

Gaining competitive advantage through coaching the difference

For organisations looking to gain competitive advantage in their sector, the performance of their people is a key differentiator. Many organisations undertake a range of client satisfaction surveys of both a quantitative and qualitative nature. From such surveys, the performance, attitude and skills of an organisation's people are cited as primary factors in determining how highly the organisation is rated by its customers. Analyse such data further and words like flexibility, adaptability and response to customers' needs feature frequently.

Rather than develop a homogeneous pool of clones operating in exactly the same manner, it has dawned on a number of organisations that an ability to develop individuals capable of consistently making a difference in their interactions with customers, colleagues and suppliers alike is key to the organisation's future success.

Coaching individuals to think and act effectively within their roles (and on occasion beyond them – a contentious point we shall return to later), is a key way in which an organisation differentiates from its competitors. By coaching the difference as managers, we encourage our teams to take steps and actions that add value to their interactions with customers, colleagues and suppliers alike.

Encouraging individuals to operate with autonomy gives rise to concern within some organisations. Such resistance is particularly present in organisations operating in heavily regulated sectors such as financial services and pharmaceuticals. Clear governance and detailed operational procedures are seen as the means of minimising the risk of falling foul of the relevant regulators or future litigation. Such controls demand adherence to procedures by staff, frequently resulting in them undertaking actions because they are required by the procedures manual.

A procedure manual that accurately identifies, defines and provides guidance on every possible scenario and combination of outcomes that even just one individual might encounter in their job role is yet to be developed. Such a manual, if it existed, would run to thousands of pages, requiring continual revision to accommodate updated legislation or changes in external or internal factors that did not exist or were apparent when the procedures were originally written.

As we know, many incidents or issues take place at the boundaries of people's perceived responsibilities and roles, where gaps in accountability tend to exist. The almost limitless combinations of circumstances make it even less likely that a procedures manual can be capable of encompassing the permutation of scenarios generated as people within an organisation encounter not only each other but customers as well.

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To adopt a prescriptive approach leads to a number of behaviours in those required to follow them. Firstly, there is a tendency (and indeed an expectation) for individuals to operate to the requirements of the procedures, even when the circumstances of the situation in which they find themselves do not exactly fit such requirements.

Caught in this conflicting situation, an individual, either for fear of disciplinary action, or to take the easy path of least resistance rather than resolve the situation, will follow the procedures. They will do this even when they feel intuitively that the course of action they are required to make is not the correct one. Secondly, over-reliance on procedures creates a prevailing mindset in which people follow procedures rather than use them as guidelines for their own thinking. This mindset creates a vacuum where instead one should find flexible local “of the moment” thinking and decision making.

You can imagine the expressions of concern were we to encourage organisations to dispense with procedures. However, it is not being suggested that an organisation removes all of its procedures, fully acknowledging that in areas such as health & safety, consumer protection and crime prevention, detailed processes and procedures are required and that these should be followed. Our fundamental challenge is that organisational procedures do not stop where they ought, creeping into areas that should remain the domain of flexible local management decision making.

In addition to those areas such as health & safety and compliance mentioned earlier, we find processes and procedures that attempt to dictate the behaviour and response of individuals in such diverse areas as client or customer account management, staff development, handling suppliers and internal knowledge management.

Whilst frameworks in these areas are useful, such frameworks tend to develop into detailed processes and procedures that leave little room for manoeuvre at a local management level. Such restrictions are necessary; it is often claimed, for two reasons.

Firstly, there is a concern that left to their own devices; local management is either incapable or unwilling to make the necessary decisions in that area. Our response to such a view is that if such a vacuum exists, it should be removed through the effective coaching of individuals and teams. Empowering and enabling teams through the use of manager – coaches to facilitate effective transfer of organisational learning, together with the development of a learning culture will, in our view, reduce such a gap.

The second reason often given for the existence of procedures in these areas is the need for consistency across the organisation. The impact of such an approach on an organisation and its ability to succeed in its market place is significant. What is actually being advocated in such an approach is a preference for homogeneity and dilution at the expense of individual flexibility and responsibility.

