



“Leveraging HR: How to Develop Leaders in Real Time – GE Case Study”

- by Linda Sharkey, PhD

From: Human Resources in the 21st Century, Marc Effron, Robert Gandossy, Marshall Goldsmith editors, 2003, John Wiley & Sons, Inc., New York

What We Know

We have known for many years (through a variety of research projects, such as those conducted by James Kouzes and Barry Posner, the Center for Creative Leadership, and Chris Argyris) that leadership is not primarily learned in the classroom – it is learned on the job. Action learning, feedback, and coaching have all been used to help leaders develop through practical experience. Individuals can become better leaders by facing challenges and learning from their experiences. In fact, most leaders prefer to learn in "real time," in the business setting, rather than in a classroom. From reading leadership literature, we also know that when discussing their leadership journeys, leaders will very often cite a strong mentor or coach as a key component of their personal development.

Many successful leaders understand that coaching and feedback are important. They know how meaningful it was to them in their career growth. Though leaders understand the importance of coaching and feedback, they often don't do a great job of providing coaching and feedback themselves. Reviews of 360° feedback summaries from major corporations almost always indicate that "provides effective coaching and feedback" is one of the lower-rated items for most managers. With the demands of today's workplace and the global nature of today's workforce, many managers do not feel they can find the time to provide effective coaching. What can organizations do to help managers get and give the coaching they and their teams need? One answer is to hire external coaches. However, organizations usually hire external coaches for individuals with uncommonly difficult interpersonal challenges. External coaches are often reserved for the most challenging cases and not used to help "good talent" get better. External coaches can be costly, and few organizations can afford to provide this service to "next generation" leaders. Additionally, it is difficult to document and measure the impact that external coaches have on the effectiveness of leaders over a sustained period of time. Another approach is to build coaching into the culture of the organization by developing internal coaching capability. And, who better to be coaches than HR professionals? Who better to get coaching from than those who see you in your daily work context? This is precisely what GE Financial Services decided to do!

Developing HR Coaches at GE Financial Services

At GE Financial Services, we tapped into three key competencies:

1. our fierce focus on growing top-notch leaders,
2. our solid human resource expertise
3. our learning culture.

With these ingredients it seemed natural to use the organization's HR professionals to develop leaders in "real time" and in their own context. We believed that as our fast-paced business environment becomes increasingly global, coaching must be provided in the cultural context of the organization and the locality. So, we put together a process that enabled leaders to coach others within their organization and (because HR professionals are essential players in keeping the corporate culture) get personal coaching from the HR community. Our process utilized a proven model for coaching. It also provided a framework for HR professionals to use in coaching others and in teaching others how to coach.



Developing the Need and Creating the Buy-in

GE Financial Services has long focused on growing its leaders. One of our leadership development activities is an experience for executive talent called the Executive Leadership Development Symposium (ELDS). This is an opportunity for leadership talent to attend a weeklong event that assists them in continuing to develop their leadership skills in preparation for their next career move. The symposium gives participants time to spend on their leadership development needs. They receive feedback through a number of survey instruments, and they are assigned a personal coach who works with them throughout the week. Each coach is assigned a team of participants. The coach holds one-on-one meetings with each team member, observes team behaviors and dynamics, and provides team feedback.

Originally, we used coaches who were external to GE Financial Services, but participant comments about the coaches were less than positive. Then, we tried an experiment. With the next group, we used internal senior human resource managers (HRMs) as coaches, and we received great feedback! The HRMs loved the experience, and the coaching was seen as extremely helpful. When we followed up with the ELDS participants three months after the program, we asked them what additional support they would need to continue on their leadership journey. The answer was more coaching and a solid method for them to coach others. Bingo! The door was open to take leadership development to the next level and to continue to leverage HR in the process.

What We Did

Behavioral change expert Marshall Goldsmith and I spent time talking about an approach. Outside coaching was not an option for us. The experience of using our HR talent as coaches in ELDS was so powerful that we wanted to build on that success. I contacted the HRMs to see who was interested in continuing to coach on an ongoing basis. The response was overwhelming. The HRMs experience of the process was as positive as their coachees.

