How Leaders Build High-Performing Teams Through Coaching

Coaching requires a change in how you think, behave, and interact with your team. When you learn to coach effectively, productivity rises, the team feels empowered, and engagement increases, leading to improved satisfaction and superior results for all stakeholders.

Many companies focus on building great leaders but fail miserably in arming these leaders with the tools to be successful in our agile work culture. It is no wonder employee engagement is at a relatively low level (32 percent) in the US and (13 percent) globally, and has barely budged in over a decade.[1] It is also not surprising that managers feel less equipped than ever to influence the changes demanded by companies to grow high-performing, highly engaged teams that consistently achieve exceptional results.

Employees are being stretched beyond their means and being asked to do things in which they may have no experience. As a result, they fear they will make an inexorable mistake, one that will permanently tarnish their reputation and career trajectory. They feel unfulfilled and disconnected from the organization's larger strategy and mission. They are juggling a multitude of tasks and only receive recognition when they sacrifice their personal time to complete these tasks.

Managers, too, have enormous weight on their shoulders to meet increasing demands. They consistently find themselves being mere taskmasters who operate with limited resources and

enormous time constraints, juggling a jam-packed calendar and vying priorities. With this as a backdrop, finding time to coach can be a very real challenge that simply eludes managers. Therefore, we see the perpetuation of the manager/trainer/boss trying their best to get the most out of disengaged employees to accomplish the obligatory goal only for the glory of doing it all again with the next initiative.

With the focus on performance and action, there is limited time to invest in developing skills that will prepare the employee for the next stage in their career. It is common practice to teach employees on the job. Upon completion of a task, there's always another one waiting in the wings, with more demands and even greater time constraints. With fluid roles, changing priorities, and focus on action, employees are burned out and not able to give their all. Clearly, this operating model has to change.

Press the Pause Button

As a manager, you might be receiving satisfactory results from your employees, which might make trying a new approach to team development and engagement a low priority. The time you invest in training, meetings, and juggling changing demands leaves you little room to lead the way you want to. And having to micromanage, handhold, get in the trenches, and referee team members is beyond frustrating. Yes, you have been managing, but have you been coaching?

Want to gain commitment, engagement, ownership, and accountability from your team? Want to witness increased performance and improved outcomes? This starts with you. You need to show your team that you are willing to press the pause button on the distractions that stand in the way of their (and your) success, and the success of your entire organization. It is time you learned a comprehensive approach to transform yourself into a leader coach.

Coaching enables you to help your team consistently reach greater levels of performance and outcomes. Coaching requires a change in how you think, behave, and interact with your team. When you learn to coach effectively, productivity rises, the team feels empowered, and engagement increases, leading to improved satisfaction and superior results for all stakeholders.

You're a Manager, but Are You a Coach?

When a leader coaching approach becomes pervasive at all levels of an organization, from middle management up to the C-suite, everyone wins—the leader coach, the employees, the organization, and all of its stakeholders.

The top three outcomes for those who receive coaching are improved communication skills (42 percent), followed by enhanced self-esteem/self-confidence (40 percent) and increased productivity (39 percent). In fourth place is optimizing individual/teamwork performance (38 percent).[2]

Coaching is a huge opportunity to develop leaders, improve performance, and position employees for the next step in their careers.

Coaching is collaborative. It is a partnership entered into by both you, the leader, and your direct report to build capabilities that will result in an agreed-upon outcome. Performance is enhanced by enabling your employees to try different approaches to see what works best for them. The leader coach provides feedback and insight along the way to help employees make real progress. This approach helps employees make the necessary behavioral shifts that close gaps and blind spots, and optimize strengths.

Coaching provides individualized attention, enabling employees to zero in on the competencies and the associated behavioral changes that will make them more effective. As a result, employees develop interpersonal skills, the softer side of leadership. These skills—including but not limited to speaking up in meetings, forming concise communications, gaining visibility, and increasing one's influence—are all areas you as the leader can help them address through a coaching approach. Employees become more agile and flexible as needs in the organization continue to evolve and change.

Learning to coach (and not just lead) helps you enhance your influence even further. You likely consider yourself a leader, but are you a coach? Learning to be a leader coach will improve your, and your team's, performance and help you achieve your business goals.

More and more leaders see the value of a coaching approach and are positioning this as a means to help their teams develop additional leadership skills and become more agile.

Invest in Your Greatest Asset, Employees

Here are key outcomes of an effective coaching strategy, and how they can influence your team's productivity and impact your company's profits:

Increased employee engagement. Engaged employees are enthusiastic, motivated, and committed to give their best for the organization's success. Employee engagement accounts for many positive organizational outcomes, including decreased absenteeism, lower turnover, and higher productivity.