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In extending the mandate of procedure and prescription beyond the areas that absolutely require such controls, an organisation can never become the leader in its field, simply because the local decision making of an intelligent adaptive organisation will prevail in an ever changing environment. By contrast, an organisation that inhibits individual decision making until it has been assessed and built into procedures will remain in or behind the pack.

In response, some will say such controls bring consistency of best practice; however, this continues to miss the point. The very element that allows an organisation to differentiate time and time again is the empowerment of individuals to adapt and respond effectively to a given set of circumstances. "Best practice" for a unique set of circumstances, by definition, cannot exist. That is not to say that guidelines and options should not be present. Such options are refined from the experience of the organisation and delivered via the manager – coach.

The ultimate decision on course of action remains with the individual or team most appropriately placed to deal with a particular customer situation, which may or may not be similar to a previous situation. An individual who has been effectively coached will make the right call if they have been empowered to make a decision, having developed within the organisation's approach and ethos and supported by the organisation in the decisions that they make.

Let us examine an example in which such individual decision making may benefit an organisation and its customers. Imagine it is 6.30pm on a Friday evening in a non customer facing department (a functional distinction in itself that can be unhelpful in the message it gives internally) of a large utilities organisation. The last remaining employee is about to leave when the unattended telephone of a colleague rings at the other side of the open plan office. What leads that remaining employee to pick up the telephone? Or not?

In one scenario, the individual hears the telephone but the time is well beyond his contracted working hours on a dark winter evening. He should have been gone long ago but had to finish a piece of work and was due to meet his friends in a bar for a drink. Besides, he is not particularly friendly with the colleague whose telephone is ringing and anyway, it will be an internal call. So he leaves it to ring off.

Under an alternative scenario, the circumstances are the same as described under the first with the one difference being that this time the individual picks up the telephone. The call is from an elderly customer who is having difficulties with the heating to her home. Living on her own, she is beginning to feel cold and eventually decided to call her utility company. She used an old telephone directory and rings the number which unbeknown to her was no longer a customer services number. Furthermore, the company she called was no longer the provider of this particular utility, she having switched recently to make savings.

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Our individual who picked up the call:

Did...	Did not.....
listen to understand the situation	inform her she had the wrong number
help her recall the correct provider	tell her she no longer used this company for her energy
give her the customer services number and emergency number of her actual provider	inform her that this is an internal phone number and she should not be using it
ask if there was a neighbour he could call or who she could stay with until the problem was resolved	tell her she was calling outside hours and that she was lucky to get anyone
make a note to speak to his own Customer Services department on Monday to discuss whether a similar situation could arise for one of their customers	explain that he was working late and that he should not have picked up the phone anyway. He is not from customer services and doesn't know the procedure
call her back an hour later from the bar on his mobile to check that she had got in contact with her provider and that the issue would be resolved	say that he couldn't help due to data protection or other personal data issues

We would all like to believe that we would act in the same way but what would lead any one of us to pick up, or not pick up the telephone in this particular example? There will be nothing in any organisation's operational manual that offers precise guidance should you find yourself in such a position.

You may argue that this set of circumstances is so unlikely and contrived that it would be impossible to provide procedures to cover it. That is exactly the point. An individual with the right mindset and organisational encouragement can make a difference because in finding themselves in a particular set of circumstances they feel they have the support of their organisation to do what they believe to be "the right thing".

An individual operating in the way is not being reckless. They are making decisions based on their analysis of the situation and applying a problem solving course of action. When an organisation attempts to build procedures around every possible permutation of a scenario or situation to give an individual a path or prescribed course of action, we rob them of the ability and confidence to make such decisions. When an individual does finds himself in a situation for which his organisation has provided no guidance, it is hardly surprising that he is unable to function effectively.

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Procedures cannot replace coaching and development of skills in our people. However, we must build up the coaching and development framework before we remove the support system of procedures upon which many of our organisations and their people have become over reliant. The reason so many people find the line “Computer says no” from the BBC comedy “Little Britain” so funny is because it resonates uncomfortably with their experience of a mindset found within their own workplace.

