

ISSN 1815-804X

Volume XIII

Issue 2

March 2015

IJMC

International Journal of Mentoring and Coaching

EMCC

*European Mentoring &
Coaching Council*



The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



Evaluating Leadership Coaching in Organisations:

A Survey of Formative and Summative Outcomes

Dr. Doug MacKie

CSA Consulting, Brisbane, Australia

Abstract

This evaluation survey was conducted following a leadership coaching program in which 37 senior leaders and managers participated. The survey aimed to examine the impact of the leadership coaching program in terms of both formative evaluation or how the program was delivered and summative evaluation or the broader impact of the program. A total of 105/250 individuals responded to the survey giving a response rate of 42%. Quantitative analysis showed that respondents were extremely positive about the relevance of the program to developing leaders at their organisation and the level of the intervention. In terms of effective elements of the program, the coaching relationship received the highest scoring responses. Respondents reported perceiving significant positive change at the individual, team and organisational level and these changes were attributed to the coaching program. For changes at the individual and team level, there was a significant trend for participants and raters to perceive greater changes than other employees. This trend was also apparent when the results were analysed by level with those higher in the organisation perceiving the greatest change. A conservative calculation on the return on the investment (ROI) gave a figure of 856%. Specific recommendations from the program in relation to how the program could be run more effectively and how the leadership coaching could be more effectively integrated into the organisation are discussed.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



Originality/Value

The originality of this article is that it extends coaching evaluation beyond both self-report and multi-rater feedback to examine the impact of strength-based leadership coaching on the broader organisation. It examines both the impact of the program and how the program could be improved and includes an analysis of outcomes on key organisational variables. Finally it calculates an ROI for the coaching organisation and makes specific suggestions as to how coaching can be more effectively delivered in an organisational context

Key Words

Strength-based leadership coaching

Formative evaluation

Summative Evaluation

Return on Investment

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



Introduction

Evaluating the impact of a leadership coaching program offers the opportunity to look beyond the immediate target of enhancing leadership behaviour to include both how the program was received by the client organisation and where the program has impacted throughout that organisation. As the coaching market matures, there has been increasing interest on calculating the overall effectiveness and return on investment (ROI) of executive coaching (Grant, 2012). However, evaluating the effectiveness of leadership coaching is a challenging and complex process. Firstly there is simply no consensus on what should be evaluated or measured after leadership coaching. The potential domains of measurement are vast (Lee, 2005) and the idiographic nature of coaching potentially can mitigate against any domain specificity in outcome assessment (Passmore & Fillery-Travis, 2011). Secondly it is unclear whom to ask in terms of evaluating the effectiveness of a leadership coaching program. There are multiple stakeholders in each coaching engagement including the coach, coachee, sponsor, direct reports and peers of the coachee. Most evaluations focus on the participants and their responses but self-report can be an unreliable indicator of change (Kruger & Dunning, 1999). Occasionally research into evaluation employs a multi-rater methodology where people at different levels in the organisation comment on individual change over time, (MacKie, 2014; Cerni et al., 2010). However this approach gives data primarily on specific leadership behaviours and not on the broader impact on the organisation. Finally there is the question of timing. Evaluating too soon after the intervention risks assessing before any impact has rippled out from the coaching process but assessing too late may mean respondents could struggle to recall the participant's behavior prior to the intervention. Reactions to the leadership program can be assessed immediately but the organisational and business impact may take time to work its way through the various levels of evaluation (MacKie, 2007).

The evaluation of training interventions in organisations has traditionally been dominated by the Kirkpatrick model that suggested change could be monitored and evaluated at four discrete stages or levels (Kirkpatrick, 1959, 1977). Level 1 captured the reaction of the participant to the program and usually involved ratings of client satisfaction. Level 2 involved assessing what the participant learned from the training program. This attempted to measure changes in specific knowledge, skills or attitudes that could be attributed to the program. Level 3 focused on behavioural change and improved job performance. Finally, Level 4 related the results of the training program to the attainment of organisational objectives. Training models of evaluation have

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



evolved since Kirkpatrick first suggested his criteria and additional levels looking specifically at ROI have been added (Hamblin, 1974). However, these stage models have not converged on a single outcome criterion, again due to the breadth of domains that are targeted under the training process. The benefits of the Kirkpatrick model are that it offers a framework for the evaluation to occur within and emphasizes that subjective assessment alone is insufficient for effective evaluation. Kirkpatrick has been criticised for not meeting the traditional criteria of a scientific model (Holton, 1996) namely definition of constructs, articulating assumptions about their relationships, and offering propositions, hypotheses and predictions. Holton instead suggested that Kirkpatrick's four-stage process be viewed as a, "taxonomy of outcomes". Other researchers have also built on the four-stage foundation with Kraiger, Ford and Salas (1993) suggesting that Level 2 could be expanded to differentiate between knowledge skills and attitudes.

Another crucial debate that has influenced the evaluation of training and coaching literature is that of common versus specific factors (McKenna & Davies, 2009). The common factors position asserts that there are common processes at play across coaching engagements and that these alone can form the basis of effective evaluation. Common factors are seen as mainly occurring in the coaching relationship and involve qualities like empathy, rapport and positive regard. These are hypothesized to be significantly more influential than any specific technique and therefore tend to minimise the significance of specialist training in the coach (MacKie, 2007). The specific factors position reverses the relative importance placing the specific coaching technique as the key orchestrator of change and the relationship factors as necessary but not sufficient for sustained behavioural change. This debate and its consequences continue to influence contemporary research in the coaching profession (De Haan & Duckworth, 2013).

Evaluating leadership coaching presents some additional challenges as the idiographic nature of the coaching process potentially mitigates against a standardised evaluation methodology. Consequently two types of evaluation have emerged in the literature. Summative evaluation, which looks at the completed outcomes of the leadership intervention and formative evaluation, which are process orientated questions that focuses on program improvement (Ely, Boyce & Nelson et al, 2010). This is a useful distinction as it ensures that the method of delivery is evaluated alongside the traditional Kirkpatrick taxonomy. Ely et al (2010) suggest the summative evaluation framework can incorporate much of the Kirkpatrick taxonomy with Level one being

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



expanded to include the client's perception of the coach's competence and their satisfaction with the client-coaching relationship. Level 2 is expanded to include self-awareness as well as increased flexibility. Level 3 remains focused on leadership behaviours and is ideally incorporated into a pre and post coaching 360-degree feedback process. Finally Level 4 remains focused on results but includes the impact on peers, direct reports and other stakeholders as well as the total return on investment, (ROI).

