

## Performance Coaching ACHIEVES BREAKTHROUGH RESULTS



### **Behavioral Science powers coaching that reliably changes behavior and achieves breakthrough results**

Imagine sports and the arts without coaches! The vital competitive advantage that coaching brings to these performers is obvious to us all. So, in the competitive realm of business, why do we expect employees to improve performance without the benefit of a coach? (Why is this even a question in the 21st century?)

*Built on a behavioral-science foundation, performance coaching is a structured dialogue, explicitly focused on making clear the strong connection between the behavior of performers and the results they get. Performance coaching doesn't just aim at addressing performance problems—more often, it's about helping people achieve high performance and their full potential. At an individual leader level, performance coaching is Job One, and performance coaching fluency is the core of a leader's skill set.*

At an organizational level, a *performance coaching culture* can create a significant competitive advantage. Controlling for all other factors, our experience is that certified “strong adopters” of the right performance coaching skills demonstrate a *rate of improvement 255% greater* than their “weaker adopter” peers.

And yet, recent studies indicate that only 26% of leaders routinely coach performance. Worse, of the companies and leaders that regularly coach performance, few do it well. They are investing in activity without achieving the desired outcome.

In this case study, a top-ten North American bank (we'll call them “AccelaBank”) implemented performance coaching down its management spine. The result: a pilot group increased investment sales 125% and wealth referrals 119%, well above national averages. They created a competitive advantage.



### The Story: AccelaBank Works to Improve Performance

The bank launched a strategy to improve performance at hundreds of its local branches. AccelaBank implemented distributed sales support models, set service standard guidelines, and created a balanced scorecard. It partially worked: performance improved somewhat, but not consistently across the branch network.

AccelaBank recognized that performance coaching was a critical management capability. So they designed and deployed an accountability model, directing leaders to conduct regular 1:1 coaching conversations and side-by-side observations. They made a serious investment in this, creating a supporting infrastructure that included 40 internal coaches, leader training, and tracked metrics.

But even with all this, leaders' coaching skills remained generally low. The in-field coaches who supported the leaders ended up doing much of the performance coaching themselves. Leaders were focused on too many things at once, diluting and diffusing their effort.

Employees wanted to do their best work, but many still didn't understand *what they needed to do differently* to achieve the desired business results. The desired new behaviors necessary to achieving new results had not been clearly identified or communicated.

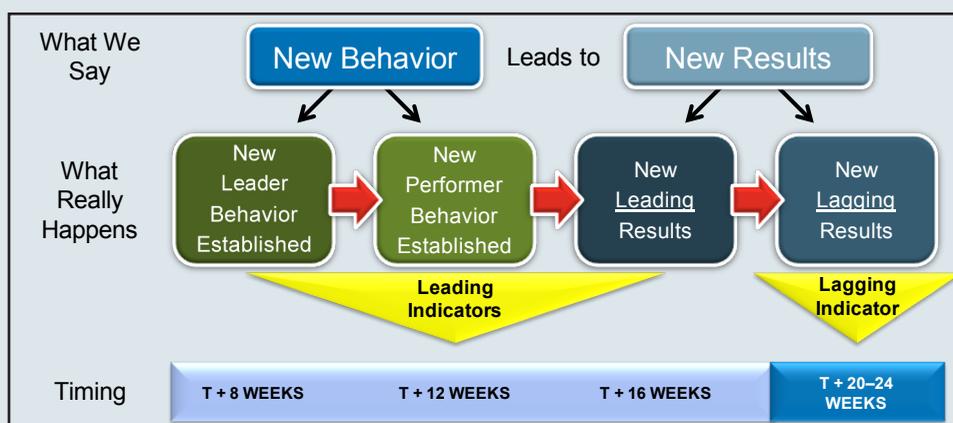
### AccelaBank Implements Behavior-based Performance Coaching

The bank needed an immediate solution and didn't want to risk another two years of trial-and-error. They needed a proven approach. So they partnered with CLG to meet their strategic objectives and create competitive advantage.

