

To coach or not to coach: that is the question; or does coaching on KM platform increase performance?

MARTIN MILLER

School of Management in Trenčín, Bratislava, Slovak Republic

Abstract: Our paper outlines connection of knowledge management, performance management and coaching in practice of multinational company. Objective was to find out if development of principles and tools of knowledge management through coaching is leading to higher performance of employees. Other objective was to outline methodology and tool settings how to improve employee performance through active usage of knowledge management and coaching. Research sample was consisted by employees of multinational company. Most relevant outcomes are: coaching is effecting subjective performance assesment from closest peers and superiors, employees accepted coaching as development opportunity, coached employees defined coaching as interview, coached employees perceived coaching as appropriate for work and life, uncoached employees thought coaching is appropriate for work situations only, uncoached employees thought they do not need coaching. We found out that coaching increases subjective perception of employee performance by their peers and superiors. We elaborate complex model of connection of coaching with concept of performance management which comes from four years' experience of implemented coaching culture in researched enterprise on the market of services. We deem appropriate especially: 1) connect explicitly coaching with performance and development employee objectives 2) provide employees with wide range of internal and external coaches 3) secure supervision and professional care of internal coach from management. For further research we recommend to realize number of activities: individual interviews with managers of coached employees focused on finding out of perception of behavior change of coached employees, individual deep dive interviews with coached employees with agenda: change of the approach after going through coaching, group interviews with uncoached employees focused on perception of behavior change by coached employees, precise measurement of coaching process and its outcomes.

Keywords: coaching, employees, performance, company, improvement.

1 Knowledge management

Knowledge management (KM) is the process of creating, sharing, using and managing the knowledge and information of an organization. "Knowledge becomes strategic matter of the business" (Kelemen, 2007) [1].

Dimensions of knowledge: Explicit knowledge represents knowledge that the individual holds consciously in mental focus, in a form that can easily be communicated to others, information or knowledge that is set out in tangible form.

Tacit knowledge represents internalized knowledge that an individual may not be consciously aware of, such as to accomplish particular tasks, information or knowledge that one would have extreme difficulty operationally setting out in tangible form.

“The classic example in the KM literature of true "tacit" knowledge is Nonaka and Takeuchi's example of the kinesthetic knowledge that was necessary to design and engineer a home bread maker, knowledge that could only be gained or transferred by having engineers work alongside bread makers and learn the motions and the "feel" necessary to knead bread dough” (Nonaka & Takeuchi, 1995) [2].

“Knowledge management is the process of capturing, distributing, and effectively using knowledge.” This definition has the virtue of being simple, stark, and to the point. A few years later, the Gartner Group created another second definition of KM, which is perhaps the most frequently cited one (Duhon, 1998): “Knowledge management is a discipline that promotes an integrated approach to identifying, capturing, evaluating, retrieving, and sharing all of an enterprise's information assets. These assets may include databases, documents, policies, procedures, and previously un-captured expertise and experience in individual workers.” Davenport (1994) [3].

Both definitions share a very organizational, a very corporate orientation. KM, historically at least, is primarily about managing the knowledge of and in organizations. The operational origin of KM, as the term is understood today, arose within the consulting community and from there the principles of KM were rather rapidly spread by the consulting organizations to other disciplines.

“Another way to view and define KM is to describe KM as the movement to replicate the information environment known to be conducive to successful R&D—rich, deep, and open communication and information access—and deploy it broadly across the firm. It is almost trite now to observe that we are in the post-industrial information age and that an increasingly large proportion of the working population consists of information workers” (Koenig, 1990, 1992) [4].

2 What does KM really consist of? What operationally constitutes KM?

So what is involved in KM? The most obvious point is the making of the organization's data and information available to the members of the organization through portals and with the use of content management systems. Content Management, sometimes known as Enterprise Content Management, is the most immediate and obvious part of KM.

In addition to the obvious, however, there are three undertakings that are quintessentially KM, and those are the bases for most of what is described as KM.

a) Lessons Learned Databases

Lessons Learned databases are databases that attempt to capture and to make accessible knowledge that has been operationally obtained and typically would not have been captured in a fixed medium (to use copyright terminology). In the KM context, the emphasis is typically upon capturing knowledge embedded in persons and making it explicit.

b) Expertise Location

If knowledge resides in people, then one of the best ways to learn what an expert knows is to talk with that expert. Locating the right expert with the knowledge you need, though, can be a problem. The basic function of an expertise locator system is straightforward: it is to identify

and locate those persons within an organization who have expertise in a particular area. Such systems were commonly known as "Yellow Page" systems in the early days of KM. In recent years, the term expertise locator or expertise location has replaced yellow pages as being rather more precise.