Frank Dick, the former GB Athletics coach in his work as a business coach recounts the surprise of a senior manager in a large communications organisation who was bemused by the fact that organisations take on people who in their personal lives make important and far reaching decisions on issues such as purchasing a new home, starting or increasing their family, where to send their children to school and investing their pension contributions. Yet when we introduce these people into our organisations, we attempt to minimise their room for decision making as far as possible.

We have all read in the Press of people who fail to go to the assistance of another human being not because there is any personal risk to themselves but because of the fear of subsequent legal action if they make a mistake. Concerns about the implications of “doing the right thing” also pervade less dramatic work based situations, in which the outcome of a mistake may be a financial cost or a “black mark” on an employment record, as opposed to the health of a person. The fear of making the wrong decision or taking a course of action which feels appropriate based on the information available but is not covered in the procedures will frequently lead to a non course of action or a decision which protects the doer rather than result in the best outcome for all protagonists in the situation. Whilst this culture prevails, it becomes very difficult for individuals to make decisions based on the unique mix of information available to them at that point in time. Organisations that seek to make a difference encourage their people to “think in the moment” and support them in trying to do the “right thing” as they see it.

The lack of individual decision making or problem solving behaviour has extended far beyond the areas of health and safety and adherence to regulatory requirements. Customer facing personnel frequently refer to the procedures of their organisation in what one would expect to be unregulated aspects of their role.

As an example, the employee of a hotel group might have had a more positive impact than the one he had by thinking just slightly differently in dealing with a customer. Having been recently made aware of the healthy attributes of porridge, the customer thought he would allow himself the luxury of breakfast delivered to his room. He studied the breakfast card designed for such a purpose, made his selection and decided upon a time. The times were given in 15 minute slots and he elected for between 0645 and 0700. Satisfied with his selection, he hung the card outside his bedroom door as required.

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The next morning at 0655 a knock at the room door heralded the arrival of breakfast. As the waiter carried the tray to the table, the grapefruit juice, coffee and toast was visible but the bowl of steaming hot porridge was conspicuous by its absence. On the customer enquiring as to the whereabouts of porridge, the waiter firmly pointed out that no hot food was available before 7am and that this was clearly stated on the order card. There then followed a silence as the customer was left with what the waiter clearly perceived as being the customer's problem. He did consider seeking a definition of hot food since he had been supplied with toast but the demeanour of the waiter suggested that this is not a point he would win.

After the waiter's departure, the customer reflected on this interaction for a while and thought about how it might have played out differently. The key difference in making such an encounter a satisfactory one for the customer rather than leaving him disgruntled, as was the case, would have been a problem solving approach from the waiter.

Rather than stating the organisation's policy to the customer, the waiter might have considered the issue and how it might have been resolved. For example, given that the (partial) breakfast was delivered so closely to the hot food watershed of 7 am, it would have been possible to telephone the customer's room to offer alternatives; for example, deliver without porridge before 7am but offer an alternative cereal. Alternatively, remind the customer of the 7 am time and offer a later slot with porridge. As it turned out, no such alternatives were offered and even though this small interaction occurred over two years ago, the customer still associates it with this particular hotel chain, and it continues to influence the (corporate) customer's selection of hotel group.

This example throws up a number of interesting points, the key one being why the waiter didn't offer the alternatives suggested above. He followed the hotel's procedures but in not "thinking in the moment" missed an opportunity to impress a customer. He may not have been aware there was any issue, although on this occasion, his approach in informing the customer of the position indicated that he had encountered such circumstances previously. It may also have been the case that he had a tight schedule of breakfasts to deliver that morning and did not have the time, resource or support to treat each customer interaction differently. In other words, he went into automatic mode and in doing so "leaked" internal processes out to the customer rather than adopt a customer oriented approach.

Although this is a trivial example, it highlights the challenges that customer facing organisations face. Namely, how to maximise the positive impact of their interaction with customers, whilst operating to a set of procedures that provide consistency and manage risk where required.

Our view is that an optimally functioning organisation is one in which mandatory areas such as safety falls within procedures whilst non regulated areas are operated actively by local management working to the clearly articulated ethos and principles of the company.

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For example, if an organisation holds as one of its principles that it will seek wherever possible to offer excellent situation related service to its customers, such an approach will encourage its people to think of each set of circumstances as different, and as such, will treat its customers accordingly.