In addition to the traditional summative process, Ely et al (2010) stress the need for a formative evaluation to improve the quality of the training intervention. This focuses on process rather than outcome criteria and helps to identify any barriers to attaining the coaching objectives. They include coachee expectations, the competence of the coach, the quality of the client-coach relationship and the coaching process itself. It also provides the coachee the opportunity to provide feedback on the elements of the process and method they found most effective. The coaching method can be divided into specific and non-specific factors depending on the preferences of the coachee and the theoretical orientation of the coach. Client variables can include both organisational and coachee factors given that the organisation provides the context in which the coaching will occur. It is unlikely that any coaching gains will transfer effectively if the host organisation is not supportive of the developmental activities (Day, 2001).

This study attempts to incorporate both formative and summative methodologies in the evaluation of a strength-based leadership coaching program. Strength-based leadership coaching places an explicit emphasis on the identification and development of skills and abilities that the coachee does well, finds energising and can leverage to address their weaker areas, (MacKie, 2014). The study produced highly effective changes in leadership as measured by other raters in a multisource feedback of leadership behaviour, (MacKie, 2014). However this research seeks to extend these findings by examining the impact more broadly within the organisation.

Rationale and Aims

The aims of this evaluation were to provide some data on the broader impact of the leadership coaching program on the host organisation. Data on both formative and summative elements of evaluation were collected. This allowed options for program improvement to be collected and estimates of the broader organisational impact to be calculated.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



The specific aims were to conduct;

1. Formative evaluation - collecting data on coach, coachee, program and organisational variables.
2. Summative evaluation - collecting data on individual, team and organisational impact.
3. Calculation of the return on investment of the leadership coaching program
4. Analysis of the responses by role in the program and level in the organisation.

Method

Participants

A total of 105 individuals (39 males, 66 females) completed the survey out of 250 employees and coaches who were invited to respond giving a response rate of 42%. All respondents were either members of the client organisation or coaches who had provided the leadership coaching. The organisation was the Australian arm of a multi-national NFP. The participant age bands ranged from under 30 years old to over 60 years old with the majority of respondents falling in the 30-39 years old category.

Measures

All respondents completed a bespoke evaluation survey created for the purposes of evaluating this leadership coaching program (The specific questions asked are outlined in Tables 1-9). The survey was divided into nine major domains. The first domain looked at the delivery of the leadership program and was answered by all respondents, (eg. Would you recommend this program to others?). The next three domains included the coaching process (eg. Did the coach encourage your participation in setting the agenda?), effective components of the program (eg. The coaching relationship) and the coachees approach to coaching (eg reflecting on the contents of the coaching session). These sections were answered only by the coaching participants. The next section looked at the organisations approach to coaching (eg Does the organisation support your development in the workplace?) and was answered by all respondents. The next two sections looked at individual (eg. Did the participant display new leadership skills?) and team outcomes (eg. Did the participant motivate team members to contribute more to the team?) from the leadership coaching and were again answered by all respondents. The final two sections looked at the impact of the leadership coaching on the client organisation's principles and approaches (eg. Change the ideas and beliefs

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



which underpin poverty and injustice) and their change goals (eg. To enable and support our people effectively). There were also qualitative questions at the end that asked about the most and least effective elements of the program. All questions used a 5 point Likert rating scale measuring frequency from “not at all” to “almost always”.

Procedure

Participants were sent an email inviting their participation in the evaluation process. The context of the survey was to assist in the evaluation of the leadership coaching program and to see where the program had had impact and where it might be improved. The survey was sent out two months after the end of the coaching program. Participation was voluntary and both anonymity and confidentiality were assured. Analysis was by way of descriptive statistics on each of the domains of the evaluation survey. It was also important to investigate how the evaluation of impact varied by both level and role in the program. The analyses are included where numbers permitted. Figure 1 shows a logic model of the evaluation process including program inputs, outputs and short, medium, and long-term program outcomes. The organisation also provided their own evaluation of the program.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015

