An Examination of Relationships between Managerial Coaching and Employee Development

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Managerial coaching is popularized as a way of motivating, developing and retaining employees in organizations. Yet, there has been lack of empirical studies to examine the linkage between managerial coaching and its potential impact on employees. This study investigated the relationships among managerial coaching and employees’ personal learning, organizational commitment, and turnover intentions. The research results demonstrated that managers’ utilization of managerial coaching skills was significantly related to employees’ learning, organizational commitment, and turnover intentions.

Keywords: Managerial Coaching, Employee Development, Organizational Commitment

In rapid change in the nature of work, technological advances and global competition, organizations have recognized the need for a different leadership approach to retain and develop their employees. As a result, managerial coaching has gained considerable attention in recent years as a new way of leadership in organizations (Gilley, 2000; Hankins & Kleiner, 1995; Larsen, 1997; McGill & Slocum, 1998). Several studies have addressed the potential outcomes of managerial coaching related to motivating, developing, and retaining employees in organizations (Evered & Selman, 1989; Orth, Wilkinson, & Benfari, 1987; Stowell, 1988).

However, there has been a paucity of empirical research on the topic (Ellinger, Ellinger, & Keller, 2003; Kilburg, 1996, 2001; McLean & Kuo, 2000; Talarico, 2002). Many studies have claimed potential outcomes of managerial coaching (Evered & Selman, 1989; Orth et al., 1987; Stowell, 1988; Zemke, 1996), but few studies have been conducted to test if managerial coaching has direct impacts on developmental outcomes, such as employee learning, and employees’ attitudes, such as employee commitment and turnover intentions. Thus, the purpose of this study is to examine impact of managerial coaching at the level of individual employees, particularly on employees’ learning, organizational commitment, and turnover intentions. These three variables were frequently suggested as the potential outcomes of managerial coaching for employees. However, there has been little research to measure the relationships directly. This study had three research questions:

1. What is the relationship between managerial coaching and employees’ learning?
2. What is the relationship between managerial coaching and employees’ organizational commitment?
3. What is the relationship between managerial coaching and employees’ turnover intentions?

Literature Review

The literature review in this section introduces the concept of managerial coaching and its outcome variables in this study and provides theoretical support for relationships between them.

Managerial Coaching

There have been slightly different ideas of what constitutes managerial coaching. Fournies (1987) defined coaching as a process for improving performance by focusing on correcting work problems. Others have defined coaching as a process of empowering employees to exceed prior levels of performance (Burdett, 1998; Evered & Selman, 1989; Hargrove, 1995). Also, coaching has been seen as a day-to-day, hands-on process of helping employees recognize opportunities to improve their performance and capabilities (Orth et al., 1987; Popper & Lipshitz, 1992). Coaching has traditionally been viewed as a way to correct poor performance and to link individual
effectiveness with organizational performance (Ellinger et al., 2003). Another view emphasizes coaching as a way to facilitate learning in order to encourage growth and development (Mink, Owen, & Mink, 1993; Ellinger et al., 2003; Redshaw, 2000). McLean et al. (2005) saw coaching as an OD strategy in a broad picture, taking into consideration everyday interaction with employees and the working environment. In this study, coaching is defined holistically. It is a process of helping employees develop themselves. It maximizes employee potential, not merely correcting their poor performance. It is not just a one time event or just one technique. Coaching can be embedded within the organizational culture, so that managers utilize everyday opportunities for developing employees.

McLean et al. (2005) defined coaching skills as “a set of managerial skills that demonstrate effective coaching characteristics” (p. 163). The extensive literature review reveals that there are some variations among researchers regarding what managerial coaching entails, although some overlapping themes exist. The effort was made to identify key factors embodying important coaching components through this literature review. As a result, five key dimensions were identified that constitute effective managerial coaching. Four dimensions including open communication, team approach, value people, and accept ambiguity were adopted from McLean et al.’s analysis (2005). One dimension, to develop employees, was newly added in this study.

**Open communication.** An open exchange of thoughts, feelings, and information. Open communication allows managers and employees to gain good understanding of each other and serves as the basis of developing a relationship. Communication is one of the key factors leading to effective coaching in much of the literature (Bielous, 1994; Evered & Selman, 1989; Graham et al., 1993; Peterson & Hicks, 1996). Specific skills include managers’ sharing information, opinions, and values (McLean et al., 2005), effective listening (Good, 1993; Leibowitz, Kaye, & Farren, 1986; Peterson & Hicks, 1996; Tyson & Birnbrauer 1983), and gaining clear understanding of what they say (Ellinger et al., 2003; Graham et al., 1993).

**Team approach.** Facilitation of partnership, working together with employees and making better decisions through respecting employees’ ideas. Similar concepts include building a partnership (Evered & Selman, 1989; Stowell, 1988), collaboration (Stowell, 1988), building teamwork (Zemke, 1996), and empowerment in leading self-directed teams (Fisher, 1993; Garber, 1993; Geber, 1992).

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**Value people over task.** Consideration of people’s needs over tasks. McLean (personal communication, March 5, 2007) and Tolbert (personal communication, March 2, 2007) explained that the business world has focused on task accomplishment rather than on people’s needs and there needs to be a shift from this situation (McLean, personal communication, March 22, 2007). This dimension is also related to concern about employee needs (Stowell, 1998) and a person-oriented approach (Evered & Selman, 1989).

**Accept ambiguity.** Openness to new ideas and exploration of multiple solutions when working with their employees. This is characterized by a willingness to draw ideas from others and a desire to consider multiple perspectives in decision-making. The concept of accepting ambiguity is aligned with adaptability and cognitive flexibility that Peterson and Hicks (1996) suggested.

