



## IN THE LOOP WITH COACHING CIRCLES

**New research shows that Coaching Circles are emerging as the natural successor to action learning as the best way to develop people and build strong, resilient organisations.**

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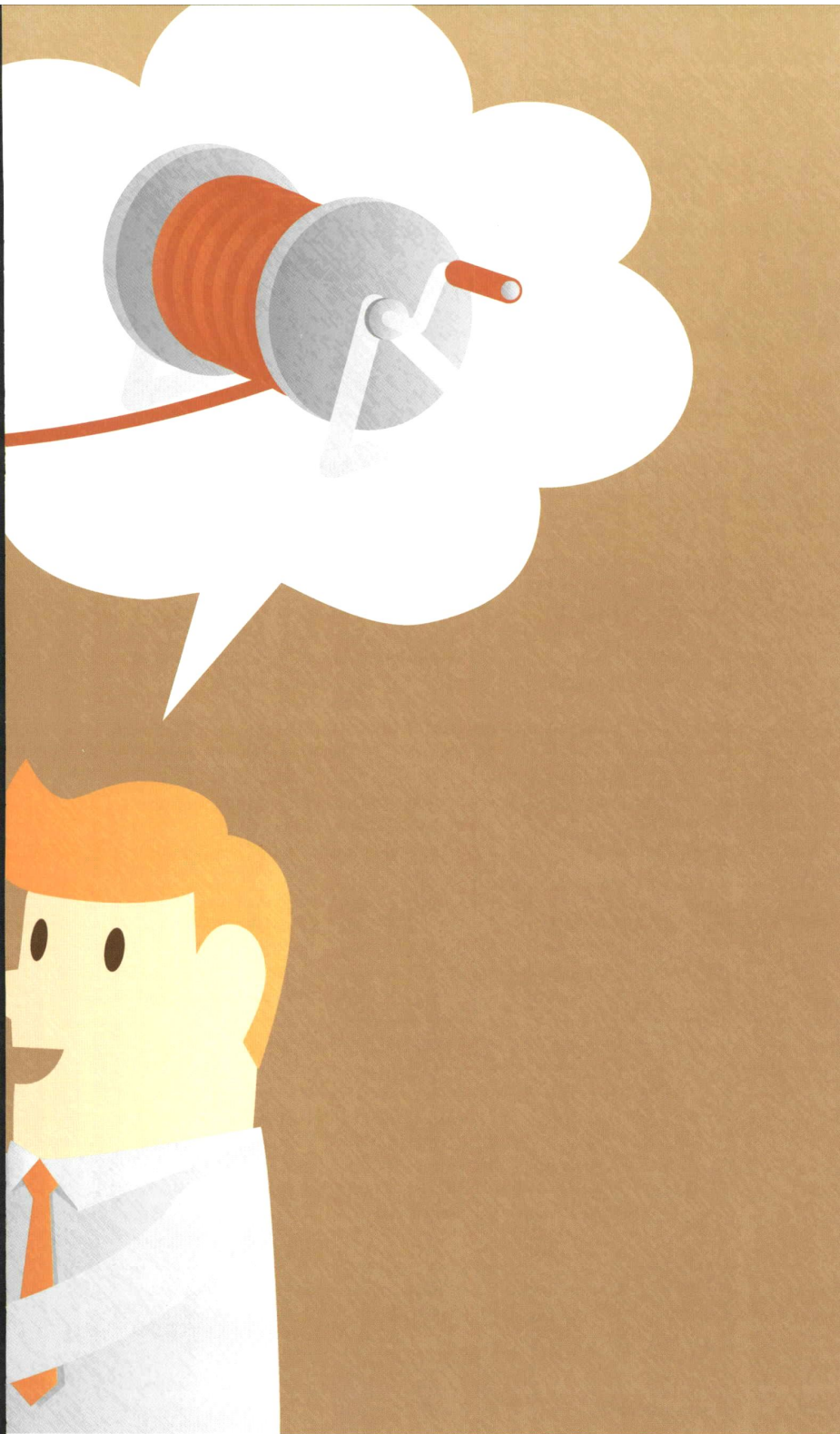
Ask any HR professional what their number one concern is and they are likely to tell you: talent – how to recruit it and how to develop it. Organisations today demand leaders and managers who are adaptive, resilient and intelligent and able to solve complex problems under extreme pressure, and it is getting harder to find and motivate people who are up to the task.

In South Africa, with large numbers of under-skilled people entering the workforce – combined with intense competition from international business – the challenge is even greater.

One organisation that is doing something novel in the talent war is Absa. The bank is in the process of rolling out an

ambitious coaching programme for its African operations that is using Coaching Circles to develop and motivate its managers and high potential employees while they learn how to coach others.

Coaching Circles is a relatively new modality that has been around for less than a decade. They involve groups of managers working together to coach and



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organisation. Managers who participated in the 18-month Coaching Circles programme reported increased empathy, tolerance of others and self-confidence, which translates into a more harmonious workplace with better business outcomes.

