

# A Buyer's Guide for Leadership Coaching Platforms

How to adopt a coaching and mentoring solution that supports your people strategy and transforms your organization



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## Introduction

Organizations and their leaders have had to adapt rapidly to fundamental changes in the world of work. That transition means that more is being asked of leaders. Traditional leadership skills like building effective teams, communication, and developing talent are still important, but they're no longer enough. In order to be successful, leaders today must master new skills-relational skills that help them do things like build healthy team cultures remotely, understand the nuances of inclusive leadership, and manage high levels of ambiguity. Josh Bersin, leading industry analyst, recently noted the business imperative of developing these skills, saying "you should define these skills, talk about them, reward them, and continuously develop them."

To meet the moment and face this challenge, organizations are turning to coaching. In fact, according to data from the Harvard Business Review Analytic Services report, *Leveraging Coaching and Mentoring to Create More Effective Leaders*, "coaching has risen as a 'must-have' for organizations in the last couple of years with 86% of organizational leaders agreeing that relationship-based approaches to leadership development, like coaching and mentoring, achieve better results than other forms of learning." Coaching helps leaders and organizations achieve their goals faster and more reliably over time, and it can be deployed in a variety of ways to fit your organizational goals and budget.

You may still be defining how coaching can help serve the goals of your organization. That's important and critical work, and we're here to help.

If you're ready to invest in coaching for your organization or you're expanding its benefits to more leaders, here's what you need to know in order to define your strategy and successfully navigate the selection and purchase process for your organization.

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## How to use this guide

Regardless of your function or level in the organization, this guide should help you understand the benefits of coaching, connect it to your goals, make a strong case for implementing it, and help you create your evaluation criteria. Adapt the advice and models based on your knowledge and needs of your organization or team.



## Clearly identify your goals

Success for any coaching program, in any business, starts by anchoring your purpose in the goals of the organization. This section will take you through how to accomplish that.

## Start with your organizational priorities

Your organization's goals-and values-are a guide for all the priorities, strategies, and spending across your organization. Whether you're driving towards innovation, scale, efficiency, or something else, it's critical that you understand and map your initiatives to the bigger picture. This step allows you to more effectively communicate the broader value of your work and how it helps the organization succeed. It becomes especially important when you have to justify your investment decisions or to make difficult budget tradeoffs.

## Define your people strategy

A people strategy is the intersection of organizational priorities and HR goals. Your people are *how* business goals get accomplished, so a people strategy acts as a roadmap or guide for both the organization and its employees, clearly articulating how people will be equipped and supported to succeed. Your people strategy will likely include goals, strategic initiatives, programs, and metrics that support employees through different stages of the employee lifecycle. Some typical programs include: employer branding, referral bonuses for current employees, educational stipends, leadership development coaching, and employee engagement surveys.



## Clearly support your people strategy

Depending on the size of your organization and your HR team, the entire responsibility for creating your people strategy and subsequent programs may be fairly consolidated or be more widely distributed. Whether your team is small or large, it's important to identify how your leadership development goals align to your people strategy.

- What goals from your current people strategy does coaching serve?
- How does coaching complement your existing people strategy?
- And how does coaching serve the future vision of your people strategy?

Having a clear answer in mind for both the current state and future potential is a powerful way to connect your program recommendation to organizational priorities.



# Are you buying for your organization or a specific function?

Not every purchase of coaching comes from a centralized organization. Some are for a specific business-unit or function. In those cases, it's still important to tie your goals to the goals of the function and the broader business.

### Develop your program goals

There are many objectives that coaching supports. What are the one or two most important goals that you plan to support with your coaching program? Why did you select those goals over others? What is driving the need to work toward them now?



### Coaching, Leadership Development, People Development

As you develop, plan, and implement your coaching strategy-you'll encounter many terms and they aren't always applied consistently. For the purposes of this guide, let's level-set on key terms and how we define them:

Organizational Goals/Strategy	The top-line priorities for your organization-they are the northstar for organizations, teams, and people. These are often anchored in your mission and vision, but likely change year to year.
People Strategy	A roadmap or guide for the organization and its employees that articulates how people will be equipped and supported to succeed. It is the intersection of organizational priorities and HR goals.
People Development	The process of strengthening employee knowledge and skills, empowering everyone to contribute to their highest potential. Sometimes it's also the name of a strategic function within Human Resources (a peer to Talent Acquisition and Employee Engagement).
Coaching	A method used by People Development to deliver leadership and skill development in an accountable, personalized, and safe environment.



