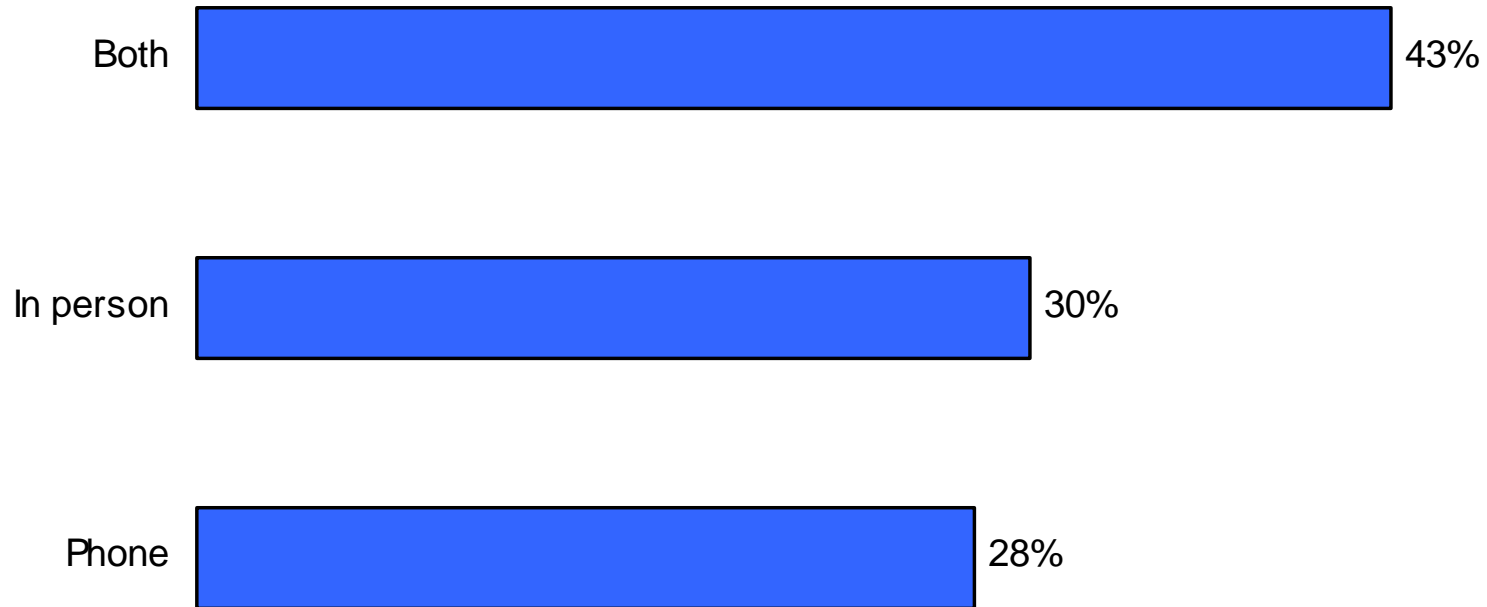
How are client employees matched to Internal Coaches in your company?



