

case study

Coaching: a multi-dimensional approach to accelerating organisational change

Overview

“The coaching that the Leadership Team received over a four month period provided focus, stability and enhanced common understanding within the team.

This ultimately enabled the awareness that the sale of the company to a strategic investor was the best option.” HRD, Private Bank

Crelos improve business performance by supporting and facilitating organisational development and change.

In 2009, Crelos were approached by a Private Bank, to provide coaching and facilitation services to help support its key executives throughout the sale of their organisation. The Bank is a leading supplier of financial services to private and corporate clients, with a total of 700 employees and group assets under management of more than €10 billion.

The announcement of the sale of the bank prompted the HR Director to contact Crelos, with a view to providing coaching and facilitation services to support the Executive Committee and broader Management Buy Out (MBO) team. The Executive Committee were planning to tender their own bid in the sale process through the structure of an MBO.

According to a recent survey by Hewitt Associates, just over half (54%) of M&A deals don't achieve their stated objectives. In the research, the one common differentiating factor was the failure to address human capital issues. In particular, the research indicates that proactive management of leadership and talent progression is the key to success.

Any corporate transaction stirs up normal human responses, such as fear of losing authority, identity and power. A transaction also adds a degree of complexity to normal business decisions, requiring the executives to keep employees focused and engaged servicing clients, despite an uncertain future. Conversations about such things normally take place beneath the surface of the transaction. Left unmanaged, they put at risk the very value that the transaction sets out to create.

In the backdrop of the collapse of the Global banking markets, this was a fragile state from which it would be easy for an organisation to fracture.

Co-creating the coaching intervention

Crelos and the client first co-explored what the task of coaching really was in this situation, the skills that would be needed and how best to approach the proposal of coaching to the CEO and his Executive Committee.

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The skills required were not just coaching skills they were also a good knowledge of the Private Equity market and working knowledge of the different stages of a transaction. From a psychological perspective the skills seemed to be a strong working knowledge of personal and cultural transition, and a clear understanding the role of anxiety in preventing or accelerating change. It also became clear that this was not just a coaching intervention but there would be a requirement for meeting design, planning and group facilitation.

Given the size and speed of this organisational transition, Crelos proposed a systemic approach to coaching¹ using coaching as both an individual and organisational learning intervention (see figure 1).

A systemic approach to coaching (c. Karen Izod 2005)

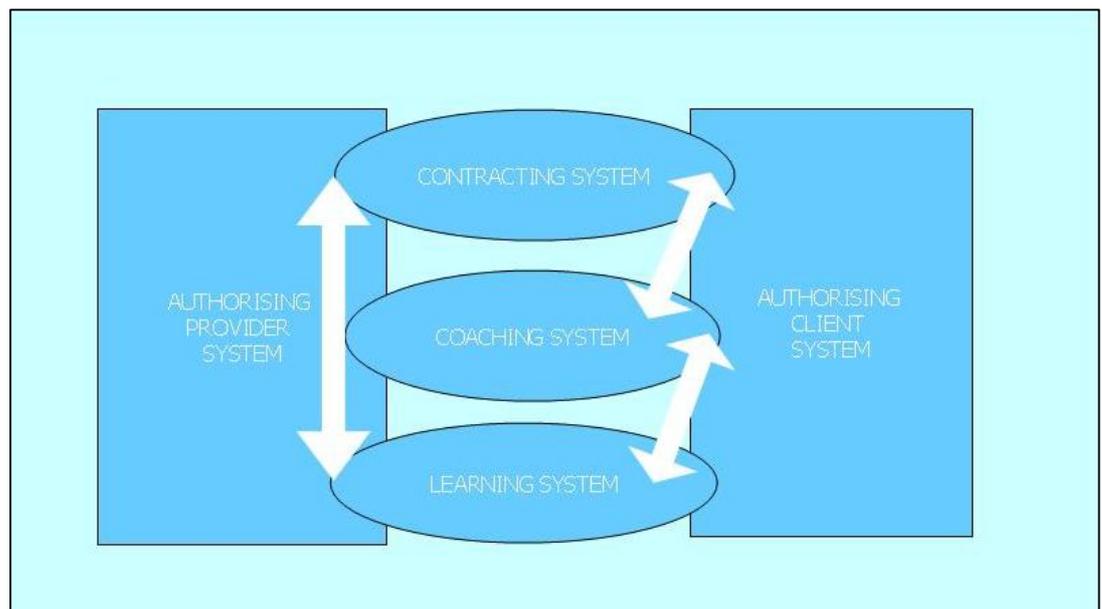


Figure 1

This framework provided a mechanism for exposing issues which sat outside of the normal management conversation and safely exploring them in a group setting. Thus helping to maintain trust and enabling group members to stay collectively focussed on their task of making the best strategic choices both for the bank and for themselves.

¹ Izod, K. (2005).