We devised an approach that would teach the Stakeholder Centered Coaching Model to our senior HR managers and also prepare them to apply the model with our ELDS grads. (see Stakeholder Centered Process – 7 steps on the right).

We modified the model to focus on two key issues:

1. getting personal coaching
2. teaching others how to coach

Additionally, there is the supposition that to be a good coach you can benefit from the personal experience of being coached yourself. With that philosophy in mind, we designed a half-day seminar during which senior HR managers learn the model and also provide coaching to each other. They loved the approach!

Another powerful component of the model and its approach is that the coachees, rather than a manager or the coach, have total control over the issue on which they wanted to work. Research that supports this approach is very clear. Successful people are much more likely to change when they are involved in the change process and "buy in" to the behaviors that they choose to change. Lastly, the coachees like the model because it is simple, easy to use, and very time efficient.

Next, the ELDS grads attended a one-day "Best-Practice Forum" on coaching. With the HRMs leading the coaching process, coaching triads were built into the forum. The HRMs helped the triads on two levels:

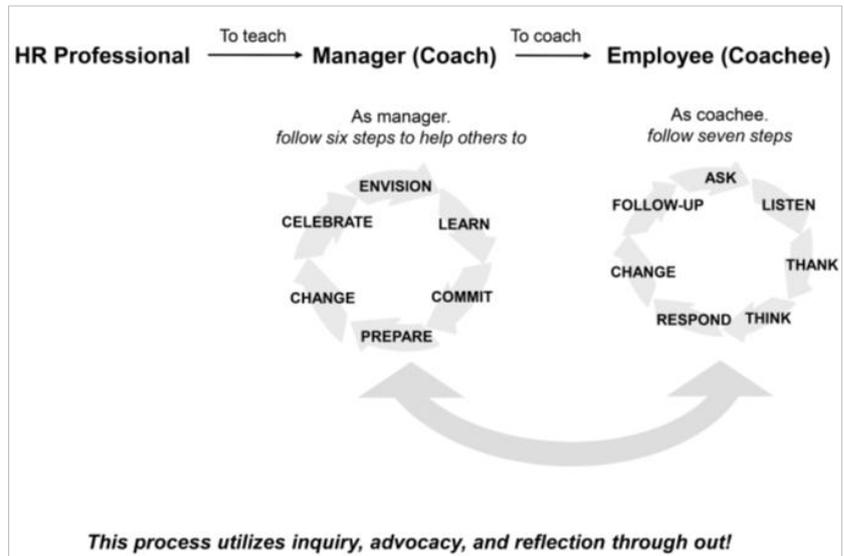
1. providing and modeling coaching using the process
2. helping the triad plan how to use the process to coach others in their business.





The response was terrific, and, by popular demand, we ran the forum again in Europe using the same approach. The two-pronged model is illustrated in the Behavioral Coaching Process below:

At this juncture, it was clear that there was a strong desire for coaching and that HR saw this as a critical competency for serving their clients. The challenge was to spread this process further in our organization. With Marshall's permission, we developed a train-the-trainer program for HR professionals and rolled it out worldwide. We began incorporating the model into our leadership programs and using HR people consistently as coaches. The approach is now widely used throughout our businesses.



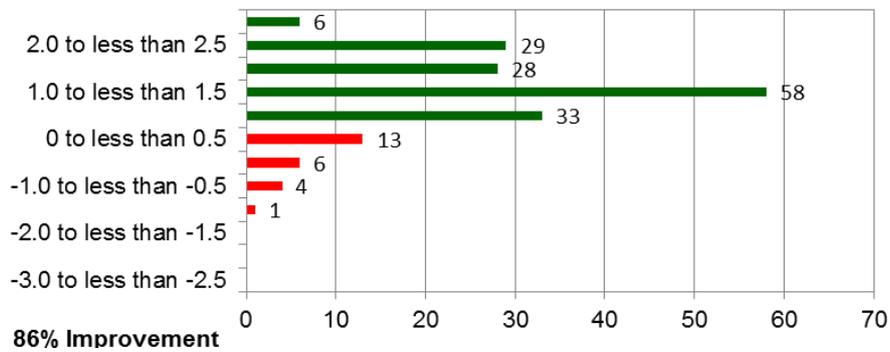
The Results

The key question one might have is: what were the results? We decided to use the mini-survey methodology (again designed by Marshall) to see if we were documenting consistent improvements. First, let me explain the mini-survey process. Three months after a coachee identifies a behavior to improve and goes through the steps of the model with their coach, he or she then follows up with five to seven people who can provide feedback on his or her behavioral change. The survey is completed electronically, similar to a full 360° assessment, but applies to only the one or two specific behaviors selected by the coachee. We devised a way to administer this mini-survey internally.

