

Farm Credit Mid-America

A Business Case for a Coaching Culture

January, 2014

Executive Summary:

This business case is constructed to capture the essential journey that one client financial services organization chose to take with the express purpose of strengthening its culture to better support its strategic objectives. It chronologically describes the developmental process that was followed for approximately five years through 2013.

This business case effectively illustrates several aspects of culture change that make it lasting and sustainable:

1. The executive team championed by the CEO put its full weight behind the initiative to create a coaching culture.
2. The CEO became a visible, open, and transparent model of what it means to be a coach - and to be coachable.
3. The executive team selected the process of creating a coaching culture as one of their top five strategic imperatives, thus elevating culture change to its appropriate level.
4. A cross-functional team representing many levels and roles was selected to be the Coaching Culture Strategy Team to provide suggestions and recommendations on how the process unfolded.

Here is their story...

In 2009, Pelmetta Performance Solutions, Inc., a strategic partner with Crane Consulting, responded to a request from Farm Credit Mid-America to strengthen their coaching skills within the business development division. So, the business development division decided to "pilot" The Heart of Coaching skills process. It achieved very positive results in terms of creating more openness between people to receive and give performance feedback. These results were so encouraging that this division's leaders recommended the entire company consider delivering these workshops across the business.

Early in 2010, they created their internal business case on why a coaching culture was critical to their ongoing success. This included defining what a coaching culture would be at FCMA and how it would help individuals and teams better meet their performance

objectives. The impending retirements of many long-term and successful employees (translation – hard to replace with one or two new team members) and the beginning of a period of planned significant growth, also fueled the need for a culture that could grow talent across the entire organization. Structural issues were also examined to see how spans of control could be reduced to allow for more time for coaching and creating more leadership opportunities for up and coming leaders. Senior leaders studied the Transformational Coaching process crafted by Tom Crane and agreed that this model was the right fit, at the right time for Farm Credit Mid-America.

The executive and senior leaders selected a phased approach to do this work. The proposal described a first phase, to be completed by December, 2010, focused on integrating coaching into all leadership development practices. The second phase focused on sharing coaching skills where good relationships already existed, but could be enhanced. The last phase of this work, targeted for 2012 and 2013, extended into peer to peer coaching relationships, and provide ongoing organizational support for coaching as a way of life at FCMA.

Further, they mapped the coaching culture initiative to align with other elements of the organizational strategy, its mission and vision, and importantly the core values of the organization.

This initial work was begun under former CEO Donald Winters, who retired in 2011. Early in 2011, the new CEO, Bill Johnson, liked what he saw and heard and decided to embrace coaching as a core strategic initiative. Indeed, Farm Credit Mid-America created five strategic objectives which included creating a coaching culture as one of them. In fact, this element foundationally supported the execution of the other four.

As the work unfolded, they deliberately followed the recommended protocols advised by Pelmetta. Those included: having all workshop participants paired with a learning partner, complete a self-assessment, and construct a personal coaching contract designed to change one's behavior. And most importantly, participants were encouraged to go forward from the workshop and employ the tools taught in the workshop to have positive, constructive coaching conversations with their direct reports, team members, and leaders. Leadership teams began sharing success stories based upon their coaching experiences.

Farm Credit Mid-America worked to integrate coaching skills directly into how the roles and responsibilities were defined. They started with coaching being weighted as a 5% factor in performance reviews, and over the last couple of years FCMA has increased the weighting to a full 10% for all leaders and 5% for all team members.

In April 2013, FCMA conducted its first coaching culture assessment. An amazing 93% of the 1,100 employees participated in the voluntary survey. Here are some of the positive highlights from their assessment process:

- people were very pleased with the progress of bringing coaching into the culture
- this was seen as a huge positive change for the organization
- people are feeling more comfortable giving and receiving feedback
- the work environment has changed for the better
- people believed that new heights, not possible before, will be achieved

Here are some of the constructive highlights:

- people were reluctant to coach peers, perceived as your bosses job
- coaching was deferred/avoided so as to not create tension
- some people reported not feeling safe enough yet
- trusting relationships were needed for coaching to occur
- some performance issues were still not being addressed
- some people who achieved remarkable results were perceived to not be coached on other performance issues
- coaching to one's boss was not comfortable
- some felt "team members' place should be to take orders"
- some feedback was not accepted nor bosses seeming receptive
- we need more trust and respect

As this journey has unfolded, it is important to note that Bill Johnson, in his highly visible role as CEO, not only made the decision to stay the course with The Heart of Coaching, but quickly became a powerful role model of coaching and coachability. From the beginning, Bill has made it a practice to share his coaching contract with others as a way to demonstrate his commitment to the learning process. This sends a powerful signal that, yes, even successful people can get better. He walks and talks the message of what it means to be a coach. He shows-up coachable!

During a 2013 leadership conference, Bill opened the session with all organizational leaders by sharing the new vision for coaching at Farm Credit Mid-America:

"Courageously seeking and sharing helpful coaching conversations, unrestricted by reporting relationships, for each other, our Association, and our customers."

He reiterated how the strategic initiative of creating a coaching culture directly linked to the success of the other four strategic initiatives and the company as a whole.

At this meeting there was particular emphasis on three objectives:

1. Set GRRATE expectations as a way to make sure people are clear on direction
2. Become “coachable” as a way to model the way of the coach
3. Recognize successes of people engaged in the coaching process because this encourages the people's heart, passion, and commitment for the process

Importantly, at the conclusion of this leadership conference, the Pelmetta facilitator challenged the leaders in attendance on how they would continue to reinforce the development of a coaching culture and how they would continue to consciously tell success stories that continue the wonderful momentum.

Since beginning in 2009, over 1200 people have attended The Heart of Coaching workshops. This includes all leaders across the entire organization. During 2012-13, they conducted 46 workshops to make sure all employees received the coaching toolkit to use in their day-to-day interactions. In 2014, they plan on continuing coaching workshops for all new employees so that a common coaching language and shared skill set can be used in all interactions across the organization.

The Coaching Culture Strategy Team has recommended the following steps to continue this work in 2014:

1. The results of the Coaching Culture Assessment will continue to be shared in all The Heart of Coaching training sessions
2. Analysis of all feedback collected was completed by the Coaching Culture Strategy Team and ongoing steps were prioritized, recommended, and approved by the senior leadership team
3. All leaders will lead Coaching refresher sessions for their own teams, starting with the CEO, which address their unique challenges and aligns coaching with other important leadership tools.
4. All assigned coaching (learning) partners will be rotated on a regular basis to keep the learning process alive
5. All employees will complete their personal coaching contracts. And, they are all posted for the organization to see how they are working on developing their coaching skills.
6. The performance weighting for coaching competency for leaders will continue to be 10%, and at least 5% for all team members.
7. All employees across the entire organization are encouraged to become more proactive in soliciting feedback from their colleagues.
8. Additional coaching resources and tools will be made available through the organizational intranet, including regular advice columns, and blog features provided by Pelmetta, addressing key topics and challenges.

Epilogue:

The beat goes on...Farm Credit Mid-America will reprise the Coaching Culture Assessment in late 2014, to measure progress and solicit feedback from all employees on how the culture is growing. Meanwhile, as growth, retirements, and new hires will continue to pose strategic opportunities to create an exceptional customer experience, the importance of a high-performance coaching culture will only increase in value.