There are now three areas which typically supply data for an expertise locator system, employee resumes, employee self identification of areas of expertise, typically by being requested to fill out a form online, or by algorithmic analysis of electronic communications from and to the employee. The latter approach is typically based on email traffic but can include other social networking electronic communications such as Twitter and Facebook. Commercial packages to match queries with expertise are available. Most of them have load-balancing schemes so as not to overload any particular expert. Typically such systems rank the degree of presumed expertise and will shift a query down the expertise ranking when the higher choices appear to be becoming overloaded. Such systems also often have a feature by which the requester can flag the request as a priority, and the system will then try to match higher priority requests with higher presumed (calculated) expertise rank.

c) Communities of Practice (CoPs)

“CoPs are groups of individuals with shared interests that come together in person or virtually to tell stories, to share and discuss problems and opportunities, discuss best practices, and talk over lessons learned Communities of practice emphasize the social nature of learning within or across organizations” (Wenger, 1998; Wenger & Snyder, 1999) [5].

3 Coaching

Use Coaching is a useful way of developing people's skills and abilities, and of boosting performance. It can also help deal with issues and challenges before they become major problems. A coaching session will typically take place as a conversation between the coach and the coachee (person being coached), and it focuses on helping the coachee discover answers for themselves. After all, people are much more likely to engage with solutions that they have come up with themselves, rather than those that are forced upon them!

In some organizations, coaching is still seen as a corrective tool, used only when things have gone wrong. But in many companies, coaching is considered to be a positive and proven approach for helping others explore their goals and ambitions, and then achieve them.

Coaches in the workplace are not counselors, psychotherapists, gurus, teachers, trainers, or consultants – although they may use some of the same skills and tools.

Most formal, professional coaching is carried out by qualified people who work with clients to improve their effectiveness and performance, and help them achieve their full potential. Coaches can be hired by coachees, or by their organizations. Coaching on this basis works best when everyone clearly understands the reason for hiring a coach, and when they jointly set the expectations for what they want to achieve through coaching. However, managers and leaders in the organization can be just as effective as externally hired coaches. Managers don't have to be trained formally as coaches. As long as they stay within the scope of their skill set, and maintain a structured approach, they can add value, and help develop their people's skills and abilities.

Coaching is a form of development in which a person called a coach supports a learner or client in achieving a specific personal or professional goal by providing training, advice and guidance.

“Baseline of coaching is insight of reality, spread of abilities and limitations” (Whitmore, 2009) [6], “Helping the coachee to look for its own solution and ways to achieve objectives” (Fisher-Epe, 2006) [7].

By objectives we can distinguish between:

- a) Business coaching -Business coaching is a type of human resource development for business leaders. It provides positive support, feedback and advice on an individual or group basis to improve personal effectiveness in the business setting. Business coaching is also called executive coaching, corporate coaching or leadership coaching.
- b) Life – Life coaching is the process of helping people identify and achieve personal goals. Although life coaches may have studied counseling psychology or related subjects, a life coach does not act as a therapist, counselor, or health care provider, and psychological intervention lies outside the scope of life coaching.
- c) Health and wellness – Health coaching is becoming recognized as a new way to help individuals "manage" their illnesses and conditions, especially those of a chronic nature. The coach will use special techniques, personal experience, expertise and encouragement to assist the coachee in bringing his/her behavioral changes about, while aiming for lowered health risks and decreased healthcare costs.

4 Coaching is Founded on Confidentiality and Trust

Coaching can be successful only if coachees are able to discuss every aspect of an issue or challenge with their coach. The coach may need to listen to personal problems or private information that must be kept confidential. (Unless, of course, it involves criminal activity or activities harmful to the team, its clients or the organization; or affects the safety and welfare of other people).

The Solution to the Coachee's Issue Lies Within the Coachee

This may sound unusual, but it means that the background of an issue and the options available are generally known to the coachee. The coach's job is to ask the right questions to help coachees arrive at their own conclusions. As we've said before, this is a very powerful way of helping people to change.