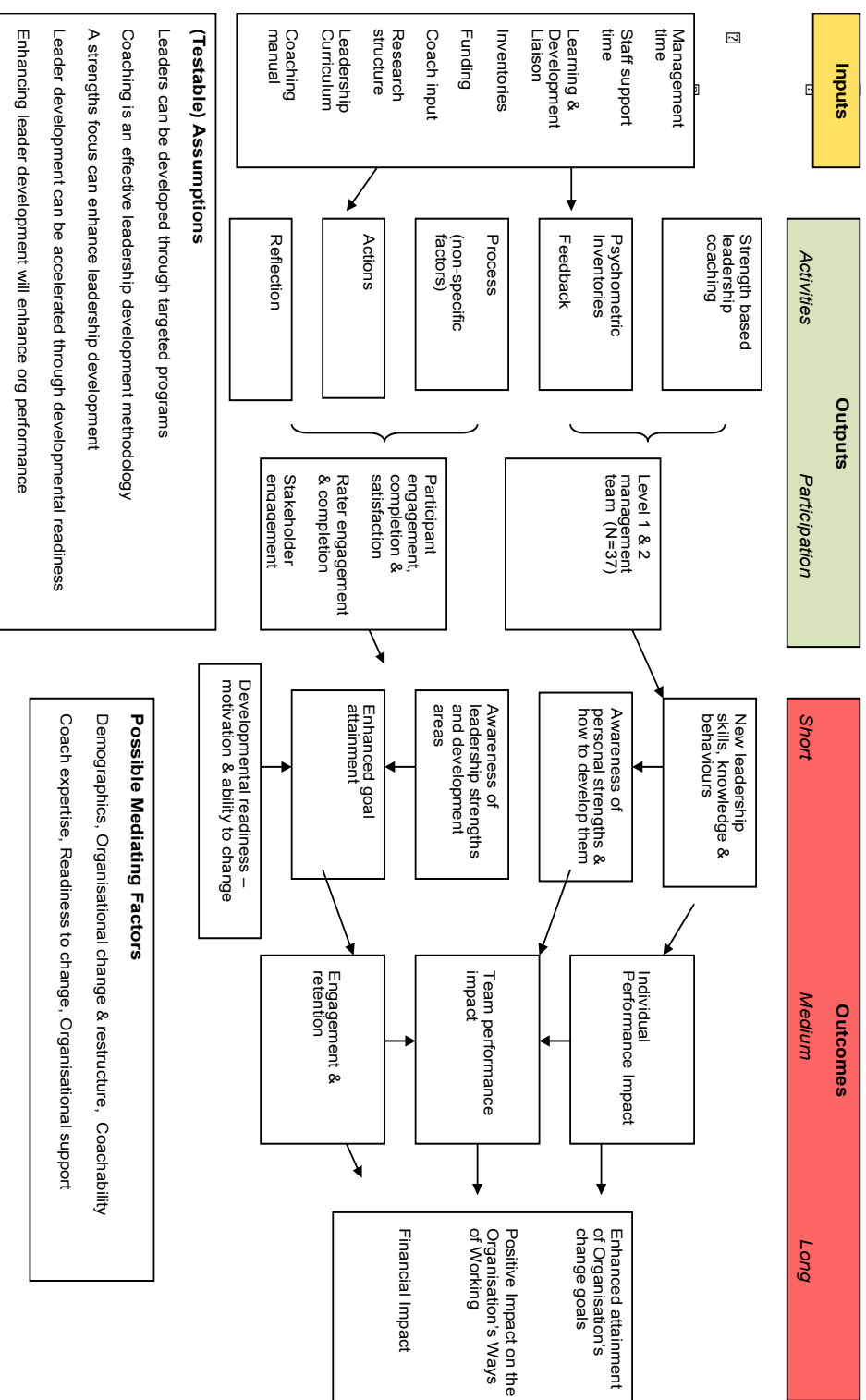


Figure 1 Logic Model of the Leadership Program Evaluation

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015

Results

Descriptive Statistics

Role in organisation. Respondents were asked to report the level at which they worked in the organisation from 1 (leadership team) to 5 (entry level employee). All coachees in the program came from band 1-2. Figure 2 illustrates the number of respondents in each category in the evaluation survey. The majority (72%) of respondents came from levels 3 and below. These could have been raters in the coaching process but not participants.

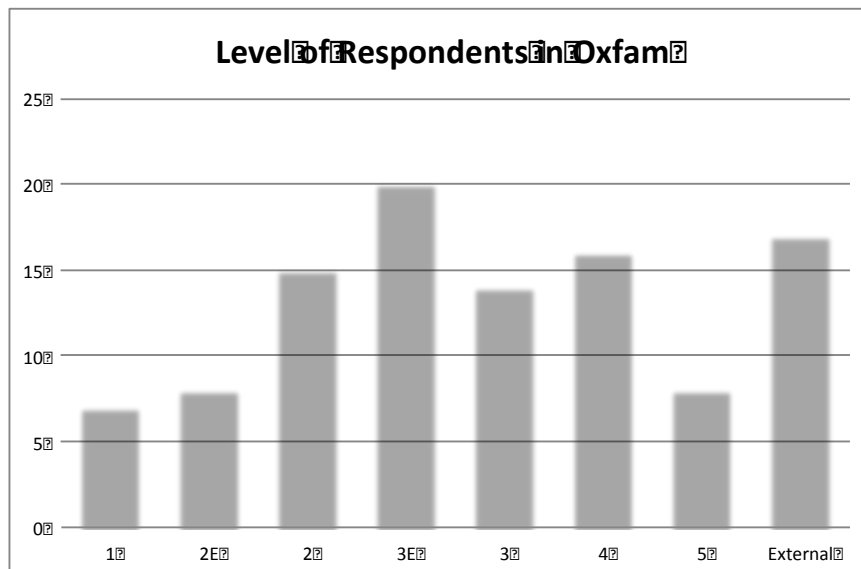


Figure 2: Number of survey respondents by Level in Organisation

Role in program. In evaluating the effectiveness of the leadership program, it was important to see if perspectives differed as a function of the individual's role in the program. Employees were those who were neither coachees nor 360 raters. As the categories were mutually exclusive, Fig. 3 shows that many of the survey respondents were neither participants nor raters but nonetheless had a view on the effectiveness of the leadership coaching.

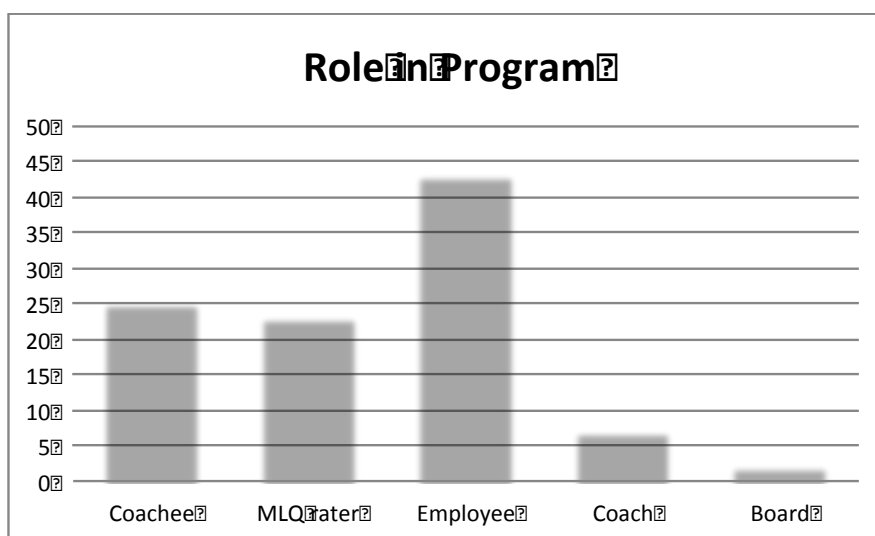


Figure 3. Number of Survey respondents by role in Program

It would seem reasonable to suppose for example that those closest to the program would report greater perceived change than those more distant. Figure 3 illustrates that the majority of respondents came from the employee category

Formative Evaluation

The delivery of the leadership program. The initial formative evaluation looked at how the delivery of the program had been received and focused on the coachees only. Specifically respondents were asked if the intervention was targeted at the right level, if they would recommend the program and if the process was relevant to developing leadership capacity in their organisation. Table 1 shows the results from the coachees who participated in the program. Answers were given on a 5 point Likert scale from “not at all” to “almost always” suggesting participants were very supportive of the program delivery.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015

Table 1: Delivery of the Leadership Program

Program Delivery Questions	N	M	SD
Was the Program targeted at the right level?	24	3.95	0.62
Would you recommend the program to others?	24	4.20	0.83
Was the process relevant to developing leaders?	24	3.95	0.62

The Coaching Process. This section of the evaluation asked participants only about their experience of the process of leadership coaching. Questions were focused around participants' experience of the coach and the coaching process. Answers were again given on a 5-point Likert scale from "not at all" to "almost always".