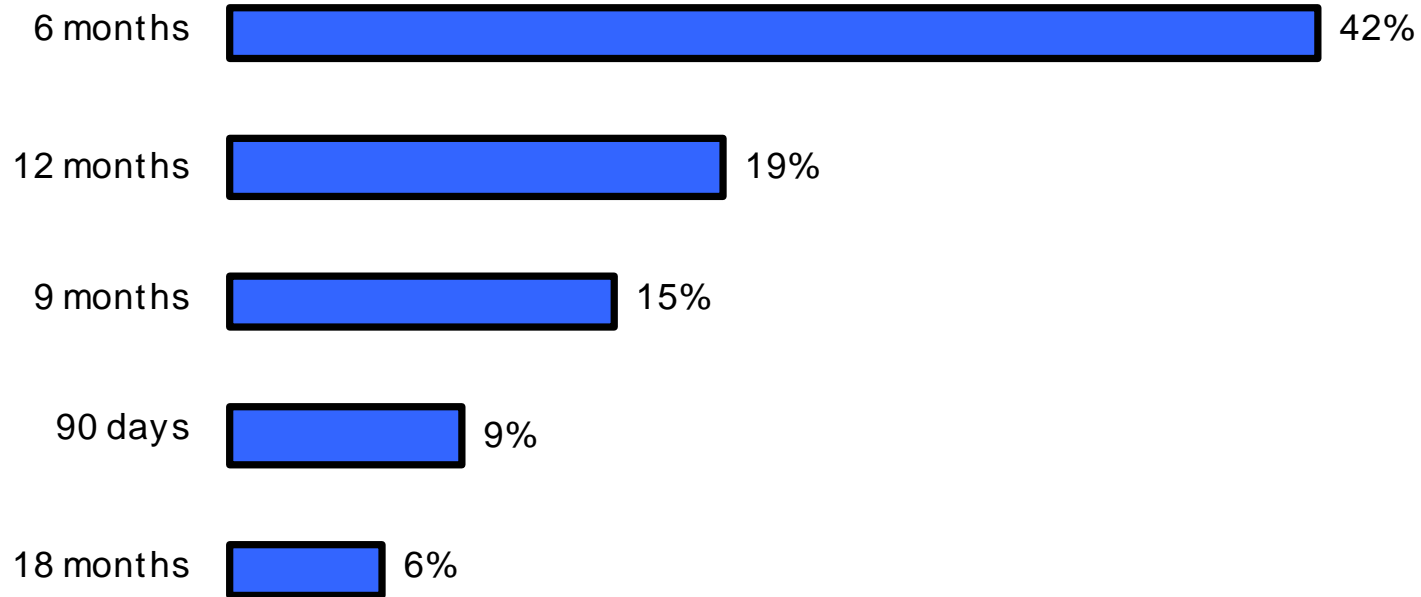
How often do Internal Coaches meet with client employees?



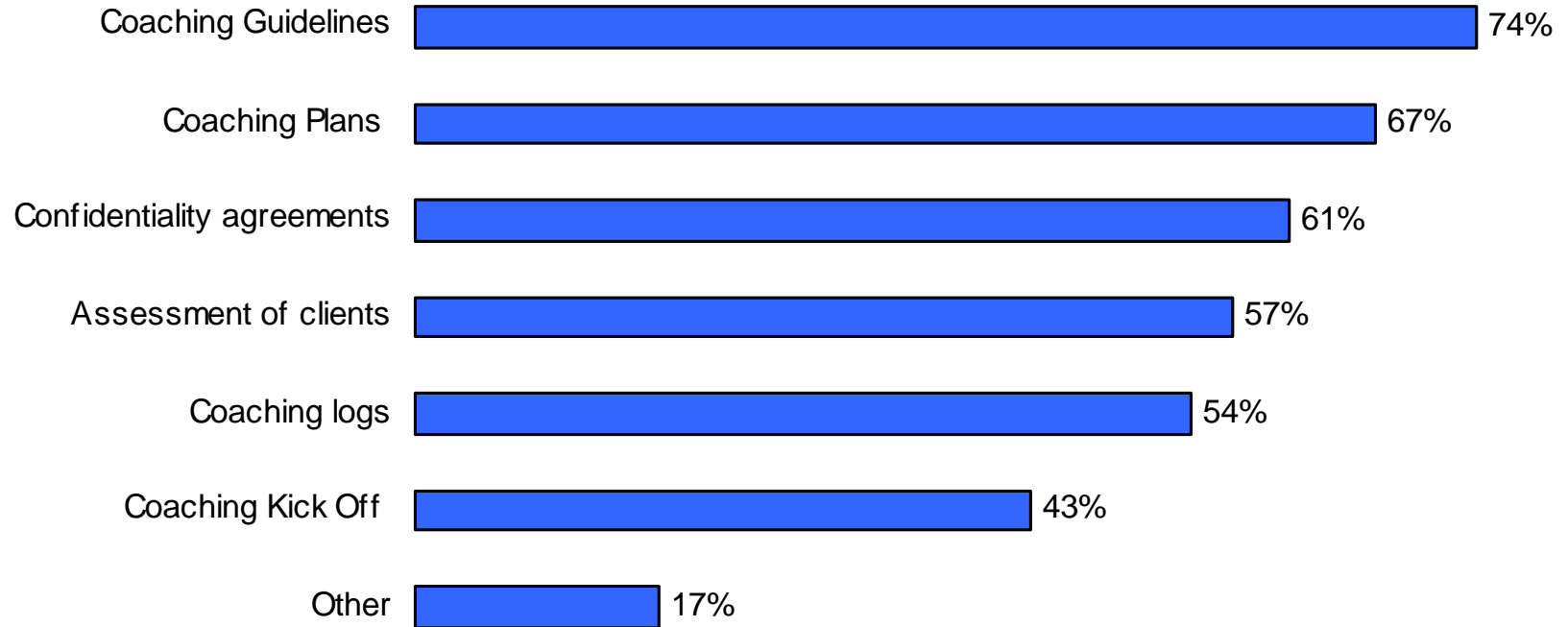
Are majority of coaching sessions in person or over the phone?