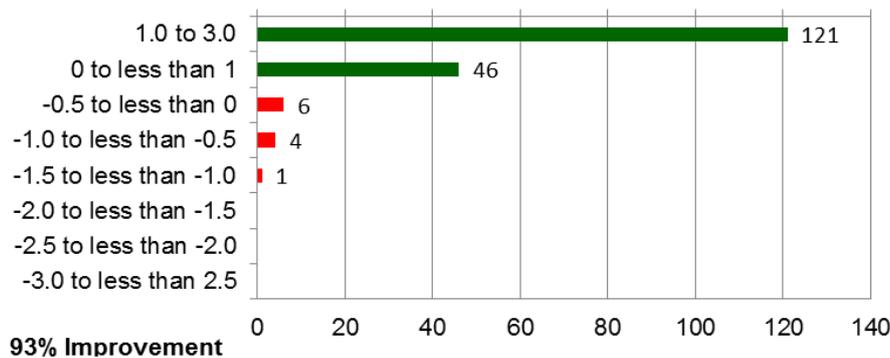
First, two weeks prior to sending out the survey, we notify the coachee that the survey will be sent out. Unless we hear otherwise, we then send the survey to those who have been designated by the coachee. Once the surveys are completed and tabulated, the results are sent to coachees. The coachees then have specific data on the degree of their improvement. The first round of mini-surveys showed that we had a 99 percent improvement rate—a great success! Building on this experience, we incorporated this approach into our leadership development process. Tables 1 and 2 illustrate that we consistently showed leadership skill improvements in the three years that we have been using this process. (The mini-surveys use a "-3" to "+3" scale to measure improvement, with "0" indicating "no change".)



**Table 1: ELDS Mini-Survey Summary
(March 1999 - March 2002)
N=178**



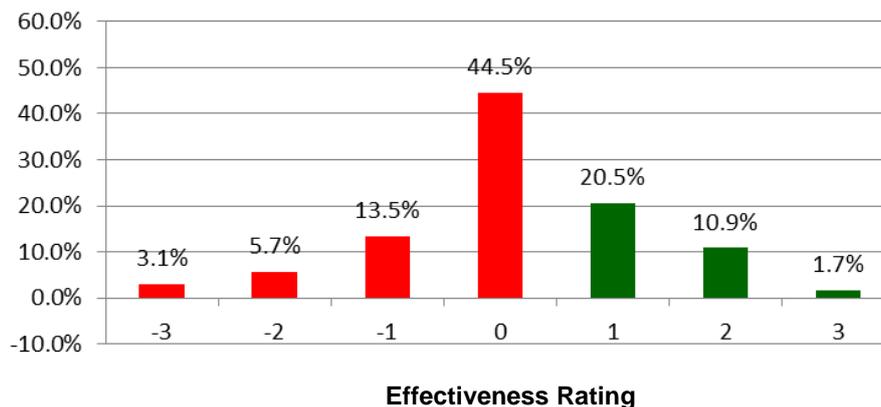
**Table 2: ELDS Mini-Survey Summary
(March 1999 - March 2002)
N=178**



Our other observation is that follow-up is key to improvement. As part of the behavior change process coachees were instructed to discuss what they wanted to change with their pre-selected co-workers. They were asked to follow-up with coaches and co-workers to get ongoing "progress reports" on how they were doing (as well as suggestions for further improvement). Tables 3, 4, 5, 6, and 7 show the degree to which the coachees followed-up with their coaches and selected co-workers. The follow-up rate correlates strongly with the coachee's degree of improvement—another key element of success.