CLG's approach—validated by two decades of research and client experience—is based on the core principle that new results require new behaviors.

The illustration shows how this works. *New leader behavior* drives *new performer behavior*, which in turn drives *both leading and lagging results*. This is how CLG's Performance Coaching links people's behavior to targeted results.

AccelaBank piloted the approach in a retail banking division with 250 leaders and 2,000+ employees. The program included four major steps:



1. Aligning everyone on strategic focus areas: both “what” and “how”
2. Building high-quality performance coaching capability
3. Tracking skill acquisition, behavior change, and business impact
4. Scaling-up following a proof-of-concept pilot

Each of these steps is described below.



## 1. Aligning Everyone on Strategic Focus Areas: Both “What” and “How”

The Senior VP and her team developed a strategy document. They distributed it to the entire division to give employees a clear picture of the priorities and how success would be measured. However, an opportunity analysis revealed a lack of alignment on the “how”: what it actually would take to deliver results.

To close that gap and align the organization, employees from all levels contributed to building a *Behavior Map* that explicitly linked annual result targets with pinpointed behaviors, by role. That map provided the leader/coaches with the “how” that was missing in their performance coaching conversations and observations.

A key focus area was *wealth balances* (increases in investment sales and renewals), a topic to which every leader could relate. Wealth balances fluctuate seasonally, and AccelaBank wanted to maintain high revenue levels year-round. Here is the targeted result and High-Impact Behavior<sup>SM</sup> for this objective:

| Business Opportunity   | Targeted Results  | Key Performer:<br>Pinpointed High-Impact Behavior <sup>SM</sup>   |
|--|---|---|
| <b>Wealth Balances</b><br>(Investment sales, renewals, wealth referrals) | <b>Sales/Renewals:</b><br>\$1 million<br><br><b>Referrals:</b><br>\$500,000 | <b>Financial Services Manager:</b><br>Use Customer Conversation Tools and Behaviors to identify one sale/referral opportunity beyond customer’s original need (especially savings and investment needs) |

This made crystal-clear who needed to do what to attain the targeted result and thus address the business opportunity.

## 2. Building High-Quality Performance Coaching Capability

AccelaBank realized they had neither clearly defined nor fully understood “performance coaching” skills. So, they defined performance coaching and its associated fluency criteria. They designed and deployed a classroom and follow-up action learning course. A crack team of accredited coaching advisors delivered the program.

Their focus on coaching quality was a game-changer. Advisors regularly observed leaders in the field and gave them in-the-moment feedback on their coaching quality. (Statistically, performance coaching quality is twice as important as its frequency).

Also, AccelaBank found that coaching conversations, when they occurred, were not necessarily linked to achieving divisional priorities. So leaders were directed to coach to the targeted results and behaviors in their divisional behavior map.

## 3. Tracking Skill Acquisition, Behavior Change, and Business Impact

AccelaBank measured progress by tracking acquisition of leader coaching skills, the occurrence of targeted leader and performer behaviors, and associated leading and lagging business results. Individual leaders and leadership teams at all levels were given progress dashboards that were reviewed at monthly team meetings. Leaders were coached on how to lead the change by both CLG and internal advisors.

*“We thought we were a fully aligned team and were shocked to realize we were only halfway there. We agreed on targets, but not on behaviors needed to achieve them. Building the behavior map was a tough but really valuable exercise . . .”*  
—Pilot Division VP

### 4. Deciding Whether to Scale-Up, and How

The pilot steering committee charged the project team with defining a set of criteria for the timing and impact of benefits. Go/no-go dates were set and progress dashboards gave decision-makers the information they needed to assess scale-up options.