5 Performance management

Performance management is the current buzzword and is the need in the current times of cut throat competition and the organizational battle for leadership. Performance management is a much broader and a complicated function, as it encompasses activities such as joint goal setting, continuous progress review and frequent communication, feedback and coaching for improved performance, implementation of employee development programmes and rewarding achievements.

The process of performance management starts with the joining of a new incumbent in a system and ends when an employee quits the organization.

“Performance Management is both a strategic and an integrated approach to delivering successful results in organizations by improving the performance and developing the capabilities of teams and individuals. The term performance management gained its popularity

in early 1980's when total quality management programs received utmost importance for achievement of superior standards and quality performance. Tools such as job design, leadership development, training and reward system received an equal impetus along with the traditional performance appraisal process in the new comprehensive and a much wider framework" (Armstrong and Baron 1998) [8].

Performance management is an ongoing communication process which is carried between the supervisors and the employees through out the year. The process is very much cyclical and continuous in nature. A performance management system includes the following actions.

- Developing clear job descriptions and employee performance plans which includes the key result areas (KRA') and performance indicators.
- Selection of right set of people by implementing an appropriate selection process.
- Negotiating requirements and performance standards for measuring the outcome and overall productivity against the predefined benchmarks.
- Providing continuous coaching and feedback during the period of delivery of performance.
- Identifying the training and development needs by measuring the outcomes achieved against the set standards and implementing effective development programs for improvement.
- Holding quarterly performance development discussions and evaluating employee performance on the basis of performance plans.
- Designing effective compensation and reward systems for recognizing those employees who excel in their jobs by achieving the set standards in accordance with the performance plans or rather exceed the performance benchmarks.
- Providing promotional/career development support and guidance to the employees.
- Performing exit interviews for understanding the cause of employee discontentment and thereafter exit from an organization.

A performance management process sets the platform for rewarding excellence by aligning individual employee accomplishments with the organization's mission and objectives and making the employee and the organization understand the importance of a specific job in realizing outcomes. By establishing clear performance expectations which includes results, actions and behaviors, it helps the employees in understanding what exactly is expected out of their jobs and setting of standards help in eliminating those jobs which are of no use any longer. Through regular feedback and coaching, it provides an advantage of diagnosing the problems at an early stage and taking corrective actions.

The SMART model is a popular goal-setting tool. As an acrostic, it is easy to remember. Each letter in the word "SMART" represents a key element of a complete and actionable goal:

S – Specific: Is the goal explained with enough detail that it can be well understood by those involved in its completion and by any stakeholders?

M – Measurable: How will those involved in completing the goal know it has been accomplished and how will stakeholders determine its success?

A – Attainable: Is the goal attainable or feasible given the resources available?

R – Relevant: Does the goal align with, support, or advance the organization's vision, mission, values, principles, and strategies?

T – Time bound: Does the goal have a target date for completion?

Though useful because of its simplicity, relying solely on the SMART model for goal-setting may result in a goal lacking in critical details, or the goal may be too rigid, inhibiting creative ideas or flexibility to make adjustments to achieve a better outcome than originally intended.

To conclude, performance management can be regarded as a proactive system of managing employee performance for driving the individuals and the organizations towards desired performance and results. It's about striking a harmonious alignment between individual and organizational objectives for accomplishment of excellence in performance.

Connectivity of knowledge management, performance management and coaching

Coaching is based on Knowledge Management platform which is influencing performance management.

5.1 Research characteristic and used methods

We have used the Case study with the enterprise on the market of services. In the enterprise coaching culture was implemented in 2012 and performance management implemented in 2014.

Used methods

We have used Literature, Questionnaire, Content analysis and Statistical analysis, performance analysis of coached and uncoached employees.

Operationalization of variables

In coaching, we have counted the coaching hours, in performance we have counted reaching of sales plan, quality of the call, wider feedback, assesment of superiors, selfassesment.

6 Does coaching on KM platform increase performance?

Coaching in researched enterprise was implemented in 2012. Based on financial statements of the company in 2012 and 2013 outcomes were:

- Implementing of coaching into the company culture is cheaper than implementing of traditional forms of education
- Fluctuation after implementation of coaching into company culture was declined.
- Implementation of life coaching into company culture has no influence on the revenues of the company.