A sizeable number of organizations (65 percent) aim to expand the scope of managers/leaders using coaching skills in the next five years. Organizations that have strong coaching cultures are more likely to have high rates of employee engagement and strong revenue growth. When companies invest in the growth of an individual's leadership skills, employees respond by being more engaged in the organizational goals, they take greater ownership of their own roles, and they see the value of their contribution to the team's outcomes. This leads to higher performance and earnings.[3]

Greater employee empowerment and productivity. Empowered employees feel a great sense of autonomy in their work, know that their job has meaning and aligns with their values, are competent in their abilities, and believe they can make a difference. They are more likely to be confident employees who are committed to meaningful goals and demonstrate initiative and creativity to achieve them. Empowered employees trust their leaders and are more likely to put in the extra effort.[4]

When empowerment is low, only 4 percent of employees are willing to give the extra effort, but 67 percent are willing when empowerment is high. Higher empowerment translates to higher productivity.[5]

Engaged and empowered employees do more than what is required because of the investment you make in coaching them. They are tireless, energized, and willing to do whatever it takes to overcome obstacles and navigate complexity. Empowering your team demonstrates they are valued, you trust their judgment, and you are willing to invest in them through coaching. When productivity improves, the entire team and company realize tremendous benefits including increased loyalty, satisfaction, innovation, and profitability.

Heightened employee inspiration, engagement, and innovation. Making the time to coach motivates and inspires employees. That value translates to greater engagement and innovation.

Employees who spend an optimal number of hours (six hours per week) interacting with their direct leader are 29 percent more inspired, 30 percent more engaged, 16 percent more innovative, and 15 percent more intrinsically motivated than those who spend only one hour per week.[6] Coaching is a critical tool for leaders to engage and empower their teams, yet it is severely underutilized, with 20 percent of leaders spending only three to four hours, per *month*, coaching.[7] In fact, leaders need to spend more time coaching, as much as 40 to 50 percent.[8]

Coaching challenges your employees to anticipate trends, think strategically, and be more innovative. This is critical for teams with opposing demands and taxing deadlines to feel inspired and meet their goals. When you lead by coaching, your employees are able to take on new challenges that push them out of their comfort zone.

Increased employee satisfaction and retention. Coaching is the differentiator for employee satisfaction and retention.

More than 60 percent of employees who report to managers who are not good coaches considered quitting, versus 22 percent who report to the best managers.[9] When you coach your team, they appreciate the investment you make in them to help sharpen their skills. Satisfaction increases, and they feel more valued, which translates into greater loyalty and lower turnover.

When coaching is at the core of your leadership, employees strive to do their best. They desire to remain at their current position to make a greater impact and then to progress further in the company, rather than exit to find better, more rewarding opportunities elsewhere. Their loyalty stems from your investment and encouragement, which has a positive impact on employee retention.

Increased profitability. Finally, with all the benefits of coaching, your organization will see improvements to its bottom line.

Organizations that are the best in engaging their employees achieve earnings-per-share growth that is more than four times that of their competitors. Companies with highly engaged workforces realize substantially better customer engagement, higher

productivity, better retention, fewer accidents, and 21 percent higher profitability.[10]

Organizations that have strong coaching cultures experience above-average earnings as compared to those companies that do not engage in coaching. Even a 10 percent increase in employee productivity would double the profits of most organizations.[11] The connection is real between coaching and profitability.

Coaching truly is a game changer for optimizing leadership and building high-performing teams. It is also clearly a critical factor for companies that wish to positively impact their bottom line. Coaching is an essential part of leadership and should be implemented at every level for organizations that wish to experience exceptional business results.
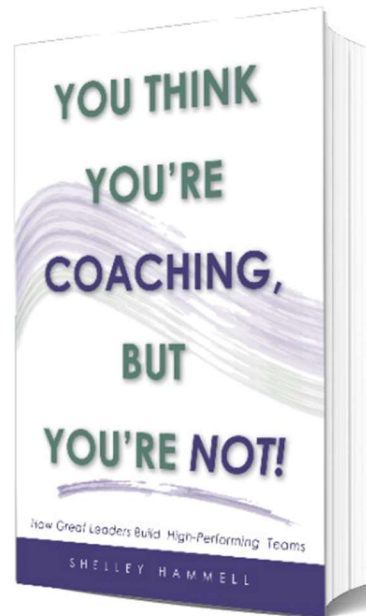
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