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Impact of coaching on employee performance

– Case study: Company X



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Impact of coaching on employee performance

- Case study: Company X

The purpose of this thesis was to analyze workplace coaching, performance coaching and the models used in coaching. The case study examines how coaching works in Company X in the present and what changes should be made to improve employee performance by making better the coaching model for Company X's financial services team.

In the first chapters of the thesis, secondary data research was done. For the case study, it was fundamental to understand what coaching is and how it is used in a workplace environment.

The case study was conducted by questionnaire to the financial services team in Company X. The questionnaire's aim was to review the current coaching model used and how it is viewed by employees, to give a perspective on the changes the current coaching model needed. For this, literature review was used to find new ways and approaches to efficient coaching.

The current coaching model was found to be efficient for employees' development and performance. The use of coaching was found to need development towards the employees. To find solutions and new approaches to the use of coaching, literature review was made.

To conclude, the researcher reviewed how employees viewed the current coaching model and what development ideas arise, what are the tools to use for coaching to be efficient for Company X financial services team.

Keywords:

coaching, performance coaching, leadership, workplace coaching, coaching models, coaching culture

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Valmennuksen vaikutus työntekijöiden suorituskykyyn

- Yritys: Yritys X

Tämän opinnäytetyön tarkoituksena oli analysoida työpaikkavalmennusta, suoritusvalmennusta ja valmennuksessa käytettäviä malleja.

Tapaustutkimuksessa tarkastellaan, miten valmennus toimii yrityksessä X tällä hetkellä ja mitä muutoksia tulisi tehdä työntekijöiden suorituskyvyn nostamisessa parantamalla yrityksen X talouspalvelutiimin valmennusmallia. Opinnäytetyön ensimmäisissä luvuissa tehtiin toissijaista aineistotutkimusta. Tapaustutkimusta varten oli olennaista ymmärtää, mitä valmennus on ja miten sitä käytetään työympäristössä.

Tapaustutkimus toteutettiin kyselylomakkeella yrityksen X talouspalvelutiimille. Kyselyn tavoitteena oli tarkastella nykyistä käytössä olevaa valmennusmallia ja sitä, miten työntekijät suhtautuvat siihen sekä antaa näkökulma nykyisen valmennusmallin tarvitsemiin muutoksiin. Tätä varten kirjallisuuskatsausta käytettiin löytämään uusia tapoja ja lähestymistapoja tehokkaaseen valmennukseen.

Lopuksi tutkija tarkasteli, miten työntekijät suhtautuivat nykyiseen valmennusmalliin ja mitä kehitysideoita syntyy ja mitä työkaluja käytetään valmennuksen tehostamiseen yrityksen X talouspalvelutiimille.

Asiasanat:

valmennus, suoritusvalmennus, johtaminen, työpaikkavalmennus,
valmennusmallit, valmennuskulttuuri

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Abbreviations

GROW – Goal, Reality, Options, Way forward

CLEAR - Contracting, Listening, Exploring, Action, Review

1 Introduction

1.1 Background information

In today's world, in the working community, instant gratification for one's work has become a standard. It is also the case in coaching. Organizations are searching out for coaches or managers with the right skills to coach that can assist and help them acquire results quickly. To be able to give organizations the results awaited, the coach or coaching manager needs to guarantee that their energy is focused on results driven coaching. (5 big coaching trends for 2021 and beyond, 2021)

Leaders with coaching skills are able to help their employees gain new abilities and directing them to perform better and achieve their goals. When this lines up with the organization's goals, everyone wins. Great leaders are the ones that coach and effectively invest time in the development of their employee's abilities and skills. This leads to many benefits, such as enabled employees with higher and improved performance. Thus, the employees have better engagement towards their work and organization they are working in. (O'Donnell, 2020)

1.2 Motivation

Coaching is a relatively new concept utilized in Company X, implemented in 2019, by hiring coaches for each team for employee coaching. At the time, the role of the coach was to track the team's service queues, monitor employee performance, give feedback, and hold coaching discussions. The role of the coach was vague. The implementation of coaching into the workplace was not properly introduced to the whole organization, especially employees.

The concept was renewed in less than a year so that the team's service manager had also the role of coaching his/her team's employees. This changed due to the need of the coach to have somewhat substantial knowledge of the team's tasks and the specific skills of each employee of the team.

The author worked a couple of years as accounts payables specialist before given the chance to replace the coach for a couple of months. When the concept of coaching was renewed in the organization, coaches became service managers that coached own team's employees.

The author was given this position and replaced then the initial coach of the team. An external firm specialized in coaching, was hired to teach service managers to coach employees. Company X renewed the organization and roles in Spring 2022, and by this, the author was promoted then to the financial services team lead role.

Through this evolution and interest in leadership and management, the importance of effective coaching arises in order to improve the employees' performance and to develop as team lead. After over a year of coaching the team employees, the author noticed that the coaching model used was too heavy and perhaps too time consuming for the team managed.

Changes were made to the coaching model initially used in the financial services team, which was the coaching model GROW. The GROW model is currently used in Company X's other teams. This aroused the author's interest in analyzing the current CLEAR coaching model used, in Company X's financial services team. The main areas are the model's efficiency for coaching, and what could be still improved in the coaching model, in order to enhance employee's performance and skill development.

1.3 Company X introduction

The thesis was done with the cooperation of Company X, specifically the financial services team, whose main tasks are accounting, accounts payables handling, and travel and expense handling. Company X was founded in 2001 and is a joint venture between two companies, with a change of ownership that occurred in 2021.