Table 2: Coachee's descriptions of the coaching process

Coaching Process Question	N	M	SD
Time to understand needs & preferences	23	4.35	0.65
Time building rapport with you	23	4.39	0.50
Inspire confidence they could assist you	23	4.34	0.57
Engaged and Focused on your challenges	23	4.43	0.51
Understood your role & industry	23	3.83	0.83
Encouraged participation in setting agenda	23	4.48	0.51
Commitment to your development	23	4.47	0.51
Balanced research & coachee needs	23	4.26	0.54
Balance of challenge & support	23	4.39	0.58
Responsive to emergent issues	23	4.56	0.51
Hold accountable for actions	23	4.13	0.81
Review development plan/goals	23	4.22	0.79

From the above Table 2, it can be seen that the element of the coaching process that was most commonly experienced by the coachee was the coach's responsiveness to emergent issues. This is important given that this was conducted in the context of a research protocol with certain fixed parameters and suggests the coaches' demonstrated significant flexibility within the research parameters. The least experienced element of the process was the sense that the coach had a good understanding of the not-for-profit (NFP) sector.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



Components of the leadership program. This section of the evaluation attempted to assess which aspects of the strength-based leadership coaching program the coachees found most effective. Again only coachees completed this element of the survey.

Table 3: Effective Components of the leadership program

Components of the Leadership Program	<i>N</i>	<i>M</i>	<i>SD</i>
MLQ leadership 360 inventory feedback	23	4.00	0.67
Realise 2 Strengths inventory feedback	23	4.00	0.67
Coaching relationship	23	4.43	0.66
Reflective space pre and post sessions	23	3.74	0.68
The goal setting process	23	3.74	0.91
The strengths identification process	23	3.96	0.88
The strengths tracking process	23	3.56	0.79
Leveraging realized and unrealized strengths	23	3.82	0.77
Development planning process	23	3.61	0.84
Actions between sessions	23	3.87	0.76
Completing coaching manual	23	3.17	1.03

From Table 3, it can be seen that participants rated the coaching relationship as the most effective element of the process. The feedback from the various inventories was also rated highly. Coachees found the manual completion element the least effective element of the process and yet manual completion was a strong predictor of participant changes in leadership ratings after receiving coaching, (MacKie, 2014).

The coachee's approach to coaching. This section of the evaluation attempted to assess how the coachee had engaged with the program. Given that coachee engagement is a crucial element of the leadership coaching process, questions focused on what qualities the coachee had displayed in the coaching process.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



Table 4: Coachee qualities in the coaching process

Coachee Behaviour Question	<i>N</i>	<i>M</i>	<i>SD</i>
Actively choose to participate	23	4.30	0.70
Commit to the goals and actions agreed	23	4.35	0.57
Actively prepare for each session	23	3.56	0.89
Reflect on contents of each session	23	3.96	0.64
Confidence in making changes	23	3.78	0.60
Collaborate in setting agenda	23	4.04	0.56
Try out new strategies & approaches	23	3.96	0.64
Personal situation support coaching	23	3.39	0.84

From Table 4, it is apparent that coachees did actively choose to participate and commit to the goals agreed in the coaching process. However they struggled with finding time or motivation to actively prepare for the coaching session and clearly some of the participant's personal and social situations were not supportive of the coaching change process. This response would be consistent with the significant organisational change process that was underway in the organisation during the time the leadership coaching took place.

Organisational Approach to Coaching. This section attempted to understand how the organisation had supported the leadership coaching program. As this was the context in which coachees practiced their leadership skills and applied their actions between sessions, a supportive organisational context was seen as crucial to the success of the program.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



Table 5: Means for Organisation approach to coaching by role in program

Organisation Approach to Coaching	Coachee	Rater	Employee	Total
Questions	Mean (N=23)	Mean (N=20)	Mean (N=29)	Mean (N=79)
Managers support coaching process	3.56	3.40	2.38	2.84
Organisation displays coaching culture	3.04	2.45	2.76	2.56
Business environment supports coaching	3.04	2.10	1.96	2.21
Coaching goals aligned with business objectives	3.56	1.75	1.72	2.22
Org support development in workplace	3.26	3.00	2.86	2.83
Manager provide opportunities	3.21	3.60	3.48	3.18
Manager supports development goals	2.95	3.45	3.48	3.07
Organisation facilitates skill transfer	2.78	3.35	2.82	2.77
Organisation resources coaching	3.39	1.15	1.20	1.77
Organisation integrates coaching to L&D	2.34	1.45	1.41	1.64
Leaders model growth mindset	2.86	2.95	2.62	2.59
Leaders recognise your strengths	3.04	3.45	2.37	2.68

Table 5 shows some interesting differences in the perceptions of the organisation's approach to coaching by role in the program. There is a general trend for those closest to the coaching to report more positively on the organisations support for the coaching process. There is a large discrepancy on the resourcing question where raters and employees are much less positive about the level of resourcing for coaching. This may be because the program was aimed at the top two levels in the organisation. It is also less apparent to the raters and employees that coaching goals were aligned to business objectives or that coaching was integrated into the broader learning and development strategy.