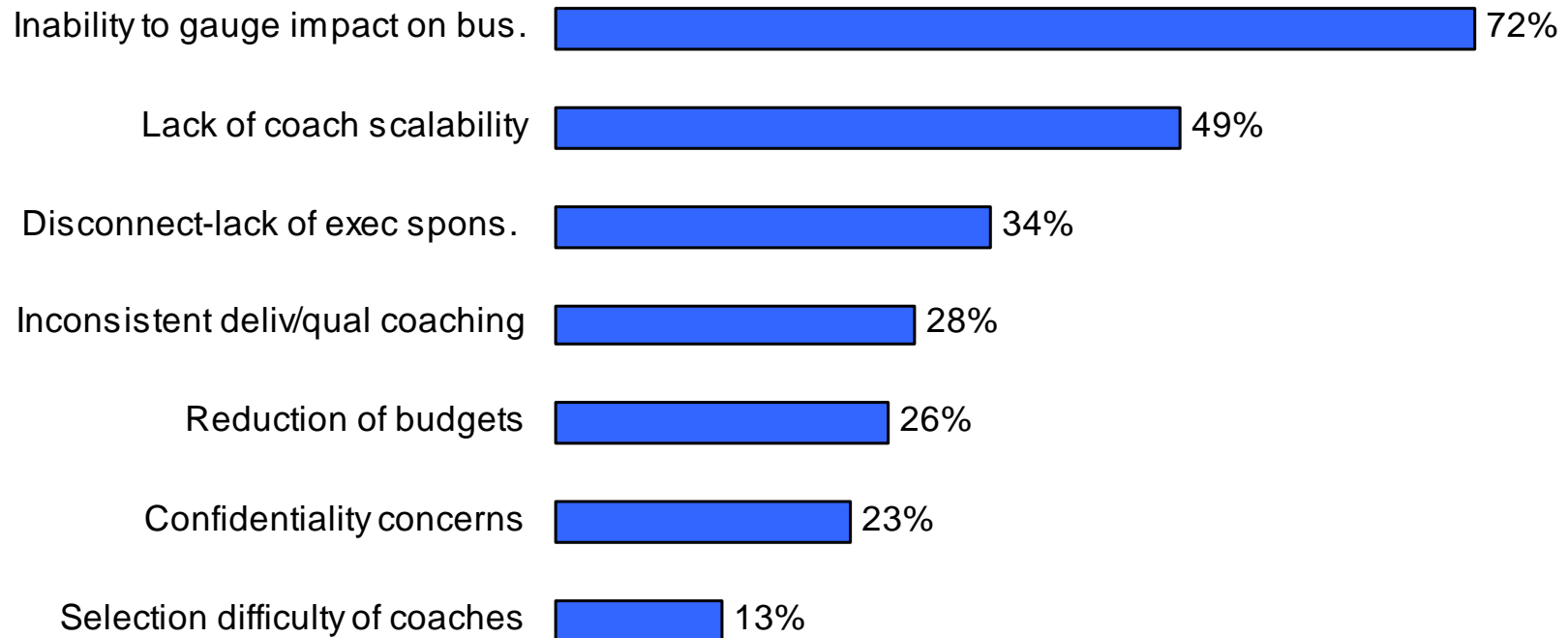
How long does the coaching engagement generally last with client employees?