Company X supports their only customer's success by providing cost-effective office and expert services to support their customer's various businesses. The areas of operation include, for example, multi-channel customer service, various back-office tasks, digitization and financial services, digital communications, many expert tasks, and staff leasing.

The company X operates in various locations and areas throughout Finland, with approximately a thousand employees throughout these locations. Company X offers all sort of opportunities for all life situations, from permanent employment to temporary job contracts and part-time contracts.

1.4 Coaching in Company X

1.4.1 Coaching model in Company X

The coaching model used at Company X is the GROW model. This coaching model was chosen by executives, as it is result-oriented and simple to use, but also because it was the best choice for all the different teams in Company X and all levels of management.

Coaching sessions are held monthly, and the teams are divided into three groups:

Skills development group, where the coaching focuses on the accumulation of skills, gaps caused by short experience or insufficient training are patched, and a sufficient knowledge base will be brought to support success.

Expertise harness group, where the coaching focuses on how to optimally harness existing skills and fine-tune and focus on details.

Competence maintenance group, where the coaching focuses on fueling successes and maintaining the level achieved, in line with the goal or exceeding it, and developing professional skills to the next level.

The teams were divided into groups because there are many levels of competence in each team. Dividing the teams into groups is supporting the individual coaching sessions, so that the focus of the coaching is at the right place.

1.4.2 Coaching in Company X, financial services

In Company X's financial services, the coaching model was renewed mid-2022, for a more effective version, the CLEAR model, instead of the initial GROW model. This model was chosen by the coaching team lead because it pushes the employees to self-reflect more deeply, into the focus and goal but also on the ways to get there.

In the financial services team, the coaching sessions are quarterly, with follow-up sessions in between, as many as the coach and coached look necessary regarding the goal set by the employee and the experience of the employee. Before every coaching session or follow-up session the employee must fill the coaching discussion base, and start thinking about topic, goal, and solutions.

Employees are divided into four groups:

Skill development group, where the coaching focuses on the accumulation of skills for employees with a few months of experience, giving them sufficient knowledge base to support success.

Skill harness group, where the coaching focuses on patching possible gaps caused by insufficient training.

Expertise harness group, where the coaching focuses on how to optimally harness existing skills and fine-tune and focus on details.

Competence maintenance group, where the coaching focuses on fueling successes and maintaining the level achieved, in line with the goal or exceeding it, and developing professional skills to the next level.

Four groups were created, instead of three, because it was noted that there were more levels of competence and skill that can be reached through coaching.

1.4.3 Coaching structure

The current coaching model, as seen in Appendix 2, used in Company X's financial services team is designed so that each employee's coaching session is unique to the employee, regarding the needs and level of skill of each individual.

The template has to be filled by the employee and team lead before the coaching session. This gives the employee the opportunity to think and analyze own work, success or challenges, topic of the coaching, where are they now and where do they want to get to, and how.

Every coaching session starts with essential discussion on how the person is doing and what kind of feelings that person has towards work at the time. Also, it has been added a part where the employee can express own successes and challenges. It is important as an individual to think and be able to feel and express satisfaction towards success at work. Furthermore, it is equally important for an individual to be able to express challenges they have faced in their work.

In the second part of the coaching session, employee and team lead go through the employee's results regarding the objectives set on the task or tasks the employee has in the team. Generally, this part contains hourly performance of task or tasks, customer feedback, feedback from other team members and team lead.

The third part is the most important of the coaching session, where the employee has set objectives that are thought before the coaching session, how the employee has thought of ways to get to their objective(s), and in what timeline.

Usually monitoring and follow-ups are thought together or completed together between employee and team lead, during the coaching session. The third part of the coaching session can be the most challenging for the employees, especially when it is new to them to have to think of their own work and areas that need development.

It can happen that the team lead is not thinking of the same areas of development for the employee than the employee is. This is where the team lead's questions play an important role to bring the employee to think deeper on the current state and what are the possibilities of development, so that the employees find out by themselves and truly reflect on own development and reaching higher level of performance. It can also be challenging when the employee does not feel that there are any development possibilities, because truly nobody is ever ready and there will always be areas of development possibilities.

After setting the area or areas of development, employee and team lead discuss the follow-up cycle, schedule and sets the goal.

In the last part, there is the possibility for the employee to bring other issues that needs to be discussed with the team lead, or perhaps give feedback directly to the team lead, which is always welcome.

1.5 Research questions and objectives

The objective of this case study is to provide to Company X's financial services team a more effective coaching model, to which the coaching team lead and coached employee commit to, to develop the employee performance. In order to achieve this purpose, it is necessary to understand the current coaching model and discuss with the team employees to see the issues arising from the current model or in the contrary what is effective in the current model. These lead to the research questions:

- How is the current coaching model viewed by employees in Company X

- How should the current coaching model be changed to improve employee performance at Company X

1.6 Thesis structure

The thesis starts with an introduction to coaching and the motivation of the author towards the subject. It continues on the case study by company's introduction and the coaching models used in the Company. The first part finishes with the research questions and objectives that have aroused.

The second part of the thesis goes through the methodology used in the thesis, how secondary data was gathered and how primary data was gathered and analyzed for the case study.

The third part of the thesis considers a literature review on coaching. These chapters go through general information on coaching and performance coaching. It analyses, what a coach's abilities must be and what are the steps the organization should make towards an efficient performance coaching culture.