Although there is plenty of anecdotal evidence that Coaching Circles are effective, this is one of the first formal studies to test the validity of this relatively new development tool. The research, which was carried out by MBA student Nadia Barsch, used a mixed methods approach involving both qualitative and simple quantitative analysis of a sample of participants from the Absa in-house integral coaching programme. Specifically it contrasted Coaching Circles with action learning – a tried-and-tested leadership development tool – in order to find out if Coaching Circles were as effective.

Action learning has been recognised since the 1950s as one of the most powerful, action-oriented problem solving tools available to organisations. Michael Marquart, one of the leading theorists in the field, says that it is the “primary methodology utilised by companies around the world for developing leaders, building teams and improving corporate capabilities”.

Action learning almost always involves small groups of people solving real organisational problems in real time. The key to its success lies in the fact that it creates safe spaces, which allow people to participate and ask questions.

Coaching Circles do this and more. As with action learning, Coaching Circles involve small groups of people, who share a project or an activity, and meet regularly ▶

dialogue with each other in a supportive environment as each in turn raise a challenge that they are struggling with in the workplace.

In essence, the Absa project seeks to develop an army of in-house coaches who are not only themselves on a coaching journey and a development path, but are able to manage their teams more

effectively by using coaching techniques as well as provide one-on-one coaching to other employees from other divisions within the bank.

The approach is paying dividends for them. New research from the UCT Graduate School of Business, which used the project as a case study, shows that it is having a remarkable impact on the



to work on problems. But unlike action learning, which has problem solving as its prime goal, Coaching Circles have a triple focus on solving problems, empowering individual members of the team, and teaching and embedding coaching skills in the organisation during the process.

Under the watchful eye of a skilled professional coach trained in this methodology, participants in the circle will raise a topic and others will ask insightful questions designed to shed new light on the issue and help their colleague arrive at their own solution. The questions are also designed to reveal limiting beliefs and assumptions that could be blocking their colleague from solving the problem.

Most adults struggle to learn and change under conditions that make them feel vulnerable, defensive, or open to judgment. Coaching Circles, like action learning, create a haven for real-time problem solving and learning, whether personal or professional, by allowing participants to

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reflect on their behaviour and receive immediate feedback.

Evidence from the GSB study revealed that 90% of participants felt that the Coaching Circles offered the ideal space to make mistakes and be corrected in a safe environment; while 100% thought that it enabled them to develop a sense of camaraderie and teamwork; and 100% felt they developed more self-awareness along with better listening skills and skills to ask the right questions of others.

How this translates into organisational benefits is simple: Expanded networks and greater tolerance across the organisation leads to better teamwork, communication and problem solving.

“Participants described how they were able to develop empathy for the people they coached during the process, how they learned to be more tolerant of others and self-aware, and how they had been given the opportunity to form stronger friendships with people from outside their departments,” says Barsch.

Empathy helps form greater cohesion in the workplace, and strengthens teams, as does tolerance. In order for someone to be truly empathetic they need to be confident in who they are, and aware of the different assumptions they make about other people.

“The sense of safety, support, and understanding of confidentiality allowed coachees to openly share, build mutual trust, and build respect within the group,” says Barsch.

#### **Coaching as a business tool**

When making coaching an integral part of a business strategy, whether to develop competencies, leverage diversity or retain talent, the GSB study highlights three keys for success. First, cycles of action – processes of action, reflection, and learning that focus on reality – have to become embedded in the coaching programme. Second, there has to be constancy between observance of behaviour and real-time feedback. Third, the capacity to ask in-

depth questions has to be nurtured to improve an individual’s understanding of their true circumstances, professional or personal. “When adults feel safe we tend to explore issues, while embracing a degree of vulnerability,” says Barsch.

The Absa project is in its early stages. Since 2010, Absa has fostered a core of 40 internal coaches, who undergo ongoing coaching supervision and master classes to maintain high coaching standards. The programme was developed and is run by the Centre for Coaching at the UCT Graduate School of Business.

Absa’s talent development expert, Maria Cussell Humphries, says that the application of Coaching Circles in the organisation has had a profound impact because it is embedding coaching expertise – essentially a specialist HR tool – throughout the organisation.

“We realise coaching is a powerful tool for unlocking talent and is a core skill to have internally,” says Cussell Humphries. “So far we have found it extremely beneficial in terms of talent retention and leadership development,” she said.

She adds that developing in-house coaching expertise – rather than buying in external coaching – saves the organisation money, whilst boosting its in-house human resource capabilities. Since the initiative started, more than 300 individuals have benefited from receiving coaching whilst the delegates were completing their training, with around 100 more receiving coaching since the delegates qualified. Had these coachees been provided with external coaching, at an average cost of R60 000 per coaching contract, the total cost to Absa would have been around R25m. The cost of providing the training to internal coaches was around R35 000 per delegate or a total of R350 000. This translates into a saving of R24,6m.

As the demands on top talent increase, so too does the need for effective talent management interventions. Coaching Circles, which synthesise two already proven techniques – action learning and integral coaching – appear to allow organisations to tap into the best of both worlds and develop individuals while building more resilient organisations. 