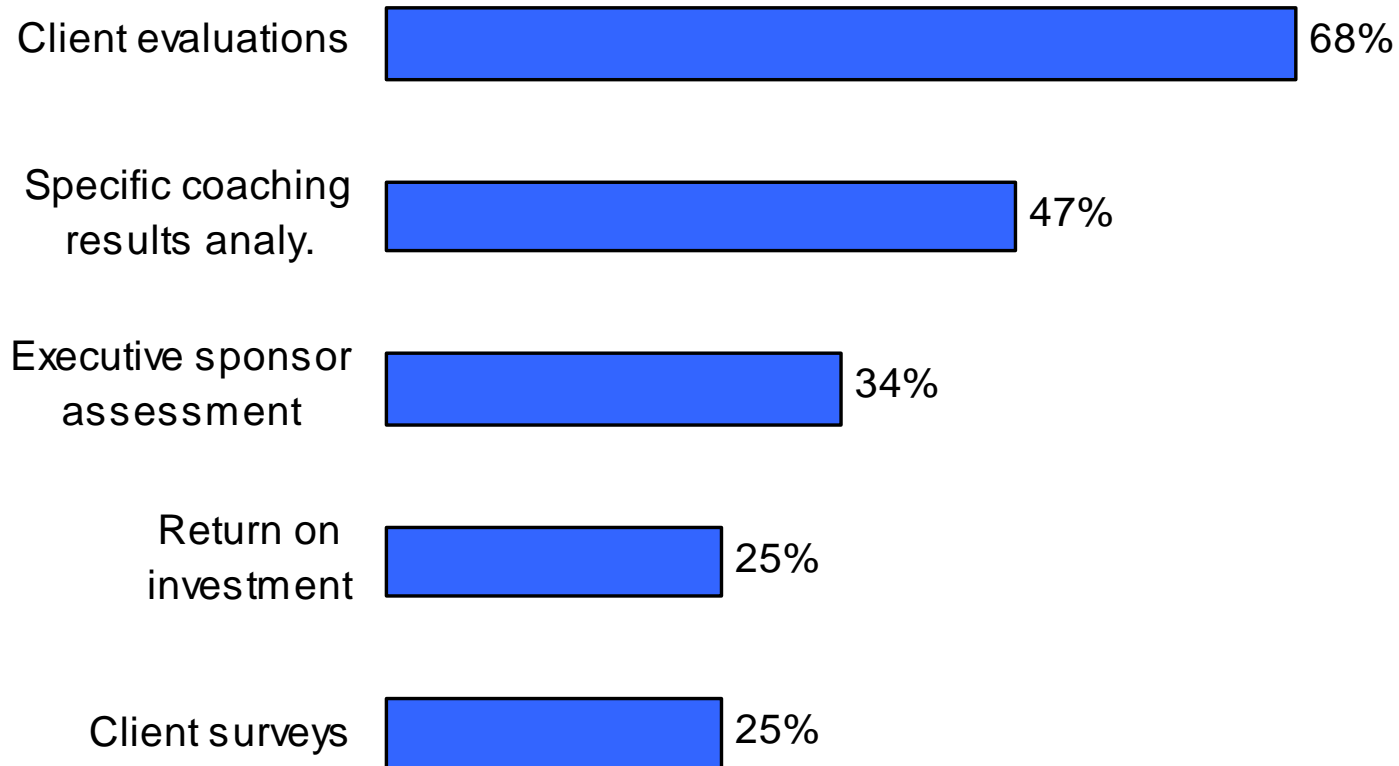
Does your Internal Coaching program utilize the following resources?