In the fourth part's chapters primary data is analyzed. The chapters go through the questionnaire's answers and analysis of these.

The fifth chapter finishes with the conclusion from literature review and analysis of primary data that was gathered. Also, some recommendations are given in this chapter.

2 Methodology

2.1 Research method

The research method used for this thesis is the mixed methods, in order to understand the answers to the research questions and to obtain an idea of the research subject. Mixed research methods consist of a research methodology that uses qualitative data and quantitative data collection and analysis. In order to collect abundant and extensive data that can be compared by analyzing the results to findings and enhance the analysis. (*Mixed methods*, 2013)

2.2 Data collection

For the data collection technique, both primary and secondary data techniques were used.

Primary data is data gathered by the author or researcher from the original source where the data is arisen. This data can be collected by observations, using surveys or interviews, that can be oral or verbal, depending on the case. (*What is primary data*, 2020)

Primary data was gathered by the author's observations, through the role of coaching team lead. The data was also gathered by sending a questionnaire of 5 questions relative to the case study, to the Company X financial services team of 19 employees. One reminder was sent to the team members. The questionnaire's answer rate was 60%. All five questions were answered by all the respondents to the questionnaire. The questions were designed from the base of the theoretical research on the different aspects of coaching and the coaching model CLEAR that is currently used in the financial services team in Company X.

The aim was to understand how employees view the current coaching model and what propositions arise for further development of the current coaching model.

Secondary data is data that has already been gathered and has been gathered through past primary data collection. There are several types of secondary data, such as books, published sources, websites, journals or newspapers, blogs, or podcasts. (*What is secondary data*, 2020) Secondary data was gathered through the analysis of several literature reviews.

2.3 Limitations

The limitations of this data collection method were that some answers stayed short, perhaps due to the questions' clarity. The author of the questionnaire being the team lead, might have affected the answer rate but also the honesty in the answers, as the questionnaire was not anonymous. The primary data was initially to be conducted interviews. Due to rush in the accounts payable team, but also at the time in the expense handling team, this was not possible for the lack of time.

3 Theoretical framework

3.1 Coaching

The Chartered Institute of Personnel and Development define the word coaching as “Coaching aims to produce optimal performance and improvement at work. It focuses on specific skills and goals, although it may also have an impact on an individual’s personal attributes such as social interaction or confidence.” (Hayden, 2021)

Coaching is a strategy for accomplishing objectives put forward. The coach through the coaching session and discussion helps the coached to effectively define his/her objective(s) and find the most ideal way to achieve it. The coach does not say how to but poses questions to that the coached finds him/herself the solution. (*Definition of coaching in 2022*, no date)

3.2 Internal or external coach

Organizations, that implement coaching as a business strategy, need to evaluate the pros and cons of either engaging an external- or an internal coach. An internal coach has many benefits, due to their knowledge of the organizational culture, values, and goals. Coaching individuals who work in the coach’s team have the advantages of knowing the tasks of each employee and can be easier to approach for discussion. For an organization, an internal coach is also cost-effective. The biggest disadvantage of having an internal coach is the time that is used in coaching among other duties, which is a risk for efficient coaching sessions. This is because an internal coach is generally also the team lead or manager. (Angle et al., 2018)

An external coach has the advantage of having all the qualifications to coach and has all the time needed to conduct proper coaching sessions, support, evaluate and keep track of the improvements on the goals that are set on

coaching sessions. On the other hand, employees might not be as open, and the trustful relationship might take more time to construct between employee and coach in this case. Also, an external coach will always cost more to the organization than an internal coach. (Angle et al., 2018) Currently external coaches are used only in leaders coaching in Company X, although leaders have also coached sessions with their own superiors. This is because leader coaching needs the best qualified coaches to enable them to develop as leaders and coach employees.

The initial external coach in 2019 hired in the Company X's financial services team lacked substantial knowledge of the tasks team members had, which affected directly to the efficiency of the coaching sessions with team members. Also, this decision was not cost-effective for the Company X. Internal coaches, when implemented, was certainly cost-effective decision and enabled the coaching sessions have more depth rapidly, due to the substantial knowledge of the team's tasks. Furthermore, the internal coach and employee had already a relationship to one another. This enabled rapid trust and open conversation.

Internal and external coaches have advantages as disadvantages. All this must be taken into consideration from the organization to make the right choices for them, considering their needs, but also their possibilities financially. (Angle et al., 2018)

3.3 Role and abilities of a coaching leader

A good coach is also a good leader, that is able to recognize the strengths of each employee in their team and have the ability of empathy by forgetting any personal issues or judging the members of the team. Thus, is also able to take critic and feedback emotionally detached and should have a high problem-solving approach. (*10 coaching skills every leader should master*, 2016) As seen on Figure 1., during a coaching session, a good coach uses three main tools, which are listening to the employee, ask the right questions to guide the employee towards insights of development and the last main tool is being silent.

Silence is also important during a coaching session; this lets room for the employee to think and perceive areas of development and performance.