Partial results of research in 2012 and 2013 had shown that life coaching in the company has no impact on overall influence of company's revenues. Results also shows that fluctuation after implementation of coaching into company culture was declined and atmosphere in the company has been refreshed. Paralle surveys of ingagement showed, that employees receives very positive attitude of cooperation and trusts their superiors. We need to also state that coaching in particular time was used by thrid of employees and this development tool was not linked with performance objectives.

Total in 2012 and 2013, 86 employees was coached and 70 of them participated on the survey. Employees has ingage the survey anonymously and deliberately. In particular survey showed that coaching has no impact on revenues of the company. Development plan analysis of coached employees on KM platform did not proved the aim to increase sales performance, i.e. increase in revenue. Employees desire to be coached to improve communication rather than sales skills. Just 9 of 120 development plans was linked to performance increase.

7 Coach or Not To Coach

Coaching is just one tool that a manager must use to be successful. Used in the right situation at the right time, coaching can make the life of a manager immensely easier. Conversely, a manager will end up extremely frustrated if they try to coach employees who need something else from their manager, whose situation do not call for coaching, or who flat out don't want to be coached. Learning how to recognize when and when not to coach, is just as important as learning how to coach. Coaching is a dialogue that leads to Awareness and Action. When an employee has the skills and ability to complete the task at hand, but for some reason is struggling with the confidence, focus, motivation, drive, or bandwidth to be at their best, coaching can help. Employees typically struggle because one of three things is in their way:

1. Skills and Abilities - they currently lack the skill or ability to complete the task at hand; this relates to Aptitude.
2. Themselves - they currently lack the motivation, focus,chutzpah, confidence, or commitment to complete the task at hand; this relates to Attitude
3. Outside Factors - they currently are being affected by things that are largely outside their control, such as not having the Available Resources, changing market conditions, ineffective vendors and partners (internal and external), or poor relationships with various stakeholders and colleagues.

Coaching improves subjective perception of the coachees by their peers and superiors. Coaching declines fluctation. Coaching changes the attitude of coachees and coaching is cheaper than any other training.

8 Conclusion

Analyse of opinions of coached and uncoached employees about coaching stated that employees accept coaching as development method. This insight is in line with general definitions of coaching as development tool. "Nowadays coaching is considered as one of the most effective and most popular forms of human resources management". (Griffiths, Campbell, 2008) [9]. This result proves the right implementation into the development acitivities of the company and proper presentation to employees. We need to add that coaching has in researched enterprise tradition from 2012 which offers us proper time window for efficient presentation and communication to employees. Those who use coaching receipt the coaching rather as interview comparing those who do not use it. Despite main opinion about coaching as a development tool, quarter of employees perceives coaching as leadership, management or training.

Employees considered coaching as the right development method in 10%, most likely in communication and couching skills. Development of these skills is directly linked with perception of attitude, which considered as most effective through coaching. Analyse of development plans did not proved tendency to improve in sales skills, which directly effects revenue of the company.

Analyse of relation between coaching and performance has brought some of interesting outcomes. Comparisment of 2014 and 2015 did not proved differencies in number of coached hours of ordinary employee and customer care employee. Neither employees of Customer Care were most coached clients. Performance outcomes in revenue or in slaes of RGU's did not changed rather annual assessment by their superiors has change.

Comparision of coached and uncoached employees we have notised these subjective performance changes:

- Performance of coached employees in 2015 was perceived by colleagues as significantly improved.
- Annual performance of managers in 2014 as quality of the performed calls in 2014 was assessed significantly more positive by coached employees than uncoached employees.

By comparing coached and uncoached employees we have not notised any changes by performance objective. Seems that change which considered by coaching has been recognised by piers. Percentage of the sales plans has not varied between coached and uncoached employees in 2014 and 2015.

Corelation analyse has shown positive relation between number of choached hours in 2014 and selfassessment in 2015, assesment of colleagues in 2015 and assessment of managers in 2014. Though it did not neither proved connection between numbers of coached hours and performance objectives.

We can surely stated that coaching connect with subjective assesssment of performance by colleaguess and superiors, but not with performance by objective. Therefore for further development plans of employees we do recommend model of connection between Coaching based on KM platform and Performance by Objectives.

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Contact data:

JUDr. Martin Miller

School of Management in Trenčín

Panónska cesta 17

851 04, Bratislava, Slovak Republic

mmiller@upc.sk