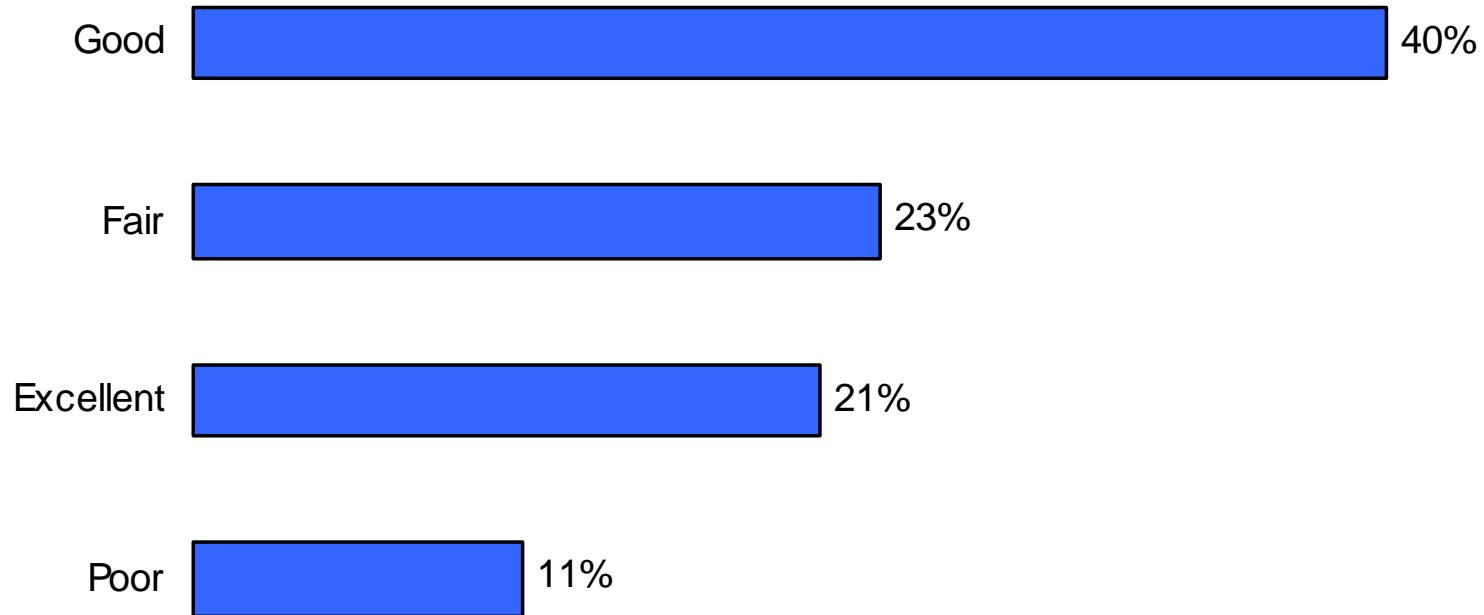
What crucial challenges does your Internal Coach program face?