(McLeod, Angus & Thomas, 2010)

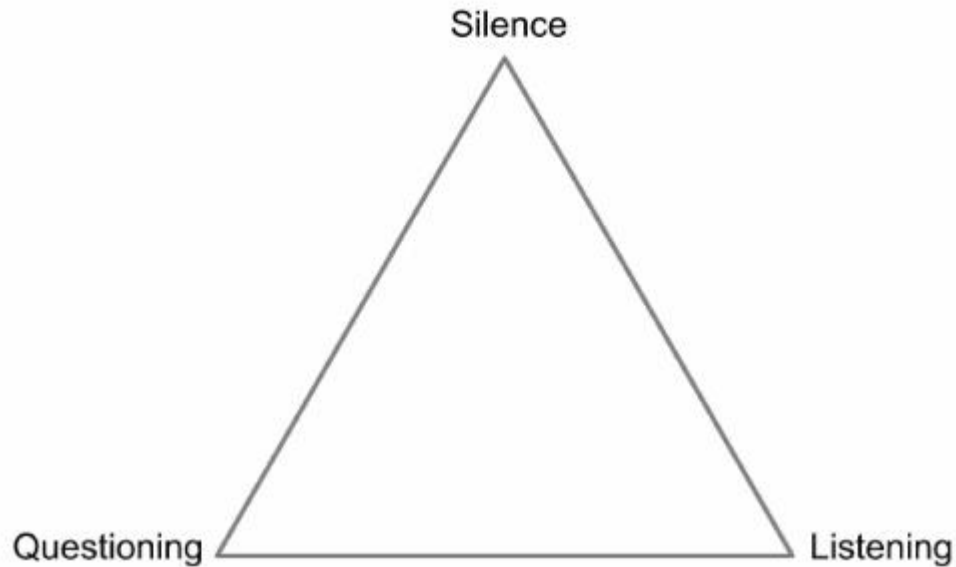


Figure 1. The three main tools for coaching (McLeod, Angus & Thomas, 2010)

In today's world organizations are facing fast and continuous changes. In the past leaders were guided to succeed by giving orders to get to goals. Today organizations are moving rapidly away from this practice, for a model where leaders listen and support the employees. Thus, coaching is the tool that enables employees to learn how to adapt to the fast and continuous changes in their working environment. (Ibarra & Scoular, 2021)

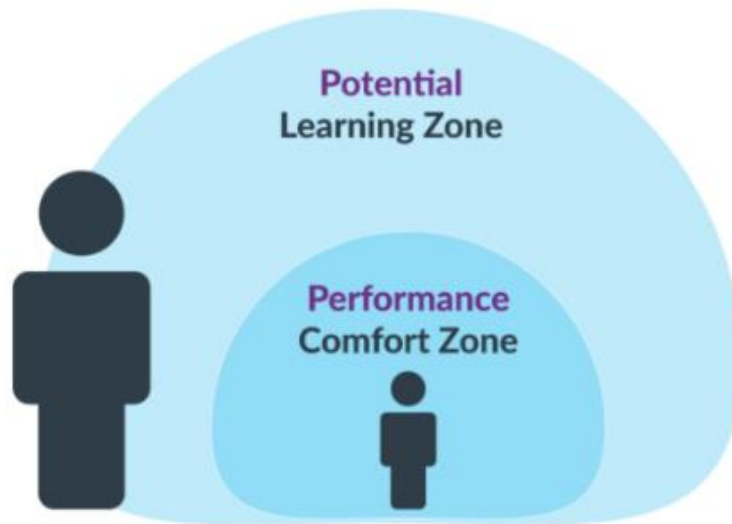
To harness all the potential and develop a leader's coaching skills, coaching with an external coach are mandatory for all the team leads in Company X. These external coaching sessions have been put to practice two times in a period of 2 years. These coaching sessions are rapid, approximately 3 months long, but very full in content and exercises to put in practice. Not only do the team leads learn the best ways to coach employees but mainly learn to become great leaders by self-reflecting on own development.

3.4 Coaching types

There are different types of coaching, in the workplace. Some coaching types are executive coaching that is oriented for leaders working at an executive level. It focuses primarily on adapting to new ideas and implementing them, or changes occurring in the organization. Leadership development coaching is more oriented on leaders, who need to develop their coaching skills with employees, also who need to develop personally. This is a coaching type that is used for the Company X's leader level. Sales coaching is a coaching type, which is oriented to towards people working in that branch in an organization. It is completely goal oriented through feedback and sales skill development. Team coaching is oriented towards teams and is a group coaching. The main focus is to for a team to develop collaboration skills. Performance coaching's focus is on developing skills to attain the objectives that are set for the task. (Cooks-Campbell, 2022) Performance coaching has been the coaching style chosen by executives for employee coaching at Company X. The focus being on the development of skills in order to perform better at the tasks that the employees are working in.

3.4.1 Coaching for performance

The Purpose of Performance Coaching



Picture 1. The purpose of performance coaching (Verlinden, 2022)

As seen on Picture 1. the purpose of performance coaching is to encourage employees to develop and gain abilities in order to achieve adequate potential, meaning to step out of the comfort zone, where all the new potential is. There are many benefits in performance coaching for the organization but also for the coached employee. The common purpose for both is for the employee to improve work performance, which affects directly on company goals. (Verlinden, 2022)

Furthermore, performance coaching takes place in individual sessions, which enables the employee to gain a trustful relationship with the coach and feel more engaged towards the company. Especially when the coaching sessions are personalized to each employee, as a result the employee presumably will be more motivated and there is less risk that the employee might leave the company. (Verlinden, 2022)

3.4.2 Effective performance coaching

Depending on the employee's individual needs regarding work performance, it is important to address them individually, for more effectiveness. (Verlinden, 2022)

The employees of Company X are set in different competence or skill groups, because of the variety of competence levels one team can have. Some employees have the need to develop their skills in specific areas of the job or have other barriers that do not enable them to perform at their best at the job. Some are already performing at a high level but need coaching in other aspects of the job. (Verlinden, 2022) It enables more efficient individual coaching sessions. Other than the various skill development possibilities, employees have a goal to reach the next level of competence. Also, this enables employees to perform better.