## Define Your Goals and Their Business Impact

Can you draw a clear line from your strategy, goals, and programs to your overall people strategy? Use this worksheet to help guide your thinking. Fill in the right side with the stated goals of your organization, HR team, and working team. Example text is in grey.

Area of focus	Example	Your answer here
Organizational Goals/Strategy	Accelerate Innovation	
People Strategy	Attract, Recruit, Onboard, Retain, Develop	
Your Team	Support our organization's people with highly-skilled managers.	
How does coaching serve that goal?	<ul> <li>(1) Great managers attract, retain, and refer talent</li> <li>(2) Coaching is a strong way to practice removing bias from a hiring process/day-to-day work</li> <li>(3) In developing managerial skills-coaching is more effective than other methods. Learners forget about 75% of new information after only six days-if it's not applied to their work</li> </ul>	



## Outline your program

Once you have a deep understanding of your business goals and people strategy, it's time to build the blueprint of your program. This critical work will not only help you map your program to the larger strategy, but it will help shape your purchasing requirements and gain buy-in as you progress toward evaluating and implementing a solution.

## Identify your target participants

Choosing your participant group, or even the exact participants, should be dictated by your program strategy and goals. Historically, coaching has been largely allocated to a select few leaders; however, using a people development platform, like Torch, allows you to broaden access to coaching based on the specific goals of your program.

While not limited to these employees, organizations often tailor coaching programs to serve the following groups:

- High-potential employees
- New managers or recently promoted employees
- Leaders driving diversity, equity, and inclusion (DEI)
- Executives leading transformation/change

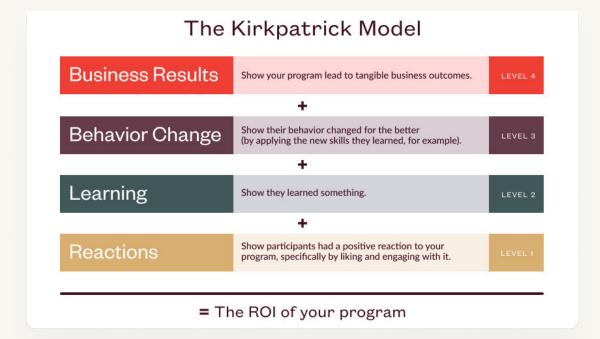
Regardless of the focus of your program it's critical to have a <u>defined, documented,</u> <u>and transparent method</u> of selecting participants. This is especially important to <u>avoid bias</u> in the selection process.

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## Articulate how you will measure success

There are a number of frameworks L&D leaders can use as they design programs that demonstrate leader growth and program ROI. Even if you choose to develop your own, we suggest basing it on empirical evidence and research to provide the validation you may need when addressing skeptics who question the value of your programs.

The Kirkpatrick model has been widely used for decades and continues to be an effective framework for many of the L&D leaders we work with. In this simple model, you track program effectiveness at four levels, as shown in the graphic.



As you move upward, the changes become more challenging to measure, but also more impactful and more helpful in convincing others of the value of coaching programs. Clearly communicating to your stakeholders your plan for measuring your success initially and over time is a powerful way to gain buy-in for your program. We'll look at the Kirkpatrick model again later in this guide where we will define how to demonstrate the path to ROI.

# Make a winning business case for coaching

Once you've determined that coaching is the best way to serve your people strategy-and ultimately your organization's business goals- it's time to make a plan for how to communicate your proposal to stakeholders.

You want your team, colleagues, business leaders, and executives to not only understand *why coaching is a priority* and worthy of investment, but you want them *to become champions*. Thinking strategically about the questions that will come up and how you can answer them will prepare you and your organization to develop a well thought out program-from strategy to selection to KPIs- and feel confident in making a choice for a partner solution.

"Understanding how to develop leaders inside a company is one of the biggest challenges for every founder and CEO. Torch helps create better leaders. Pretty much a no-brainer."