### Early Challenges, But Unprecedented Success

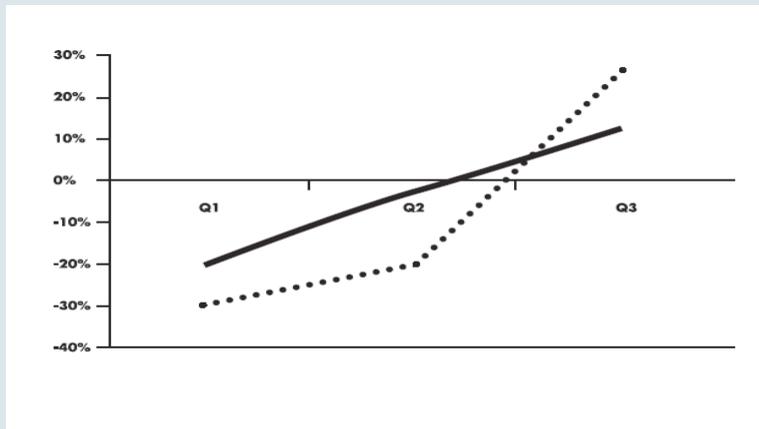
Two months into the pilot, the division SVP—one of the company’s most disciplined sales leaders—noted the difficulty of maintaining the rigor of the business performance coaching discipline. Would the leaders have the resolve to stay with the program?

The answer was yes, and three elements helped:

- **Managing expectations on the timing of results:** rigorous measurement allowed leaders to set realistic expectations for the time required to see behavior change and corresponding business results.
- **Sharing success stories:** leaders turned stories from leadership into a high-impact video that was shared at sales conferences. Local managers found it compelling to see company leaders reflect on how coaching practices had helped them do their own jobs better.
- **Senior leader role-modeling:** senior leaders modeled the targeted coaching and feedback behaviors, spreading adoption down the management spine, producing superior business results and higher employee engagement.

### Business Results

Over the five months following classroom training, *the pilot group increased investment sales by 125% and wealth referrals by 119%, significantly above national averages.*



**Year-over-year change in investment sales and renewals. Solid line shows national trend; dotted line is for a single division. The pilot showed a 55% improvement since program launch.**

Such results were simply unimaginable a year before. When this chart was shared with bank leaders across the bank, many leaders asked for the training and support for their own groups.

### Sustaining the Gains

The results inspired leaders to apply their new capability—ad hoc—to multiple opportunities. Two years after implementing performance coaching, leaders attended a divisional sales conference. Six leaders who had achieved the greatest increases in customer loyalty scores—over 50% in a year or less—shared the best practices that led to their outstanding results.

Their secret? They passionately believed in the importance of customer loyalty, and they had applied the approach of behavior-based performance coaching for behavior change. As program managers agreed, company leaders had aligned on customer loyalty, and now they were aligning front line behavior on this goal too.

*“As a result of the new coaching techniques we learned with emphasis on behavior, my branch won the District Retirement Savings campaign for best year-over-year improvement in investment sales. We focused on actions and the results that followed. I coached my managers to call customers daily, and sales representatives were coached to ask every customer if they had made their retirement savings contribution. We met at day’s end to share successes with the actual behaviors.”*

*—Front Line Leader*



In 2012, based on the impact of the coaching's behavior-results focus, the bank began integrating the behavior-results focus into its change management and process design methodologies.

As a Senior Vice President of AccelaBank observed:

*"When we first rolled out Performance Coaching, I was a bit skeptical. Then I heard stories from leaders about their coaching impact, and from frontline employees saying they now saw how they could make a difference with customers. Our employees understood the behavior-results connection in terms of customer experience and growth. I attribute a lot of our business performance improvement to this approach."*

### **Their Bottom Line—and Yours**

AccelaBank recognized that performance coaching was a critical management capability needed to create competitive advantage.

How can you leverage this science-based coaching approach to reliably change behavior and achieve performance breakthroughs in your own organization?



# CASE STUDY

## Performance Coaching

### About CLG

CLG is a leader in behavior-based strategy execution, performance improvement, leader-led change and health-behavior change consulting. CLG helps companies to better understand how to execute their business strategies and processes with a higher level of employee engagement and greater performance by helping them to pinpoint and effectively manage the critical few High-Impact Behaviors<sup>SM</sup> that have the greatest effect on their business results. CLG's unique application of the principles of Applied Behavioral Science enables the companies they work with to achieve lasting results consistently, with speed, precision and control.



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