Employee performance coaching should be continuous, quarterly, or annual. Coaching discussions can also be used to give feedback between coaching team lead or manager and employee both ways. (Francisco, 2022) Giving feedback both ways are important, it gives the chance to the coaching team lead or manager to also develop and self-reflect through the coaching sessions with employees.

For the best results in performance, the coaching is necessary to be continuous, which makes the relationship between the managing coach and the employee easier and helps the manager detect improvement opportunities or challenges the employee might have. (Verlinden, 2022)

3.4.3 Key steps of performance and skill development coaching



Picture 2. Employee performance coaching steps (Verlinden, 2022)

As seen on Picture 2. there are several steps to follow for successful performance coaching, when implemented in an organization.

1. **Coach managers**

Organizations should first of all coach their own managers or team leads, so that they learn from being coached to then coach employees. As the manager's role will be crucial for a successful coaching, it is advised to also give managers or team leads training into coaching. (Verlinden, 2022) Training given to leaders by external coaches, that have the qualifications to coach, is positive for improvement of coaching skills. If coaching was internal throughout the organization there could be a risk of ineffectiveness if the same pattern of coaching is used.

2. **Build a coaching culture**

For any coaching to succeed in an organization, the organization itself must promote a coaching culture throughout the business.

The advantages of promoting coaching culture in a company is that the company becomes prepared and able to adapt rapidly towards fast changes. Also, the company is able to manage and give the adequate

support for employees' well-being. (*Leaders need professional coaching now more than ever*, 2021)

A coaching culture for an organization has many benefits. Between employees but also managers or team leads, that can trustfully challenge and help each other. Develop together services or organizational practices. Coaching culture enables the employees and managers, or team leads to have a trustful relationship, that are able to work together, and help one another grow, no matter the position. (Verlinden, 2022)

3. Identify performance improvement opportunities

When it comes to starting the coaching session, the first steps are to discuss with the employee where there is room for improvement in order to attain full potential. This is a discussion where both parties, employee and managing coach or coaching leader, identify the points of improvement and agree on the plan to get to the goal. (Verlinden, 2022)

The employees knowing own skill or competence group at Company X. helps the employee identify places of improvement, where it is possible to get at, at that moment of time.

4. Discuss the action plan together with the employee

Continuous coaching is very important, as the plan is set there needs to be follow-up throughout the improvement steps the employee will make. In other words, it is a continuous learning path. (Verlinden, 2022)

5. Show support

The key elements of performance coaching is to support the employee by asking him/her continuously how the progress is going, whether there is any help needed in order to succeed, show faith towards the employee's abilities, and give opportunities to grow skills. (Verlinden, 2022)

6. Promote continuous learning

Continuous coaching is very important, as the plan is set there needs to be follow-up throughout the improvement steps the employee will make. In other words, it is a continuous learning path. (Verlinden, 2022)

7. **Gather feedback**

Feedback is very important when it comes to the coaching activity, and it goes both ways between the coach and the coached. (Verlinden, 2022) Encouraging employees to give feedback to each other has a very positive impact on performance, encouraging employees to learn from each other in order to improve.

8. **Customize performance coaching activities**

Coaching the team together can have many benefits, especially in teams where there are employees with different skill levels on the job. Work together as a team, for example on a problem that have come up in a coaching session can benefit and give larger insight to the whole team employees. (Verlinden, 2022)

Group coaching has many benefits for the group coached, employees with higher competence and skill level can help employees with less skills to learn and reflect on ideas or parts of the tasks they haven't thought of. In Company X it has also been beneficial for the higher competence employees. For example, getting feedback on aspects of development needs towards communication skills, that are not related to the task directly. It is beneficial to the whole group.

9. **Evaluate performance**

Evaluation is significant in any performance management process and needs to be recorded in order to facilitate tracking of improvements for each employee. (Verlinden, 2022)

10. **Keep track of the improvements**

It is important to document the sessions but also the improvements the employee is making to attain the set goal(s). (Verlinden, 2022) A coaching leader or manager should review the documented sessions from time to time throughout the process. Communicate the improvements the coached employee is making to attain the goal. (*Your coaching is only as good as your follow-up skills*, 2015)

3.5 Coaching model

There are many different coaching models. Using a coaching model has the benefit for the coach to provide an objective to the coaching session, so that the session does not turn into a basic discussion without a goal. (*Effective coaching models to structure your coaching sessions*, no date)

The most commonly used model is the GROW model, which suits best for many different coaching needs. As seen on Image 2. the GROW coaching model follows four simple steps. Initially, the need of finding a coaching model throughout the organization in Company X, made it simple to choose the GROW model, as it is simple to follow and suits a larger group of different kind of teams and team members.