Summative Evaluation

Impact of the leadership coaching on participants. This section examined the perceived individual benefits of the leadership coaching program. It also asked raters to give a confidence rating in the changes being attributable to the leadership coaching program. The responses were broken down by role in the program with Coach's responses omitted due to a low response rate.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015

Table 6: Mean Scores of individual impact items by role in program

Individual Program Impact	Coachee	Rater	Employee	Total
Questions	Mean (N=23)	Mean (N=19)	Mean (N=28)	Mean (N=77)
Enhanced knowledge of leadership	3.21	2.47	1.78	2.49
New leadership skills	3.30	2.42	1.89	2.54
New awareness of strengths	3.26	2.31	1.53	2.40
Vigour and energy in goals	3.04	2.42	1.67	2.40
Greater goal attainment	2.78	2.42	1.39	2.23
Greater positivity & optimism	3.30	2.36	1.78	2.50
Greater flexibility & innovation	2.86	2.36	1.71	2.33
Empowering & developing others	3.13	2.47	1.82	2.46
Greater commitment & engagement	2.78	2.31	1.71	2.25
How confident in attribution to coaching	2.95	2.26	1.75	2.36

Table 6 shows some interesting variations by role in the program. As before there is an interesting gradient of response depending on the respondent's proximity to the leadership coaching with those closest being the most positive. A one-way between groups ANOVA confirmed that the difference between Coachee and employees was significant ($p < 0.05$) in all questions. This was true also of the coach's response but they were too few to include. The differences between coachee and rater or rater and employee were not significant. Coachees reported the biggest impact on their leadership skills and levels of optimism but those benefits were not as visible to employees who had not rated them as part of the 360 multi-rater evaluation. This suggests that as the benefits of coaching cascade throughout the organisation, the impact is diluted as a function of the distance from the coaching and the level of awareness of employees about the goals of the program.

Impact of leadership coaching on participant's team members. This section aimed to see if the benefits of coaching were cascading into the participant's team. Again Table 7 illustrates that the gradient that those closest to the coaching perceive most benefit was apparent. Those who rated the coachees are also report team related benefits but not to the same degree whilst employees are the least confident in both perceiving team related changes and attributing them to the coaching process. A one-way between groups ANOVA confirmed that the difference between Coachee and employees was significant ($p < 0.05$) in all questions. Again the differences between coachee and rater or rater and employee were not significant.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015

Table 7: Mean Scores of team impact items by role in program

Impact on Participant's Team	Coachee	Rater	Employee	Total
Questions	Mean (N=23)	Mean (N=19)	Mean (N=26)	Mean (N=75)
Generate a positive team climate	3.34	2.42	1.57	2.41
Clearer vision & purpose	3.34	2.26	1.46	2.32
Greater role clarity	3.26	2.47	1.50	2.34
Advocacy v. enquiry ratio	3.52	2.47	1.34	2.36
Effective stakeholder engagement	3.17	2.31	1.53	2.32
Motivate team members	3.08	2.52	1.53	2.36
How confidence in attribution to coaching	3.26	2.26	1.46	2.30

Impact of leadership coaching on organisational principles and approaches.

This section aimed to assess if the impacts of the leadership coaching program had impacted on the organisation's principles and approaches. These were nine aspirational statements about the organisation's desired impact on the community.

Table 8: Mean Scores of principle & approaches impact items by role in program

Impact on Principle & Approaches	Coachee	Rater	Employee	Total
Questions	Mean (N=23)	Mean (N=17)	Mean (N=26)	Mean (N=73)
Positive change in lives	1.78	2.00	1.65	1.82
Strengthen capacity for change	2.47	2.11	1.69	2.10
Capture lessons at local level	1.47	2.17	1.30	1.63
Change ideas re poverty/injustice	1.17	1.29	1.50	1.31
Change policies & practices of Govt	1.21	1.41	1.34	1.30
Hold Govt to account for change	1.30	1.47	1.30	1.34
Monitor impact of change	1.39	1.47	1.42	1.46
How confident in attribution to coaching	1.69	1.64	1.34	1.54

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



These principles and approaches are a series of values and behaviours that the organisation aspired to manifest in its dealings with its partners. They are core to its organisational identity so any positive change in these attributable to the coaching would be a valuable outcome for the client. Whilst the numbers are lower here as we move further away from the coaching source, there is a trend for all groups to be more aligned in their beliefs about the level of change and the degree of confidence that these changes are attributable to the coaching process. However a one-way between groups ANOVA confirmed that there were no significant differences between any of the subgroups. Table 8 shows that overall respondents believed that the principle that had most changed as a result of the coaching was strengthening their capacity for change and the least impacted was their capacity to change and influence the policies and practices of Government.

Impact on organisational change goals. The organisational change goals are about building a stronger and sustainable organisation and include financial, leadership and people orientated competencies. Again the results across the three groups are broadly in alignment suggesting there is a trend for greater alignment the further away from the coaching sources the outcomes are. A one-way between groups ANOVA confirmed that there were no significant differences between any of the groups. The most significant impact of the leadership coaching was seen at the capacity to enable and support people. This organisational goal is particularly well aligned with enhancing coaching capability. The least impacted goal appeared to be their capacity to mobilise their Australian constituency. Table 9 illustrates this trend.

Table 9: Mean Scores of Organisational Change Goals impact items by role in program

Impact on Organisational change goals	Coachee	Rater	Employee	Total
Questions	Mean (N=23)	Mean (N=17)	Mean (N=23)	Mean (N=70)
Cohesive Global Agency	2.17	2.11	1.91	2.00
Enable & Support People	2.73	2.64	2.13	2.47
Highly accountable agency	2.47	2.11	2.00	2.18
Innovative, flexible and responsive	2.52	2.41	1.95	2.21
Grow Income	1.60	1.94	1.91	1.75
Mobilise Australian constituency	1.39	1.64	1.73	1.51
Live our values in work	2.69	2.41	2.13	2.28
How confident in attribution to coaching	2.34	1.82	1.60	1.91

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015

Combined domain scores by role in program. After checking the reliabilities of each of the evaluated domains, a mean score was computed to allow an overall comparison by role in the program to be performed.

Table 10: Cronbach's alpha for domain scores

Domain	Items	Cronbach's Alpha
Organisational Approach	12	0.896
Individual Program Impact	9	0.978
Team Program Impact	6	0.982
Principles & Approaches	7	0.949
Change Goals	7	0.939

Given that all domains showed strong internal reliability through their Cronbach alphas scores, a mean score was computed for each domain to facilitate a comparison of impact by role in the program. The results showed that coachees not surprisingly report the greatest change at the individual and team level. Employees by contrast report the least change in those two domains. However there is a much better alignment across the three groups when reporting changes in the principles and approaches and the change goals.