All too often, we look to the procedures first before considering the alternative ways of dealing with a customer. In our view, we should look at the circumstances, identify the options and then consider whether there is anything in the procedures that prevent or require alteration of the preferred course of action. The present emphasis on working to procedures leads to these determining the course of action and indeed being cited (often to the customer himself) as the reason for undertaking a specific course of action. In many cases, both the customer and the representative of the organisation can see the ill fitting of a procedural requirement yet it remains unchallenged. Returning to our central theme, the multiple factors and nuances of a particular situation make it unique and as such the solution to a certain set of circumstances may also be unique. Unquestioningly following an ill fitting procedure is not the solution, yet this is what often happens since the people at the sharp end feel they lack the skill, experience or backing of their organisation to make appropriate decisions.

It is interesting to note that there have been a number of studies undertaken in the UK and the US in relation to driver behaviour with and without the presence of safety and warning signage. In such studies, it was found that the absence of warning signs and lines on the road actually led to fewer accidents than when such information was present. The rationale for this finding is that in the absence of guidance, drivers were more careful, assessing the situation for themselves and responding in an appropriate way. For example, at an intersection, they would slow in order to analyse the available information (i.e., is there another vehicle coming from the side?) before proceeding. By contrast, when there is an abundance of visual cues, there is a tendency to either switch off to them, or worse, switch off to what is happening in the immediate environment.

Such findings have parallels in the business world in which there are so many procedures and so much guidance that we tend to become attenuated to what is happening around us, relying on the procedures to provide the necessary indicators as to what action we should take. In world class organisations, individuals are coached and motivated to assess situations for themselves, using the experience transferred to them in order to make a situation specific decision.

One of my sons when he was younger was particularly keen on soccer and most Saturday mornings for a couple of years I would watch him in his matches. I was struck by the difference in the behaviour in the team when the sole coach in the first year was supplemented by a further three “zonal” coaches, making four in all; one for the goalkeeper, one for the defence, one for the midfield and one for the attack.

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In the first year, it was noticeable that the coach would encourage the boys to make their decisions whilst on the field of play. If a move went well, he would praise them. If it didn't work out, he would explain how they might try it again next time. All in all, the first year was a successful one for the team. Perhaps encouraged by the success, the further three coaches were added, I assume on the basis that a degree of specialism and lower ratio of coach to player would make the team even more successful.

The experiment did not work. There was a greater degree of input from the coaches and as the ball moved to different parts of the field, it fell into the domains of the different coaches. The result was that the boys became used to receiving instructions as soon as they received the ball. On occasions, they would receive conflicting instructions from two sources if they were unfortunate enough to have received the ball on the boundary of jurisdiction between two coaches. This in itself was confusing but the most noticeable change in the behaviour in the boys, a detrimental one, was that they went from making their own decisions, an active process, to waiting to receive instructions from the sidelines, a passive approach. As a result, their form began to suffer and they descended down the league and remained there until they were relegated to the league below at the end of the season. This was the same team of boys who had performed so well the previous season. Take away the authority to make decisions and you will encourage mediocrity and eventually a non thinking organism that constantly requires defined inputs before it is able to act.

Again, this example has parallels in the commercial environment. If we remove decision making ability, and the authority to make mistakes that goes alongside such decision making capability, instead replacing it with detailed processes and procedures, then the team neither builds on its experience nor hones its skills. On the contrary, it relies on procedures to determine what courses of action are to be taken, often removing the questioning nature that checks and verifies whether such a process is appropriate to that particular set of circumstances.

To summarise, an organisation that encourages customer oriented "thinking in the moment" by its people will differentiate from competitors that rely on process and procedure to provide its service. The role of coaching and development by skilled and experienced local management is to elicit and encourage the behaviours and confidence required to differentiate in the eyes of the customer.

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This article is an extract from a larger series on the benefits of coaching in organisational, team and individual performance. David McWhir is a Director of Consultancy Vérité Limited which provides such coaching support and development to organisations. He welcomes responses and can be contacted at david-mcwhir@consultancy-verite.com