Picture 3. Coaching model GROW (Dhand, 2018)

The GROW model is appreciated as a coaching model because it is result-oriented and easy to follow. This basic model assists the coach by taking the coached from an objective at the start of the session. This is something regarding the employee's need and hopes from the coaching discussion, which becomes the goal. When this is settled with the employee, second step can be started. In this step that is called reality, the employee and coach focus on the current state regarding the goal. After this step the options are revised. The employee and coach investigate the different choices the employee has, to arrive to the goal. This can be difficult for the employee, that is why the coach's

role here is very important to help the employee think deeper to options they have. Also, this step needs to be realizable for the employee. Last step of this coaching model is ending the coaching session with the employee stating what they are going to do to get to the goal and committing to this. (Ibarra & Scoular, 2021)

Another coaching model, that has some similarities with the GROW model, although it is more focused on the employee that is coached to think deeper and finding solutions. This model is the CLEAR model. The CLEAR model is currently used in Company X's financial services team. Not far from the rest of the company's GROW coaching model, the CLEAR coaching model enables the employees to develop even more throughout the deep personal investigation of each step of the coaching model.

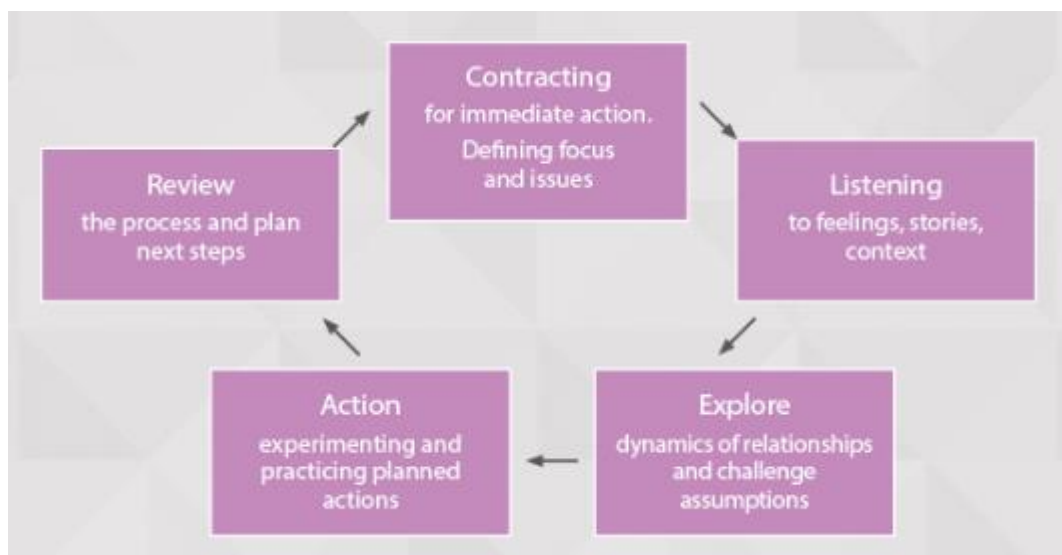


Figure 1. Using the CLEAR coaching model (*Transformational coaching*, no date)

As seen in Figure 1. CLEAR model coaching session starts with the coach and employee discussing on the focus of the session, then listening to the answers of the employee on the topic chosen. In the second phase the employee expresses feelings and context regarding the focus of the coaching session. The third phase is to get the employee to understand by themselves the current state of the topic chosen and continue with the realization of the steps that need

to be taken to get where they are targeting regarding the topic. The review phase, which is the last step of the coaching session is to go through all the points that the coach and employee went through in the coaching session. This last step focuses on the plan of what is coming next. The CLEAR model stands for Contracting, Listening, Exploring, Action, Review. The model was established by Peter Hawkins during the 1990's. (*CLEAR Model*, 2022) As seen in Figure 2. It is a goal focused coaching model that goes through four different areas that are linked to one another.

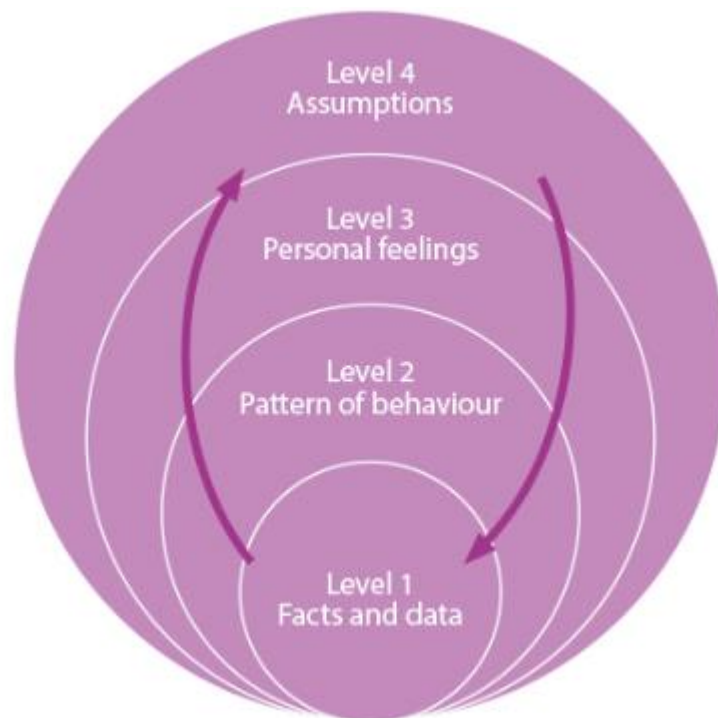


Figure 2. The process of CLEAR coaching model (*Transformational coaching*, no date)

4 Case analysis

4.1 Questionnaire

The questionnaire was sent to every employee of the financial services team at Company X, which is 19 employees in total. Due to the events in the past years, the financial services team have been working fully remotely. The team consists of smaller teams depending on their work, specialist team members' work is mainly related to the other small teams work tasks, which are accounts payables handling and travel and expense handling, but also have other tasks that need special skills as problem solving. The specialist team members, all have many years of experience in their field of work and in the Company X. The accounts payable team and the expense handling team have team members from couple of months to various years' experience in their field of work.