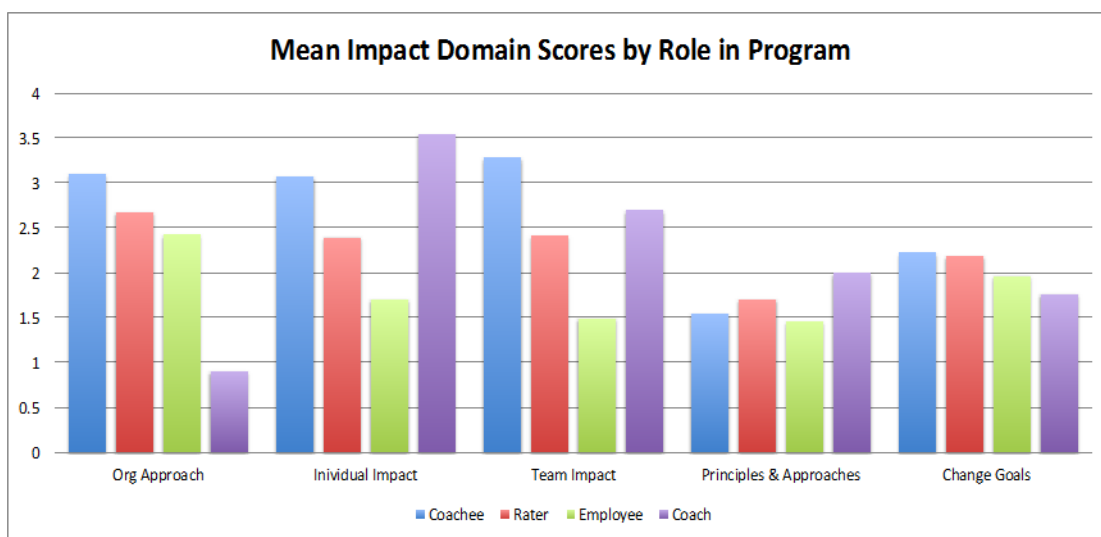


Figure 4. Mean domain Score for the evaluation survey by role in the Leadership Program

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



It is also of note that the coaches as a group are much less positive about the organisational climate for coaching than the three internal groups. This does suggest an opportunity for external providers of coaching to better understand the environment in which they are coaching to ensure outcomes are transferred and sustained over time.

Table 11: One way ANOVA of Mean Summative Outcomes by Role

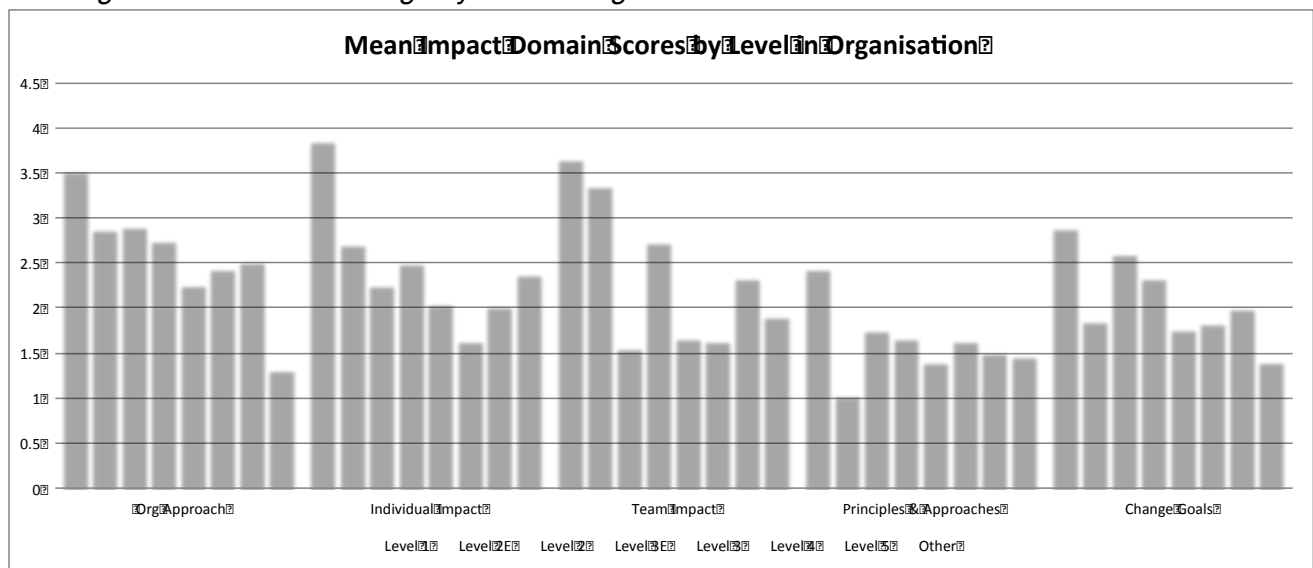
Domain	Coachee Mean (SD)	Rater Mean (SD)	Employee Mean (SD)	Coach Mean (SD)	df	F	P
Individual Impact	3.07 (.94)	2.39 (1.55)	1.70 (1.50)	3.53 (1.83)	4,72	4.8	.002
Team Impact	3.29 (.82)	2.41 (1.45)	1.49 (1.58)	2.69 (2.10)	4,70	5.79	.000
Principles & Approaches	1.54 (1.20)	1.70 (1.08)	1.46 (1.40)	2.00 (1.64)	4,68	.628	.644
Change Goals	2.22 (1.11)	2.18 (.99)	1.96 (1.56)	1.76 (1.56)	4,65	.878	.482

Table 11 indicates there were significant differences on perceived individual and team outcomes when analysed by role in the program. However there were no differences in ratings of principles and approaches and organisational change goals. Given the size of the standard deviations a non-parametric test was run to confirm these findings. A Kruskal-Wallis test confirmed the only significant differences were in the individual and team impact scores (Chi-Square=15.73, $p=.003$ & 16.23, $p=.003$ respectively).

Perceived changes by level in organisation. As well as analyzing the data by role in the program, it was also possible to look at the impact of level in the organisation on the degree to which outcomes were perceived. Figure 7 shows the mean impact domain scores by organisational level and suggests that the most senior individuals in the organisation perceive the greatest amount of change attributable to the coaching program. Given that almost all of the Level 1 individuals were participants in the program, this may partially explain their positivity and suggests this may be a proxy for role in the program. A one-way ANOVA revealed that the only significant difference by

level was at the team impact level, $F(7, 67) = 2.95, p = 0.009$. No other significant differences were found.