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Selling the coaching intervention

This model of coaching intervention was presented to the Executive Committee for their consideration, the goal being to socialise the proposal for individual coaching and explain the merits for setting up the coaching as a learning system. Crelos presented three examples, describing the typical challenges we thought they would face and how coaching and the coaching learning system could be used to best effect. The first example was easily recognised within the Executive Committee's current frame of reference and relevant to them all; the second was recognised by all as an issue that certain individuals would face and could be supported through coaching. The third however was an example that was relevant to the whole group but one which they could see had both a group and individual dynamic and thus, would not be easily associated with coaching as a natural intervention.

A systemic approach to coaching

The coaching programme was contracted through three inter-connected systems; a contracting system, a coaching system and an organisational learning system.

The contracting system: The owner of the coaching contract was the HR Director who did not formally sit on the Executive Committee or the MBO team. The sponsor was the CEO. The coaching was paid for by the budget set aside for the Trade Sale and from the HR budget for business as usual. There were two coaches working on the programme: one, a qualified corporate financier, accountant and executive coach, who coached the CEO. The second, a psychologist with specialist knowledge in personal, team and organisational dynamics who coached the other members of the team.

The coaching system: Individuals were offered fortnightly coaching sessions for the duration of the sale process. In addition, if required, they could request telephone coaching for issues that needed immediate support. The coaching was not compulsory with the exception of a first exploratory session which all team members were 'strongly encouraged to take up'.

The organisational learning system: The two Executive Coaches, and the HR Director, owned the learning system and met monthly with the CEO to review trends and systemic issues which were affecting the whole team.

Critical information was fed in to two hourly 'Learning Insight Meetings', where relevant stakeholders and executives gathered to discuss insights about the organisation's ability to adapt and change. The boundaries of confidentiality were strictly between the coach and

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coachee; the learning system merely captured issues, challenges, questions and dynamics that were of benefit or concern to whole organisation learning. The primary task of the learning meeting was to use the insights from the individual coaching sessions to define the central issues and concerns that were consuming management time and had the potential to destabilise the organisation.

An Evolving Model of Team Coaching (c. Alison Gill 2009)

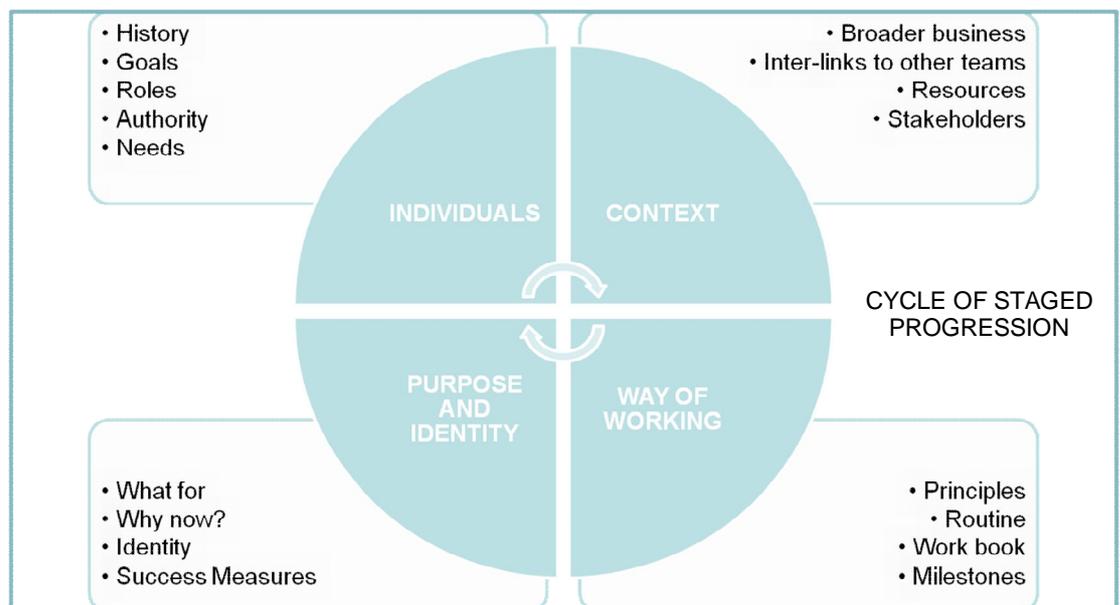


Figure 2

Summary

Coaching is not for everyone and take up of the individual coaching did vary. However, in this situation, coaching provided a vehicle for individuals to explore their own wants and needs solving both personal and businesses issues, for example: anxiety about an uncertain future; fear of losing authority, identity and power; the possible loss of trust between team members and decision making matrices about possible buyers.

The learning system proved to be a powerful vehicle. All of the issues identified sat outside of the normal management conversation with no other obvious vehicle for them to be explored and each meaning was crucial in maintaining open lines of communication and debate.

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Whilst it's too early to say whether the deal itself will deliver on its stated financial and other objectives, what is clear is that the coaching had immediate and tangible benefits for the individuals and the organisation as a whole throughout the transaction itself.

The coaching programme brought legitimacy to conversations about whether the new organisation would be right for each individual and any Executive Committee members that left the bank as part of the sale, did so without issue and confident that their future lay elsewhere. It also provided space for individuals and the team to see their way through the stresses and strains of dealing with a corporate transaction on top of an already busy business as usual agenda.