As you can see from Table 3, coachees who did no perceptible follow-up showed little more improvement than random chance.

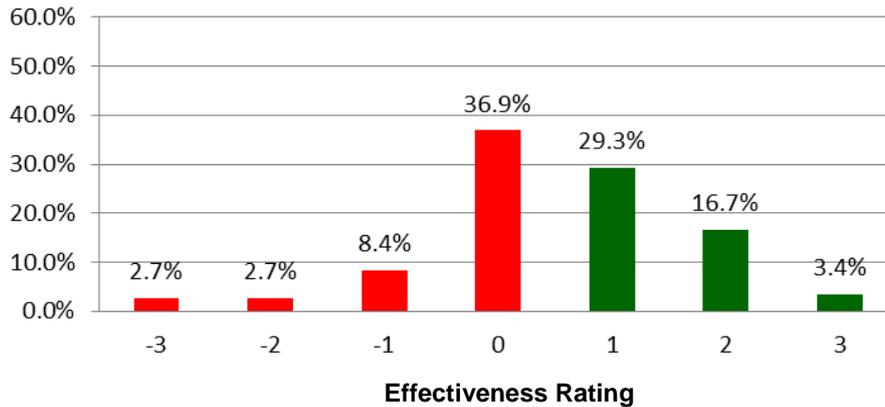
Table 3: No Perceptible Follow-up





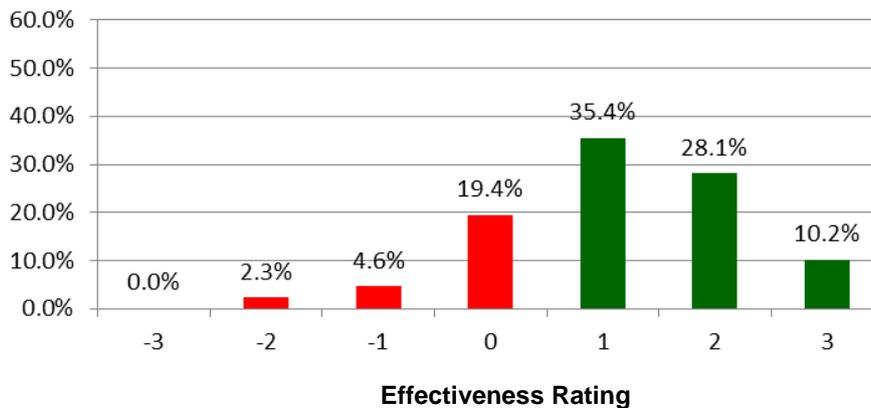
Even a little follow-up (see Table 4) produced a clear positive trend. Note that 20% of the coachees were seen as improving at the "+2" to "+3" level.

Table 4: Little Follow-up



Participants who were credited with "some follow-up" showed a clear positive trend. Over 38% were rated in the "+2" to "+3" categories. This is nearly double the percentage in these categories when compared to "little follow-up". (See Table 5.)

Table 5: Some Follow-up



Participants who were seen as engaging in "frequent follow-up" were rated as clearly increasing their effectiveness in selected areas for improvement. Over 74% of raters scored them at the "+2" or "+3" level. (See Table 6.)