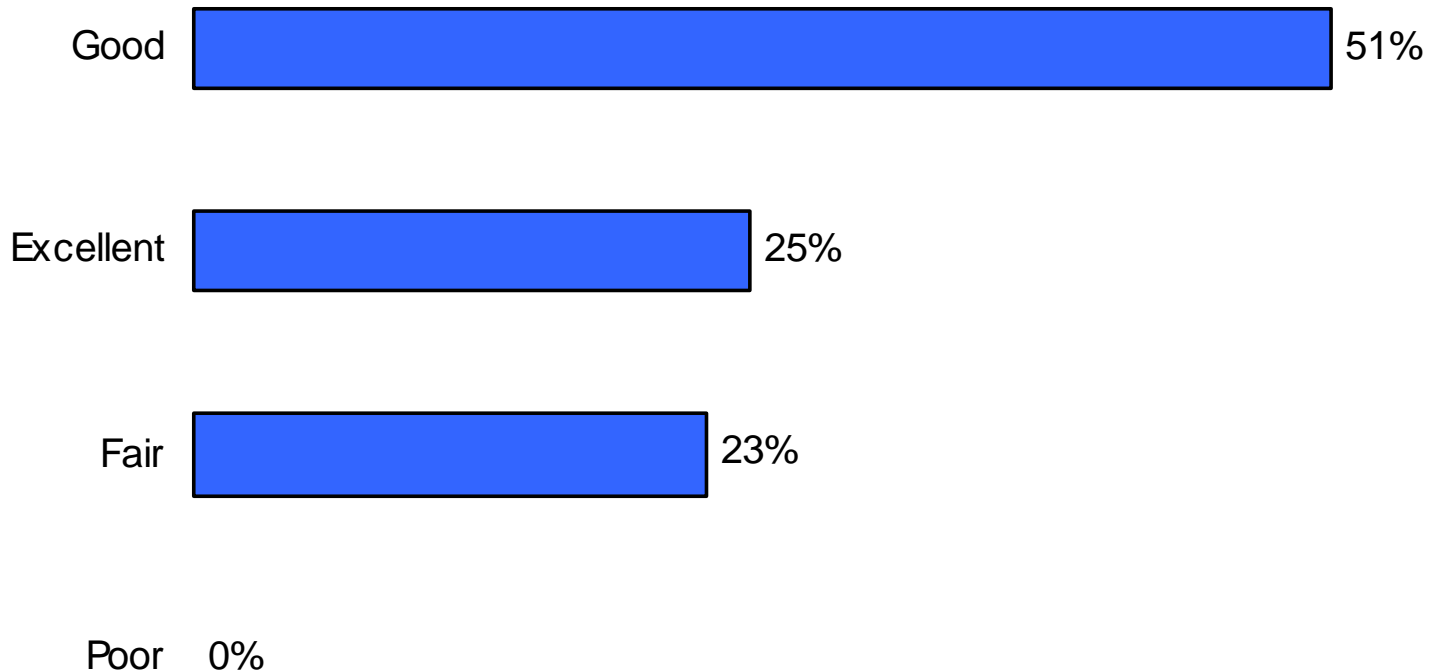
What metrics are used to determine the effectiveness of Internal Coaches?



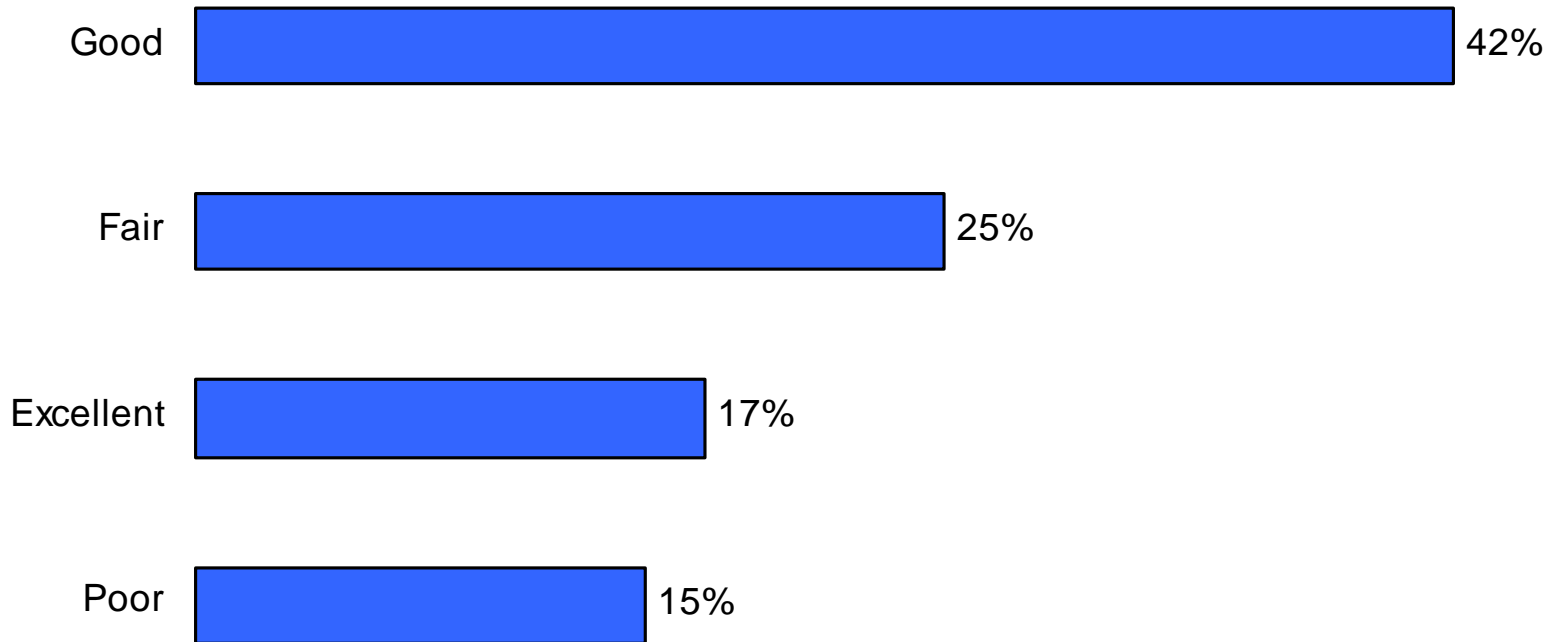
How effective is the executive sponsorship for Internal Coaching in your company?