- JUSTIN KAN, Co-founder of Twitch



## Present the facts

Sharing the "why" behind coaching can help you build a strong case and overcome challenges that you face internally. Getting familiar with key data points that demonstrate how coaching moves the needle for organizations and its people will help you present a well-rounded and researched case to stakeholders.

#### Coaching vs. other investments

There are many ways to develop people but many of those methods don't achieve the outcomes that organizations need to move the business forward. In fact, they have many limitations:

- Low completion: Most learners don't finish the online courses they start, with completion rates between <u>5%-15%</u>.
- **Easily forgotten:** Learners forget <u>75%</u> of new information after only 6 days.
- Low trust: <u>67%</u> of executives say their leadership development programs don't work.
- One size fits all: learning is designed for large groups of people, and therefore doesn't support individual needs.

Coaching is uniquely designed to overcome the challenges presented by other methods because it is:

- **Personalized:** Coaching is tailored to the strengths and opportunities of the individual in the context of their day-to-day work.
- Safe: People grow the most in the context of trusted relationships where they feel psychologically safe and supported.
- Accountable: Regular meetings to check in on progress towards goals help individuals stay committed to their plans for growth.

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According to Harvard Business Review Analytic Services report, *Leveraging Coaching and Mentoring to Create More Effective Leaders*, 86% of leaders agreed that relationship-based approaches to leadership development achieve better results than more passive forms of learning. And it's no wonder why, given the many documented outcomes of a coaching experience. We see this from our research at Torch, and in many other academic studies of effectiveness.

#### Improved relationships

Participants in leadership coaching reported improved ability to manage direct reports and better customer relationships.

#### Positive Behavior Change

Through coaching, participants practice and integrate new behaviors that help them become more effective. Torch data shows that 88% of people (coachees) see growth within the first 60 days.

#### 🧭 Greater Managerial Flexibility

Leadership coaching led participants to report higher levels of flexibility, particularly once the coach-client relationship was given time to develop.

#### Ø Greater Well-being

Participants who received leadership coaching reported greater workplace well-being and resilience, and reduced stress and depression.



#### Increased Engagement

Torch platform data has shown that people who participated in Torch programs saw 15% higher team engagement than those who did not participate in Torch programs.

#### Increased retention

A study in the Leadership & Organizational Development Journal shows that participants who have a coach are 20% more likely to stay at their current company and are 84% more likely to get promoted compared to their peers who do not receive coaching.

Torch platform data has shown that people who participated in Torch programs saw 30–50% higher retention rates compared to those who didn't participate in a Torch program.

According to Gallup's State of the Global Workplace, 2021 report, the cost to replace an employee is 50% to 200% of their salary.

#### Oreater Productivity

Coaching, including helping the coachee goal set and give feedback, has been shown to increase client productivity by up to 88%

#### Higher performance

The Institute of Coaching states that over 70% of participants improve in work performance and effective communication, and that coaching ultimately results in a 5-7x return on their investment.

Torch platform data has shown that people who participated in Torch programs saw a 3x likelihood of being promoted and an increased likelihood (76% higher) of an exceptional performance review (compared to those who did not participate in a Torch program)

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Today I realized how important this platform and my coach are. My coach is helping me meet not only career goals but also my personal developmental goals!"

TORCH COACHEE, Zynga

## Gain buy-in

In most businesses, very few programs launch without attention and buy-in from multiple stakeholders. In this section we'll take a look at the different stakeholders that you'll need buy-in from to successfully launch your program and how to define their role.

## How to position coaching for stakeholders

While every organization is different, we've found there are some common roles that you may want or need to get involved in your decision. Based on our extensive experience, here's what we expect are their top concerns about and our strategy for presenting the best case for them.



#### An executive sponsor

This person acts as an advocate and sponsor of the program. Often it's a well-known leader who's a fan of coaching because they have had a positive experience with it themselves. Their personal story and energy around coaching can be helpful in gaining buy-in across the rest of the leadership team. You may already have a person in mind, or you may need to do a bit of research by asking questions of different people in your organization.



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### Human Resources

If you're like many people we work with, you are part of an HR team, and know that HR is an essential ally in securing buy-in and budget for a coaching program and people development platform.