Figure 5 Perceived change by level in Organisation



This review primarily focused on empirical findings published in peer-reviewed journals on CCM in order to examine its current use, and to help resolve the conceptual confusion. According to D'Abate, Eddy & Tannenbaum (2003), conceptual confusion occurs when descriptions of the same construct vary from author to author and is evident when exploring the similarities and differences among the constructs. This analytical review of the literature and synthesis contributes to a comprehensive and categorized approach to the topic, which can inform future conceptualizations and practical applications of CCM.

Return on investment (ROI). ROI is a popular but problematic index of success in leadership coaching. As the ratings given to financial improvement are usually entirely subjective and financial gains are often along way down the causal path from the coaching engagement, ROI has been criticised as an unreliable and oversimplified indicator of a complex engagement (Grant, 2012, De Meuse, Dai & Lee 2009). In this evaluation an approximate estimation of the ROI is calculated but will rely on the known tangible changes in leadership behaviour rather than asking participant to estimate the financial impact of the coaching which is not an appropriate measure for an NFP.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



$ROI = (\%) \text{ Adjusted estimate-program costs} / \text{program costs}$

$ROI \text{ (Benefits)} = \text{Change in mean leadership (MLQ Scores) over time}$

$ROI \text{ (Benefits)} = (\text{Mean Leadership scores Time3} - \text{Mean Leadership Scores Time1}) / \text{Mean leadership Scores T1} = 13\% \text{ gain in transformational leadership, (as measured by all raters on the MLQ, (MacKie, 2014))}.$

So Perceived benefits $= (\text{mean salary} \times \text{no of participants} \times \text{change in leadership ratings} \times \text{confidence that change is attributable to coaching (where confidence is the degree to which raters perceive leadership changes to be a function of the coaching received)})$;

$ROI^1 \text{ (Perceived Benefit)} = (\text{Mean Salary} \times 31 \times 13\% \times 47\%) - 22188 / 22188 = 856\%$

$ROI^2 \text{ (Average)} = (\text{Mean Salary} \times 31 \times 13\% \times 47\%) - 59388 / 58,388 = 257\%$

Program costs are the coachees time out of the business, psychometrics and in the second equation, the typical coaching rate for this organisation. The above ROI assumes that the 13% uplift in leadership effectiveness produces an equivalent uplift in individual productivity. Using the mean salary for the 31 participants and assuming only 47% of the change is attributable to the coaching (the average figure from the survey responses) and using the average cost of coaching (in this case it was pro bono but that would hugely reduce the costs and inflate the ROI) we still get an ROI of 257%. This also assumes only an individual impact and does not reflect how changes in leadership cascade through organisations. Changes in discretionary effort ratings suggest that direct reports in particular are likely to give significantly more to the organisation as a consequence of being led more effectively. This would lead to a significantly greater total ROI. The actual rating in this survey given the coaching was pro-bono was 856%.

Discussion

The purpose of this evaluation was to understand the impact of the leadership coaching program not just on the participants but also on their teams and the wider organisation. It was also aimed at understanding both the formative elements and how they might be improved as well as the summative changes in key criterion such as leadership behaviour. Overall respondents were very positive about the program which considering it was implemented in a time of significant organisational change, it is a very encouraging result.

In the formative evaluation, one of the key findings was the extent to which participants found different elements of the coaching process effective. Although it is not possible to link these preferences directly to outcomes, it does generate useful hypotheses for future research to test, namely that coach flexibility and engagement could be

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



positively linked to behavioural outcomes in the coachee. This emphasis on the coach's role is further emphasized by the coaching relationship being rated as the most important element of the program. How these level one ratings of satisfaction relate to change in coachee behaviour and impact on results is a crucial question for future investigations. The formative evaluation allows a perspective to be taken across the key elements of coach, coachee, program and organisational elements. Some clear barriers to full effectiveness emerged in the coachee variables in that participants were struggling to find time to prepare for each session and their personal situation did not always support the coaching process. These ratings are entirely consistent with anecdotal feedback received during the course of the coaching where coachees would frequently arrive at a coaching session with little in the way of reflection on the previous session or a proposed agenda. Participants also reported working through significant amounts of personal stress as roles changed and redundancies occurred within the organisation.

The responses regarding the organisational approach to coaching offer some particular opportunities to further enhance the impact of the program. The coachee responses here suggest that more could be done to integrate the coaching into the existing learning and development framework and facilitate the transfer of new skills and insights into the workplace. Equally there is room for the organisational leadership to demonstrate greater support for development in the organisation including the demonstration of a growth mindset that displays a belief in the capacity for change. Some of the largest perceptual discrepancies between roles in the program were found in this domain of organisational approach to coaching. Whilst participants saw alignment with business goals and felt their coaching was adequately resourced, raters and employees did not. This indicated that communication of the coaching goals and also the opportunity to participate in a similar program would be of value at lower levels in the organisation

In the summative evaluation, one of the key findings was that those closest to the coaching, perceived the greatest impact. This would appear self-evident but does raise the question as to why the participant gains are not being more broadly communicated throughout the organisation. Part of the explanation here is that there was some uncertainty as to who was participating in the program and the goals in the individual's coaching were not formally publicised due to client confidentiality. Consequently while the participant may have been highly focused in monitoring any changes, other stakeholders only had a very general sense of the program's aims and objectives. A second core finding was that change was perceived significantly differently by different levels and roles within the organisation. Participants saw significant change in their team functioning that they attributed to the coaching but this perception was not shared by non-participants. This is a counter-intuitive finding in that it would be expected that

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



individual change would be more apparent as it is closer to the source of the coaching. This difference was only apparent in the coachee and rater groups but it remains a remarkable finding that so much attributable change was perceived at the team level. This corroborates the notion that the traditional ROI dramatically underestimates the impact of coaching as it usually only incorporates the value of individual change.

The more distal impacts of the program were assessed through examining the impact on the organisations' ways of working and on their organisational change goals. Not surprisingly here the scores were significantly lower as a function of the distance from the coaching source. At this distance however, the discrepancies in responses by role in the program almost disappeared, suggesting that proximity to the coaching itself did not lead to a perceived difference in levels of change for more distal outcomes. The result that stood out was that all the groups saw the most significant change in the capacity of the individual and the organisation to bring about sustainable change. In the change goals again the discrepancy by role in the program disappeared and all three groups were aligned in that they saw the greatest impact in the capacity to enable and support employees.