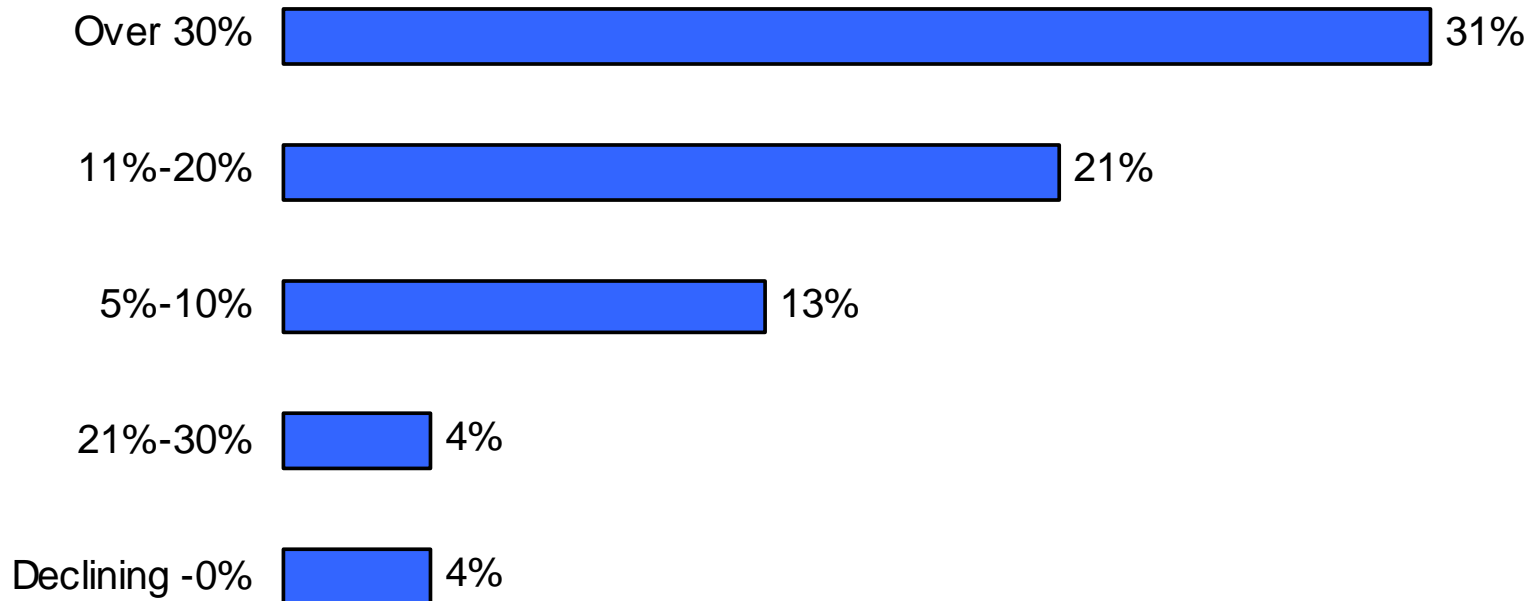
How effective is the performance of Internal Coaching in your company?



