

## Why Establish a Coaching Culture?

By Charlie Lang, Managing Partner of Progress-U Ltd.  
Executive Coach & Trainer

*"The true test of a leader is that his successor is a better leader."*

- Stephen Covey, Author of "The 8<sup>th</sup> Habit"



---

### Why Establish a Coaching Culture?

If you look at the development of human civilization, you will notice the following development:

Stage I: Approximately 6 million years B.C. until approximately 10,000 B.C.:

**Hunter/Gatherer Age**

Stage II: 10,000 B.C. until 19<sup>th</sup> Century

**Agrarian Age**

Stage III: 19<sup>th</sup> Century until late 20<sup>th</sup> Century

**Industrial Age**

Stage IV: Late 20<sup>th</sup> Century until today

**Information/Knowledge Age**

Each development stage brought about a massive increase in productivity, but also led to considerable confusion and discomfort because of the changes that were necessary to move from one stage to the next.

You can also see that the time it took to move from one stage to the next progressively decreased. While people had centuries to change from Stage I to Stage II, and about half a century to change from Stage II to III, there are only one to two decades available to move from Stage III to IV.

In this article I shall focus only on the last two development stages.

Let's look at this overview of Success Factors for Stages III and IV.

---

**Why Establish a Coaching Culture?**

	<b>Industrial Age</b>	<b>Information/Knowledge Age</b>
<b>Values</b>	<ul style="list-style-type: none"> <li>- Uniformity</li> <li>- Stability</li> <li>- Product Orientation</li> <li>- Standardization</li> <li>- Status</li> <li>- Financial Capital</li> <li>- Scarcity (limited resources)</li> </ul>	<ul style="list-style-type: none"> <li>- Diversity</li> <li>- Creativity</li> <li>- Customer Orientation</li> <li>- Customization</li> <li>- Collaboration</li> <li>- Human Capital</li> <li>- Abundance</li> </ul>
<b>Culture</b>	<ul style="list-style-type: none"> <li>- Hierarchy</li> <li>- Chain of Command</li> <li>- Task Orientation</li> <li>- Competition</li> </ul>	<ul style="list-style-type: none"> <li>- Networks</li> <li>- Initiative</li> <li>- People Orientation</li> <li>- Alliances</li> </ul>
<b>Leadership</b>	<ul style="list-style-type: none"> <li>- Authority</li> <li>- Directive</li> <li>- Control</li> <li>- Carrot &amp; Stick Motivation</li> <li>- Focus on Efficiency</li> </ul>	<ul style="list-style-type: none"> <li>- People Development</li> <li>- Employee Ownership</li> <li>- Servant Leader</li> <li>- Engagement (“discretionary effort” through inspiration)</li> <li>- Focus on Effectiveness</li> </ul>
<b>Competencies</b>	<ul style="list-style-type: none"> <li>- Resources Management (Economies of Scale)</li> <li>- Bureaucracy</li> <li>- Building solid structures</li> <li>- Internal Control</li> </ul>	<ul style="list-style-type: none"> <li>- Effective People Leadership including <ul style="list-style-type: none"> <li>o Self-Development</li> <li>o Coaching</li> <li>o Team-Leadership</li> <li>o Developing a Value-Based Organizational Culture</li> </ul> </li> </ul>
<b>Motivation</b>	<ul style="list-style-type: none"> <li>- External (carrot &amp; stick)</li> </ul>	<ul style="list-style-type: none"> <li>- Internal (inspiration)</li> </ul>

### **Why Establish a Coaching Culture?**

It is easy to see from the above table that the leadership behavior that made organizations successful during the Industrial Age is vastly different from the behavior set needed for the Information/Knowledge Age. The leadership behavior that worked in the earlier Industrial Age a success has become an obstacle in the Information Age.

Even companies in so-called 'Old Industries' like manufacturing, construction, etc., where the focus is still on creating tangible products are undergoing the shift from the third to the fourth stage and will face the same limitations as companies in the tertiary sector that seem to be more 'pure' examples of Information/Knowledge Age companies.

So how can companies make a shift from Stage III to Stage IV?

We found that one of the keys to successfully make this shift is to start developing a Coaching Culture.

In the Industrial Age, tasks are routinary and can be defined more easily in procedures. This made the directive, dictatorial, autocratic, or task-oriented styles appropriate during that time. However, in the Information or Knowledge Age, workers are required to have a deeper knowledge or understanding of the nature, purpose, and other intricacies of the tasks at hand. This makes the coaching approach more appropriate

One of the key concepts of coaching is the framework of 'ownership'. When leading people using the coaching approach, you don't tell them what to do in which case you would have the ownership. Instead, you leverage on the knowledge and experience of the coachee and ask meaningful questions that draw out ideas and suggestions from him. The benefits of doing this are the following:

---

### **Why Establish a Coaching Culture?**

- a) The coachee may come up with better ideas than her or his leader.
- b) The coachee 'owns' the ideas and is more engaged in putting them into action.
- c) The coachee develops the habit of thinking by him/herself and as a result grows as a person.

From my own experience in establishing coaching cultures in companies, I know that it is not easy for companies to transition to the coaching mindset. In order to successfully develop a coaching culture, the commitment to employ the coaching style ideally starts from the top of the organization. It is quite frustrating for Middle Managers to be coaching their subordinates while not being coached by their Senior Managers. As a result, they may give up in their efforts and fall back into old leadership practices.

## **Conclusion**

To build a successful Coaching Culture, all managers in the organization have to buy into the coaching approach and learn the necessary competencies. Ideally, senior management is coached by professional external coaches during this process. If implemented successfully, the company is on a good path to develop successful strategies, structures and practices to succeed in the Information/Knowledge Age.

---

### **Why Establish a Coaching Culture?**



Charlie Lang is the founder Progress-U Limited, established in 2002. His mission is to assist his clients in becoming excellent leaders for the benefit of all stakeholders. He is a passionate executive coach and mentor, public speaker and trainer, and author of books and over 100 articles related to leadership, change management and innovative sales.

His book "The Groupness Factor" (see <http://www.progressu.com.hk/Groupness-book.htm>), published in August 2005, talks about corporate success culture through first class leadership. Charlie's articles appear in Human Resources, FZ Magazine, Banking Today, SCMP, Effective Executive, A Plus, and Career Times.

---

### **Why Establish a Coaching Culture?**