#### Chief Human Resources Officer/ Head of People

**Top concerns:** Alignment with business goals and people strategy, ability to demonstrate ROI, budget considerations.

Make the case: Position scaled coaching as an accelerant of your people strategy and ultimately your business goals. Talk about the outcomes that you expect and share data that demonstrates the impact of a coaching investment on the organization and individuals–like performance, retention, engagement, and skill-building.

#### Head of L&D

**Top concerns:** Program management, budget, alignment with people strategy, ROI.

Make the case: Illustrate the advantages of scaled coaching with a platform-highlight how it will more effectively help achieve the goals of the people strategy but also the L&D team. Share data that highlights the efficacy of coaching when compared to other L&D programs. Help them envision themselves as the hero who helped the organization realize great results.



#### **HR Business Partners**

**Top concerns:** Program management, participant selection, alignment with business unit/functional goals

Make the case: Share the advantages that coaching offers to its coachees, and the power of telling an ROI story–a benefit of a coaching platform with real-time engagement and impact data. Share examples of success stories of similar types of programs. Cast a vision for how selection would impact their business partner teams and position them as a hero to those orgs.



#### Finance/Legal

An important stakeholder as you look to secure investment in a solution and launch the program at your organization.

#### Chief Financial Officer/Finance business partner

**Top concerns:** Expenses, fits into the organizational plans for the future, risk mitigation, and supporting profitable growth.

Make the case: Share your comprehensive business case, including any assumptions you have made about timing, budget, and impact. Build credibility and dialogue by showing that you have researched the options, thought through the business impact, and have a plan to track ROI. Explain the benefits of this investment to the organization, including how your ability to measure the impact of your programs is improved with the implementation of a people development platform. (Find helpful stats in the next section.)



#### **Procurement /Legal**

**Top concerns:** Risk mitigation, protecting the organization from liability-contractual and privacy, ensuring pricing is appropriate and fair, gaining favorable terms for your organization.

Make the case: Demonstrate an understanding of the different processes that your agreement will need to navigate. That might mean you have to do some homework to understand the processes, including questions like: is there a separate security review from the procurement process? Do you need to have a Master Service Agreement with a new vendor before you can start a purchase request? Show how these requirements are being met or addressed by the solution partner.



#### IT/CIO

At most organizations any technology purchase needs to be considered by your Chief Information Officer (CIO) or IT team.

**Top concerns:** Support the business goals, manage security risks, maintain an efficient technology stack, manage expenses/costs

Make the case: Understand any processes or requirements that exist before approaching IT and be ready to demonstrate how you and your preferred platform are addressing those requirements. Be ready to highlight any workload this may alleviate for IT, or any requests it would generate. Answer specific questions about data security, privacy, management, integration, or other IT requirements of working with your preferred solution.





### Another stakeholder to consider

If you're funding your coaching program with a specific department or departments you may also choose to include the head of that department as a stakeholder in your process. Ensuring that they have visibility and a voice in the selection process will help them be invested, advocate for the program and champion its results.

## Illustrate the path to ROI

Setting the expectations about outcomes of your program will help you get buy-in and shape the conversation about results, renewal, and continued investment.

Earlier we covered the Kirkpatrick model, which is a helpful framework for measuring the success of your coaching program. People ultimately want to know how this investment will help the organization achieve its goals, be able to measure that impact on their goals and know whether it's working as it's happening.

The Kirkpatrick model will help you identify and explain how you plan to measure the success of your program. Identify a metric or two at each level of the Kirkpatrick model that speaks to the return on investment *and* articulates the expected timeline to see the metric come to fruition.

Take a look at the example on the next page to get an idea of what this might look like for coaching:



## Mapping the path to ROI for coaching through the Kirkpatrick model

Kirkpatrick model level	Proof Point	Metric	Timeline
<b>Level 4</b> Business Results	Show that your programs lead to tangible business outcomes	Retention, Promotion, Engagement	6 mo- 1 year post coaching engagement
<b>Level 3</b> Behavior Change	Show their behavior changed for the better	Qualitative and quantitative feedback from self, peers, and coach	6 mo-1 year
<b>Level 2</b> Learning	Show they learned something	Qualitative feedback, employee engagement on team (if a manager)	Immediately→ 6 mo
<b>Level 1</b> Reactions	Show participants had a positive reaction to your program	Ratings (like NPS), program completion	Immediately after a coaching engagement, ~3-6 mo of launch

#### Why do some measurements take so long?

Gathering data on your participants 6-12 months after they have finished coaching allows you to observe longer-term effects, such as greater retention, a greater likelihood of promotion, better performance reviews, and more engaged direct reports-especially as compared to a control group of peers who did not participate in coaching.