The questionnaire, as seen in Appendix 1, was sent by e-mail to each team member, with the possibility to respond with as much detail as possible to each question. A reminder was sent to them by e-mail.

The next chapters will go through the answers received within each theme of questions, the observations and analysis of the answers.

4.1.1 Internal or external coach

The first question addressed the view that employees had on having coaching sessions with the team lead or an external coach.

70% of the respondents wished the coaching session held by the team lead, and 30% of the respondents answered positive to both team lead and external coach's coaching sessions.

Comments on the team lead leading coaching sessions mentioned that it benefits/develops the workplace, because the team lead knows what the goals of the workplace are and what the company wants to develop the personnel

towards. Also, that the team lead has information about the goals set for the employees and how they have succeeded in achieving them. At the same time, the interaction between the team lead and the employee improves, because they get to know each other. It was also mentioned that this leads to an improved workplace atmosphere as it removes tension between the employee and team lead, although the team works fully remotely, which can make it more difficult than if it was face to face.

Most of the respondents mentioned that the team lead knows the team's work tasks and their requirements, as well as the characteristics and skill level of the employees, and that it is more difficult for an external coach to internalize all the above-mentioned issues, so the discussion would remain very general.

One respondent added that the discussion with the team lead is more open and that we reach a better outcome. In addition, coaching also develops the team lead. For the 30% respondents that answered positively to both, responded to having coaching sessions with an external coach to brainstorm ideas with an external person, who would start the conversation from a completely clean slate.

The answers of the team members confirm the strategy used in Company X, to have an internal coach that coaches the employees of the team. The answers relate to the relationship between an employee and coaching team lead, mentioned in chapters 3.2 and 3.4. Also, to the need of having coaching sessions with someone who knows what each team member is doing, and the requirement of each task is being pointed out.

There is a development point concerning the ones feeling the need to brainstorm with an external coach. The relationship mentioned earlier being already there, seem to be an obstacle for some employees to discuss on a deeper level on some subjects.

4.1.2 Skill level coaching

The second question addressed the view of the employees of the coaching sessions considering each employee's own skill level. What could be developed in the coaching session to make it more personal regarding the employee's skill level.

99% of the respondents felt that the coaching sessions are tailored to their own skill level. 1% of the respondents felt that the coaching sessions are not tailored to their own skill level, due to the coaching structure being the same for every employee.

Several respondents added that the coaching sessions are better because the employee can choose the topic of the coaching session with the help of the team lead and that the coaching session's discussion is a process that develops as the session goes forward. Also, it was mentioned that the current coaching model is effective due to it being discussions together between the employee and team lead, that are unique and suitable for the level of competence.

The answers regarding the discussion being based on personal skill level, was one of the goals that the author was hoping for. This is a subject that was not considered enough in the coaching sessions beforehand. As discussed in the chapter 3.4., addressing the team members individually and considering their own skill level or level of competence is very important. This enables to have effective coaching sessions with each team member.

The answers mentioned the possibility to choose own topic or focus for the coaching sessions, some mentioned with the help of the coaching team lead, some did not mention this. There is a fine line between the coaching model GROW used in the Company X in general and the CLEAR model used in the financial services team in Company X. The line is whether there is a clear need for the help of the coaching team lead or not to set topic or focus for the coaching session. This is something to be worked on with the team members.

4.1.3 Development and performance

The third and fourth questions were linked together, as the third question asked if the coaching sessions have helped in development and the fourth question asked if the coaching sessions have affected their performance.

70% of the respondents felt that the coaching sessions help them develop in their work and rise their work performance. 30% of the respondents felt that they are at their maximum level of performance because they are attaining the task requirements.

Several respondents answered positively to development and performance through coaching sessions. Several respondents mentioned that they get the chance to discuss areas of development possibilities and get help from the coaching team lead to remove any obstacles there are, regarding development. One respondent also mentioned that coaching sessions help them gain new perspectives and getting positive feedback through the coaching session help in work motivation, that has a direct impact into performance.

Another respondent answered that the reminder of the importance of one's work in the chain, in the organization helps to develop performance. One respondent commented that during coaching sessions it is easier to bring own wishes forward regarding skill development, and that setting and monitoring goals, receiving feedback and encouragement from the team lead have an impact on developing performance.

The aim of these questions was to analyze the purpose of the coaching sessions, which is skill and performance development. The answer rate of employees for developing in their work was low, considering the fact that the team members are in four competence groups, and from every group, employees answered the questions. Everyone has development possibilities. Due to the questionnaire being not anonymous, it is noted that all the employees being in the competence maintenance group, all answered positively to skill development and performance. This is positive, because one might think

that these are employees having the feeling of not having any development possibilities.

To conclude the answers, relate mostly to some of the key steps of effective performance coaching in chapter 3.4., identifying performance improvement opportunities, showing support, and gathering feedback. Although the answers were mostly positive for development and performance through coaching, there is largely room for developing the use of coaching. Overall, the answers in this part provide to the author the need to develop in the output of the use of coaching and develop own coaching skills. This is essential for enabling and guiding the employees into development of skills and performance.

4.1.4 Current coaching model

The fifth question addressed the view about the current coaching model, its efficiency and development possibilities.