Limitations of the Study

The most immediate limitation of the evaluation is that all the data is based on a subjective appraisal. There are no objective measures of performance currently available to correlate the subjective impressions with. However such performance criteria are rarely available in organisations with the notable exception of sales functions. Consequently subjective assessment is often the only data available to assess change. There is also an assumption embedded in this process that whilst individual responses may be unreliable, the group response compensates for this by averaging error on both sides. This is the basic logic behind the validity of the multi-rater methodology (Luthans & Petersen, 2003).

Secondly there is the question of the timing of the evaluation. The optimum time to assess the impact of a leadership coaching process is not known. There is clearly a balance between assessing too soon before change has the opportunity to be enacted and assessing too late where multiple emergent factors can blur the link between the intervention and subsequent change. This survey has captured the perception of significant change two months after the program has been completed at a time when the program had been running for nearly 12 months.

A third concern in the leadership evaluation literature is the differentiation between absolute and improved levels of leadership. In this survey we have tried to make this distinction clear by focusing on the changes in behaviour that have been perceived over the course of the leadership coaching and requiring a confidence rating in attributing that change to the leadership coaching process. There are also some

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



methodological issues to address in that all of the data was collected retrospectively making perceptions prone to both hindsight and confirmatory bias. A general survey of perceived leadership effectiveness at the beginning of the study with a follow up comparison would be one way to address this. This concern however really only applies to the summative evaluation and the formative analysis requires reflection on the program implementation. The bespoke nature of the survey, whilst greatly adding to the validity of the assessment of effectiveness, makes cross-research comparisons problematic.

Finally there are some challenges with the concept of measuring the return on investment after organisational interventions (Grant et al, 2010). Given the absence of attributable financial metrics for the participants, the assumption that their salary is equivalent to their value to the organisation has been made. While most organisations would expect multiples of an individual's salary to be return in terms of organisational performance, it is simply not possible to calculate this figure in this case. Hence this assumption is a conservative calculation that potentially significantly underestimates the ROI especially in light of the data that suggests significant changes in team performance as a result of the coaching intervention. These team impacts are not included in standard ROI calculations.

Conclusion

This coaching intervention occurred at a time of significant organisational challenge and change for the participating organisation. Multiple sources of anecdotal feedback suggested that the leadership coaching provided an essential external support in this change process but the change also prevented participants from being able to focus exclusively on their leadership style and how to enhance it. Nonetheless for the program to be so apparently effective in the midst of such organisational flux is testament to the effectiveness of this leadership coaching intervention.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1

March 2015



References

- Cerni, T., Curtis, G. J., & Colmar, S. H. (2010). Executive coaching can enhance transformational leadership. *International Coaching Psychology Review*, 5, 81-84.
- Day, D. V. (2001). Leadership development: A review in context. *The Leadership Quarterly*, 11, 581-613.
- De Haan, E. & Duckworth A. (2013). Signaling a new trend in executive coaching outcome research. *International Coaching Psychology Review*, 8(1), 6-19.
- De Meuse, K. P., Dai, G., & Lee, R. J. (2009). Evaluating the effectiveness of executive coaching: Beyond ROI? *Coaching: An International Journal of Theory, Research and Practice*, 2(2), 117-134.
- Ely, K., Boyce, L. A., Nelson, J. K., Zaccaro, S. J., Hernez-Broome, G. & Whyman, W. (2010). Evaluating Leadership Coaching: A Review and Integrated Framework. *The Leadership Quarterly*, 21, 585-599.
- Grant A. M. (2012). ROI is a poor measure of coaching success: towards a more holistic approach using a well-being and engagement framework. *Coaching: An International Journal of Theory, Research and Practice*, 5(2), 74-85.
- Grant, A. M., Passmore, J., Cavanagh, M. J., & Parker, H. M. (2010). The State of Play in Coaching Today: A Comprehensive Review of the Field. *International Review of Industrial and Organizational Psychology*, 25(1), 125-167.
- Hamblin, A. C. (1974). *Evaluation and control of training*. Maidenhead: McGraw-Hill.
- Holton, E. F. (1996). The flawed four-level evaluation model. *Human Resource Development Quarterly*, 7(1), 5-21.
- Kirkpatrick, D. L. (1959). Techniques for evaluating training programs. *Journal of the American Society of Training Directors*, 13, 21-26.
- Kirkpatrick, D. L. (1977). Evaluating training programs: Evidence vs. proof. *Training and Development Journal*, 31(11), 9-12.
- Kraiger K., Ford K., & Salas E. (1993). Application of Cognitive, Skill-Based and Affective Theories of Learning Outcomes to New Methods of Training Evaluation. *Journal of Applied Psychology*, 78, 311-328.
- Kruger, J., & Dunning, D. (1999). Unskilled and unaware of it: How difficulties in recognizing one's own incompetence lead to inflated self- assessments. *Journal of Personality and Social Psychology*, 77, 1121-1134.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



Lee, G. (2003). *Leadership coaching: From personal insight to organisational performance*. CIPD Publishing.

Luthans, F. and Peterson, S. J. (2003). 360-degree feedback with systematic coaching: Empirical analysis suggests a winning combination. *Human Resource Management*, 42, 243–256.

MacKie, D. (2007). Evaluating the effectiveness of executive coaching: Where are we now and where do we need to be? *Australian Psychologist*, 42(4), 310–318.

MacKie, D. (2014) The Effectiveness of Strength-Based Executive Coaching in Enhancing Full Range Leadership Development: A Controlled trial. *Consulting Psychology Journal: Practice and Research*, 66, 118–137

McKenna, D.D. and Davis, S.L. (2009). Hidden in Plain Sight: The Active Ingredients of Executive Coaching. *Industrial and Organizational Psychology*, 2, 244-260.

Passmore J., & Fillery-Travis A. (2011). A critical review of executive coaching research: a decade of progress and what's to come. *Coaching: An International Journal of Theory, Research and Practice*, 4, 70-88.

The International Journal of Mentoring and Coaching

Volume XIII Issue 1
March 2015



About the Author

Dr Doug MacKie

Doug is a business psychologist and executive coach with over 25yrs experience in the assessment and development of executive and leadership capability within top companies in Australia, Asia and the UK. Doug has presented at International conferences and published in leading journals on strength-based approaches to leadership development, the importance of effective evaluation and assessing ROI in coaching engagements. He can be contacted at doug@csaconsulting.biz