### Avoid delay and address its cost

The positive effects of coaching are significant, but they aren't accomplished overnight. Often investments, especially new ones, are delayed because of budget pressure or uncertainty around the program. Unfortunately, a delay in investment means a delay in results. Be ready to present a strong answer to, "Why now? What has shifted to make this an imperative?"

Strengthen your case by thinking through objections or even calls for delay. Address them with data and stories that demonstrate the impact of coaching. Some questions to consider as you build your case of "why now":

- How will delaying at this moment impact the larger goals of the organization or achieving the goals of your people strategy?
  - What's the impact of not acting on X? (example goal: retention)
  - Do you feel comfortable leaving those returns on the table?
- What other programs offer a reliably high ROI?
- If delaying looks inevitable, what small way can you start now to prove the value of the program?



# Understand your investment budget

Organizations fund their Learning and Development (L&D) programs in a variety of ways. Often L&D has a centralized budget, a part of the HR budget, that's dedicated to specific initiatives, programs, and tools. In addition to that budget they may also split program costs with individual business units or departments, and they may also draw upon an organization's budget commitment to learning stipends for individual employees. Simply speaking, funding for programs can come from a few sources.

- **Centralized:** Funding comes from L&D or the HR budget.
- **Decentralized:** Funding comes from departmental budgets or individual employee learning and development stipends.
- **Blended:** Funding comes from both the central L&D budget and departmental budgets.

Before you move to choosing a solution partner, you'll want to understand the budget you have to work with. Getting a full picture of your budget may require exploring the various funding sources, mapping the commitments from each source, and then checking with your finance business partner or CFO that your plan is an accepted way to fund the program.



## Choose your solution partner

You've decided now is the time to invest in coaching. The next step is to select the right solution. Here is a guide to the selection process with the goal of helping you choose a solution that meets your program requirements, is easy to buy, own, and use, *and* can scale and adapt with your organization.

"We ultimately chose Torch because of its flexibility to adapt, support for our employees, and the high degree of partnership that is noticeable at every turn."

- TRAMEL DODD, Director, Learning & Development, Reddit

The good news is that you've already read about and maybe even done step one-the hard work of defining your goals. The following takes you through the remaining steps, which include mapping your unique timeline, developing your requirements, doing research, navigating budget, legal, and procurement processes, evaluating solutions, getting stakeholder agreement to move forward, and finally preparing for program implementation.

This cheat sheet provides some quick questions around each of these steps and loose timing, but let's take a closer look at a few of the steps.



## What does a typical buying process look like?

Here's an example of a timeline of steps from evaluation to purchase and implementation. Of course, each organization is different, but it may be helpful to use this to create a plan and set expectations in your organization. Timelines can vary, so use what you know about your organization.

	Step	To-Do's	Timeline
1	Know your goals + define	<ul> <li>What is the goal/s of your program? What business objective does it serve?</li> </ul>	Week 0
	your program	• How does it support your people strategy?	
		• What is your vision for launch?	
		• Who will participate in this program?	
		<ul> <li>Map who needs to buy-in to this decision/investment?</li> </ul>	
2	Map your timeline	• What steps will you need to take-from evaluation to purchase to implementation?	Week 0-1
3	Research	Develop your requirements.	Week 1-2
J		• ID solutions that you think meet your criteria.	
		• Read the solution website, consume their content.	
		Understand your available budget	
		Define your internal buying team	
4	Evaluate solutions	• Get in touch with a sales representative at the company.	Week 3-6
		• Schedule a demo tailored to your use case.	
		Look at customer stories and recommendations	