Table 6: Frequent Follow-up

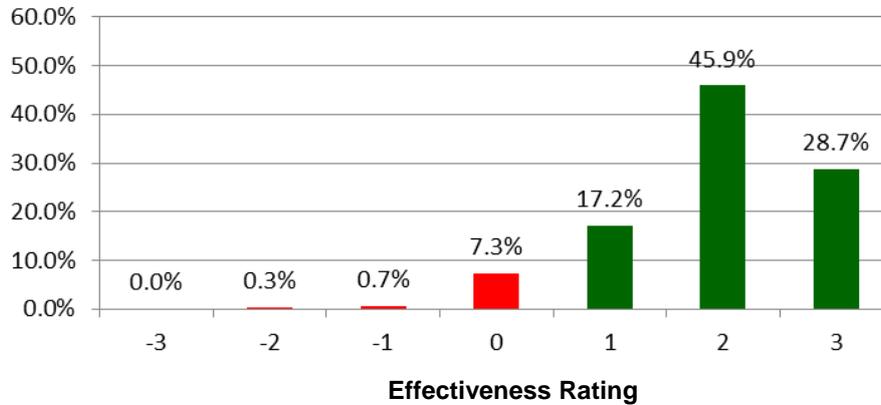
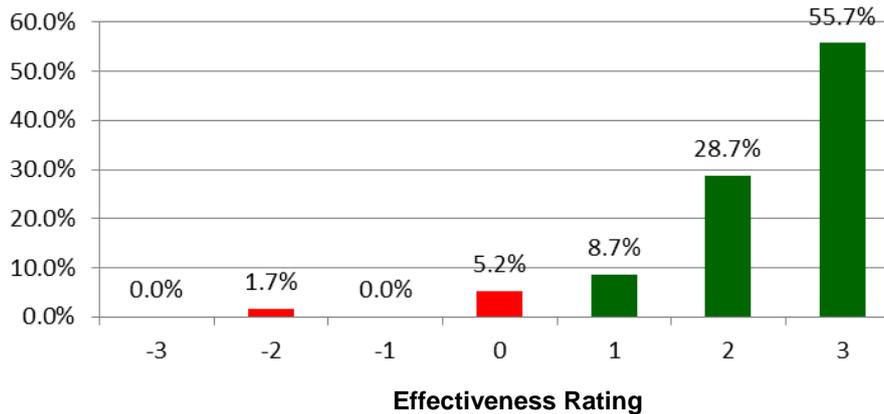


Table 7: Consistent (Periodic) Follow-up



Participants who were seen as consistently (or periodically) following-up were rated as dramatically increasing in effectiveness. Over half were seen as improving at the "+3" level.

Next Generation

Realizing the power of internally applied coaching, we decided that an organization-wide 360° process would further support our efforts to keep our managers on the top of their leadership game. A consistent 360° process was launched for our leaders starting at the top of the company and spanning around the world. Here again, we leveraged our HR community to drive the process and provide coaching. However, a unique twist was added. We provided all our leaders with a list of HR professionals that they could choose from to be their coach. Having the leader "select" the coach is another way that we built "ownership" into the process.

Each leader selected a coach and spent time debriefing their 360° feedback with him or her and, in many cases, with his or her direct reports who also went through the 360° feedback process. This was a massive effort, but proved to be very useful. We now have solid data upon which to continue to drive our leadership efforts, and we have our key global players aligned with an internal coach to work on personal development. This, I believe, will go a long way to help build open organizations in which people in the organization see helping others improve and grow through feedback and coaching as part of their job.

This data from the global 360° feedback process has provided another platform to continue to leverage HR at a strategic level within the organization. Because all of our leadership teams participated in the 360° survey feedback process, they now work as teams to help each other improve. When the leadership teams share their



development needs with each other and use the coaching model, they often find three things: 1. they have similar issues, 2. they get great improvement suggestions from each other, and 3. they get support from each other to improve. Human resource professionals played a key role in driving this approach. HR professionals both taught the teams the approach and led them through the coaching process. Another clear win!

Lessons Learned and Advice

I believe that HR professionals can be critical resources for organizations as they continue to globalize. While HR has long been important in the GE culture, there is no reason that our learnings cannot apply to other organizations. In global companies, the need to drive consistent leadership behaviors and organizational culture will be critical. Who else can raise the tough issues relative to culture and people but the human resource professional? Leveraging HR to be the corporate conscience and to help raise personal leadership issues will continue to be essential in the 21st Century. Leadership development can't be confined to the classroom. It must also be "real time" in the day-to-day work experience. Who better to be the beacons for raising leadership development issues than HR professionals?

In our experience there were some critical lessons learned:

1. Use a consistent 360° assessment tool across your business that accurately reflects the leadership behaviors required for success.
2. Link coaching to the 360° process to ensure that actions are taken beyond the usual action plan.
3. Use your internal human resource professionals as coaches.
4. Ensure confidentiality of your HR coaches.
5. Drive an internal follow-up process through the mini-survey approach.
6. Cascade the 360° assessment and coaching model through the organization.
7. Make sure each HR professional has coaching responsibility for his or her teams.