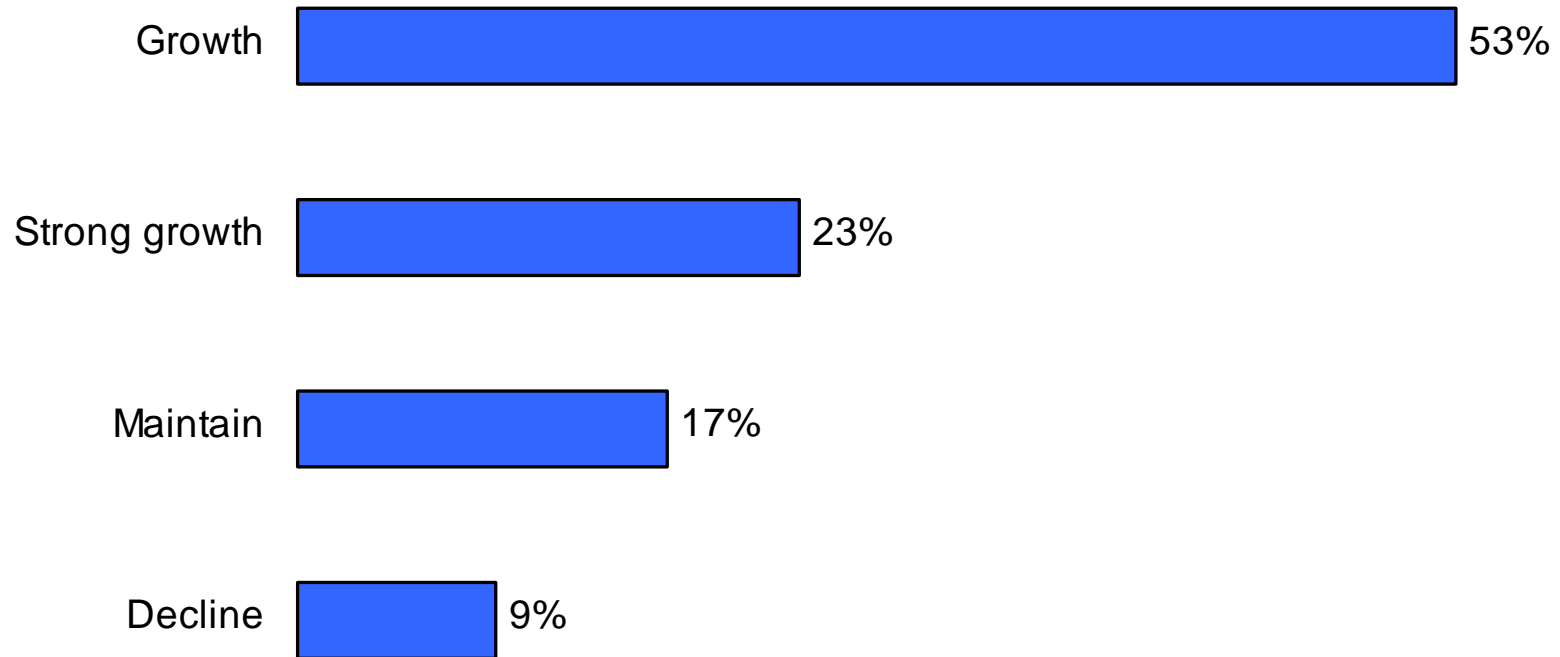
How visible is Internal Coaching in your company?



What is rate of annual increase in clients since inception of Internal Coaching in your company?



What is the future of Internal Coaching in your company over the next 12-24 months?



Summary – Top Ten Research Trends

1. USA is leader in Internal Coaching
2. Leadership Development is crucial driver
3. Companies look for impressive Professionals
4. Key competencies consistent with ICF
5. Professional Development is important
6. Infrastructure Program work continues
7. Executive Sponsorship is strategic focus
8. Return on Investment is impact challenge
9. Internal Coaches add clients after inception
10. Future Growth predicted by majority

Questions and Answers

- What are the most surprising survey results to you?
- Agree or Disagree with any result?
- What information was not covered that you think is important?
- Do you now have a sharper understanding of Internal Coaching?