5	Budget Approval	•	Understand how this investment will be funded. Does the budget currently exist? Do you need approval? What is the process for approval	Start Week 3
6	Legal/ Procurement Review	•	What are the requirements for vendors at your organization? Do they need to clear any privacy or security requirements? Do they need a Master Service Agreement in place? These can take a while depending on the processes at your organization. The more you understand in advance and give notice to your vendor, the smoother/faster it will go.	Start Week 3
7	Program Planning + Kickoff Considerations	•	Who needs to be involved in kickoff? (IT/HRBPs?) What is your timing of the kickoff-around any major business cycles that may distract?	Week 6-7
8	Make a decision/ Agreement	•	Choose a solution based on their ability to help you achieve your near and long-term goals. It's important to choose a partner that you feel confident about, which may not be the one with the lowest price.	Week 7-9
9	Kickoff	•	You should have an idea of this process from your evaluation of solutions, but just in case, you'll need to select your program participants, and work with your solution provider to get them in the platform, matched, and started. Be sure to set up your program with enough data structure that you're able to measure the impact at the end of the engagement.	Week 10-12?



## Develop your requirements

As you do your research and start your solution evaluations it will be helpful to have a common set of requirements defined. It's good to think about what is critical to your organization, and what is nice-to-have. Using a consistent rubric will help you understand which solutions can match your organization's needs. It's important to look across solutions and weigh the cost for each platform against your requirements. You'll want to ensure that you are getting the features, quality product, support, and scalability you're looking for. Here are a few suggestions for parameters that you'll want to use consistently as you evaluate all solutions:

#### Coaches

This is ultimately the most important piece of a coaching program. High quality coaches will move the needle for your coachees and business. Are the coaches:

- Highly trained, with relevant certification, degrees, and experience?
- Bringing diverse perspectives and backgrounds?
- Able to coach participants at different experience/leadership levels?
- Leveraging a single methodology, or drawing from multiple?
- Offered continued education?

"The program helped me find myself again, and have fun. It helped me transition to be a better leader/senior in my team and act like one."

- TORCH COACHEE



#### Technology

There are a few different things to consider as you think about the technology of a people development platform. Does it:

- Reduce burdensome administrative tasks? Software should automate processes, track employee progress, and measure value. This empowers the administrator to focus more on strategy, impact, and scaling successful programs.
- Integrate with key pieces of technology, collaboration software, emails and calendaring systems?
- Integrate with other learning systems like your learning management system (LMS), massive open online courses (MOOCs), and other content providers?

#### Measurability

To continue to get funding, program owners need to identify a way to measure their success and demonstrate its impact on the business. To that end, does the solution offer:

- A perspective on measuring the ROI of coaching and reporting program success?
- How to report success at different levels-individual versus programmatic?
- The ability for you to access performance data or insights on the platform?

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#### Customization

Every organization is different. That's why it's important that technology and support teams are able to work with you to create programs that align with your business needs and goals. Does the solution:

- Allow you to customize parts of their leadership assessments?
- Tailor elements to your operating principles, culture, and values?
- Reflect your branding and logo in the platform experience?

#### Support and advice

Technology by itself can provide efficiencies and scale, but a solution is more than that-it's the company and people behind it that help drive your success. Does the solution offer:

- Access to behavioral scientists who have built the platform on a strong foundation of proven leadership research and best practices and offer guidance and best practices on measurement and reporting?
- Best practices and advice on how to structure, shape, and optimize your program?
- Professional services to help alleviate some of the programmatic lift for your team?
- High-touch and engaged team members on the sales and customer success team?



# Did I learn everything I needed to during my coaching solution demo?

Every coaching or people development platform demo will be a little different. Regardless of the path the salesperson takes, make sure you select a partner that makes you feel confident about these 10 critical areas of coaching.

YES	NO
	YES

Notes:



## Make a decision

Ideally, once you have moved through solution evaluations, you have a fairly clear understanding of your organization's needs and the tradeoffs you'd have to make if you choose different solution providers. Use the decision-making framework we reviewed earlier in this guide to help move you forward instead of getting stuck.

#### CONCLUSION

# Coaching will transform your organization

This guide illustrated the many pieces that go into a thoughtful strategy to support the development of people at your organization. It's real work to find and buy a coaching solution that supports your vision for people development. Organizations are better for people like you, who invest their energy into building up their people and teams. We hope you found value in this guide.

Looking for a thought partner? We'd love to talk through it with you.







## Torch is the People Development Platform that unlocks the potential of people, teams, and organizations.

By combining coaching and mentoring, Torch helps you design, manage, and measure programs that drive the success of your people—and your organization.

Request a demo