99% of the respondents felt that the current coaching model is working for them. Only 1% felt that coaching sessions are not necessary and did not feel that it adds value towards their work.

The 99% respondents commented that the current coaching model has a positive impact as employees can define the topic together with the team lead, but also the follow-up coaching cycles. Two respondents felt that over the years the cycle of coaching sessions has been too far apart or too close to one another and that quarterly coaching sessions with follow-ups felt right at this time. Also, one respondent mentioned that the possibility of having coaching sessions more often, than quarterly is also possible if necessary and deemed appropriate from the employee and team lead point of view.

From the coaching session's content point of view, respondents feel that the coaching sessions are proactive and that the matters that wanted to be addressed are addressed and dealt with, acted upon based on the discussion. This meaning that after the coaching discussions, there are follow-up discussions leading to positive impacts.

Several respondents mentioned the possibility of having coaching sessions remotely and that is positive change that the current model has not altered. One respondent thought positive that the employee does the work of thinking about own development and is given by this coaching model the possibility to look for ways to develop based on the coaching discussion and topic. This respondent also mentioned that the current coaching model helps him understand himself and develop in his work.

Only one respondent posed a development idea, which was not directly regarding the coaching session or model, but more on the role that each employee is playing in the whole picture of the organization. This person felt that knowledge of where the tasks stand in the process of the whole chain of work was still unclear at some level.

The current coaching model is working positively for 99% of the respondents, which is a good score. Components from the CLEAR coaching model are clearly used and appreciated by employees, where they have the chance to self-reflect deeper into their own development possibilities. There is room for development for the use of the CLEAR coaching model, so that it becomes natural for employees to self-reflect in the way the coaching model works. The current coaching sessions being quarterly with a number of follow-up sessions that is sought to be needed had a positive welcome. The author's observations regarding the cycle of coaching sessions are that monthly coaching sessions became too easily simple discussions, rather than coaching discussions with a clear goal. Also, if the coaching sessions were too far apart for example one coaching session per year, there would be a risk that development and performance would be slow to achieve, and the purpose could become unclear along the way. In the responses, the GROW model is still used and the transition to the CLEAR model is not to this time 100% effective. This is something to definitely work on with the team as a group but with the team members individually.

5 Conclusion

The aim of this thesis was to evaluate Company X's financial services team's coaching model and receive insight of development areas for the current coaching model, where both employee and coaching team lead are committed to, in order for the employees to develop skill and performance.

Research was conducted to understand what coaching is and what are the components of an effective coaching session, concentrating specifically on performance coaching. For this purpose, several articles were reviewed, to gain insight on the different components that coaching is made of.

From the literature review, it is noted that coaching is a skill and that the team lead, or manager need to be trained and coached to gain full abilities for coaching employees. For organizations that implement coaching, they need to make it a culture for the whole company in order to make it work, and decide, review the advantages and disadvantages of using an external or internal coach for their company's different coaching levels.

Coaching model decision is an important part of the coaching culture implementation because it has to serve everyone involved. Thus, it has to be suitable regarding the company's goals and team specified goals.

Based on the results of the case analysis and answers from the questionnaire, the current coaching model is appreciated by the team members. The structure of the coaching session is clear, easy to follow, and gives the possibility to the employees to set own goals and development areas for themselves. Thus, they receive feedback from several places, team lead, team members but also from the customers, which gives a larger insight to where the gaps for development stand. Most importantly, employees feel that they are able to develop and rise performance through the coaching sessions, which is the main purpose of the coaching sessions.

As a conclusion, through the literature review, the questionnaire's answers, and team lead observations, there are no development needs towards the coaching

model CLEAR used in the financial services team. The use of coaching altogether can be developed in the team, due to the percent of team members that have the feeling of coaching sessions being unnecessary.

Going through the coaching session's purpose with the team arise, any person at any level of expertise or status will always have possibilities to develop, nobody is ever completely ready, when it comes to work or any other aspect in life. Furthermore, the importance of own work, and how it effects on Company level has to be understood, so that the employee knows how and where to reflect on own tasks development.

Recommendations for the future are to review the coaching use in the Company X with the financial services team and review the purpose of coaching with the team members.

The main findings point out to the current coaching model CLEAR to be working well and there are no fundamentals changes to be made, as the majority of respondents are satisfied with the current model.

The use of the current model is to be improved, so that employees understand the purpose of coaching.

In order to investigate the improvements through coaching, there should be monitoring the results of the coaching on a longer period, such as a year. Each coaching session will facilitate the employee's reflection on own work and development possibilities and enables them to set personal goals effectively. Monitoring the team's performance as individuals, but also as a team is very important. Gathering feedback from customers, collecting, and analyzing the data from the results of hourly performance. This will give insight to the progress of the team members but also will give insight to the effectiveness of the coaching model implemented and its use.

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Questionnaire

Q1. Would you prefer the coaching sessions to be held by your team lead/manager or an external coach? Why?

Q2. Are the coaching discussions tailored to your skill level? If not, what changes would you make?

Q3. Are the coaching discussions helpful for you? How?

Q4. Do the coaching sessions help you develop in your work?

Q5. Do you think the current coaching model works? Why?

The current structure of the coaching session

- Opening: How are you / feelings

- Successes and challenges

- Results and objectives
 - My assessment:
 - Team Lead's assessment:

- Agreed measures
 - Objective
 - Monitoring
 - Continuation

- Other issues to be raised