**Facilitate employees’ development.** Specific skills and techniques to facilitate employees’ development. The examples of the specific behaviors included providing resources, giving feedback, setting goals, and utilizing examples, scenarios, role playing, and questioning for employees to think through. Others also identified specific techniques to facilitate employees’ development. They include questioning (Ellinger et al., 2003; Leibowitz et al., 1986), providing feedback and suggestions (Ellinger et al., 2003; Good, 1993; Graham et al., 1994; Orth et al., 1987), encouraging willingness to go beyond what has already been achieved (Evered & Selman, 1989), broadening employees’ perspectives (Ellinger et al., 2003), and being a resource (Ellinger et al., 2003).

**Personal Learning**

Employees’ personal learning is the first variable to be examined linked to managerial coaching. For this study, personal learning refers to employees’ perceptions of how much they have learned and developed themselves since they started working with their managers. More specifically, Lankau and Scandura’s (2002) concept of personal learning was adopted. Borrowing Kram’s (1996) idea, Lankau and Scandura defined personal learning as “knowledge acquisition, skills, or competencies contributing to individual development” (Lankau & Scandura, 2002, p. 780). According to Kram, learning and development through developing relationships is critical, not only for task accomplishment, but also for employees to develop the skills to understand themselves as connected to others.

Existing literature has provided some potential relationship between employees’ learning and managers’ effective use of coaching skills. In fact, the purpose of coaching is acknowledged as developing individuals, literature has linked coaching and individual learning and development, indicating coaching as a way to lead to genuine and lasting learning for employees. For example, line managers need to support the future development of their staff through being a coach (Evered & Selman, 1989; Leibowitz & Schlossberg, 1981; Shore & Bloom, 1986; Yarnall, 1998). A number of writers have attempted to define the role of the line manager in their employees’ development (Anderson, 1973; Buhler, 1994; Crampton, Hodge, & Motwani, 1994; Leibowitz & Schlossberg, 1981).
Leibowitz and Scholossberg (1981) asserted that, for subordinates’ development, managers need to have adequate skills to encourage growth through their everyday interactions with employees. Managerial support, one of the recurring themes of coaching, has been shown to be important for employee development (Shore & Bloom, 1986). Kram (1988) identified two functions of mentoring to coaching. According to Kram (1988), mentors serve two roles for their protégés’ development: 1) career functions, such as activities that enhance career advancement and increase one’s share of organizational resources and information; and 2) psychosocial functions to foster a sense of competence, identification, and effectiveness in a professional role. Yarnall (1998) asserted that managers as coaches serve these two roles for their employees. Consequently, we reasoned the one of the direct outcomes of effective coaching is employees’ personal learning and propose the first hypothesis:

\[ \text{H1: Managerial coaching is positively related to personal learning.} \]

**Organizational Commitment**

Organizational commitment includes an attitude or an orientation that links the identity of the person to the organization, a process by which the goals of an organization and individual goals become congruent, an involvement with a particular organization, and a feeling of obligation to continue employment in an organization (Meyer & Allen, 1997). Mowday, Steers, and Porter (1982) defined organizational commitment as “the strength of an individual’s identification with and involvement in an organization” (p. 27). They identified three characteristics of organizational commitment: (1) a strong belief in and acceptance of the organization’s goals and values; (2) a willingness to exert considerable effort on behalf of the organization; and (3) a strong desire to maintain membership in the organization. For this study, organizational commitment focuses on an affective bond between the individual and the organization and willingness to stay with the organization.

The relationship between managerial coaching and organizational commitment has been suggested in the literature. Managerial coaching is thought to impact employees’ organizational commitment in two ways. First, effective coaching is likely to enhance the extent to which employees’ need for affection and belonging are satisfied at work, thus strengthening their sense of attachment to the organization (Allen & Meyer, 1990). In addition, satisfying coaching relationships may make an organization more attractive, further enhancing organizational commitment (Kidd & Smewing, 2001; Mottaz 1988). This is consistent with the conclusion that support in coaching is critical (Evered & Selman, 1989). When managers are supportive of their employees, employees feel more engaged with the organization (Mottaz, 1988). Mathieu and Zajac (1990) showed that participative leadership, such as supervisory coaching, is related to organizational commitment. In addition, effective managerial coaching enhances employees’ feelings of competence, another determinant of organizational commitment (Meyer & Allen, 1997). The empowerment that coaching brings to employees makes them feel trusted by their supervisors. The trust bestowed by their supervisors on employees has been identified as increasing employees’ competence (Meyer & Allen, 1997). This reasoning leads to the second hypothesis:

\[ \text{H2: Managerial coaching is positively related to organizational commitment.} \]

**Turnover Intention**

With the recognition of the costs of highly talented people’s turnover, many researchers have studied the factors that affect employees’ turnover. Turnover intention refers to the employee’s plans for leaving the organization (Bluedorn, 1982). Several factors have been identified as contributing to employees’ turnover intention. Cotton and Tuttle (1986) identified 25 variables through meta-analysis that have been studied in association with turnover intention and turnover behavior, including pay, job performance, role clarity, overall job satisfaction, satisfaction with pay, satisfaction with work itself, satisfaction with supervision, satisfaction with co-workers, and satisfaction with promotional opportunities.

The existing research studied the relationship between managerial coaching and turnover intention more indirectly than directly. In studying the effects of race on organizational experiences, job performance evaluations, and career outcomes, Greenhaus, Parasuraman, and Wormley (1990) found that black managers tended to receive lower supervisor support and were more likely to have reached career plateaus and experienced lower levels of career satisfaction. Supervisor support was critical in people’s career advancement and increased their satisfaction with career development, which, thus, reduced turnover intentions. Bakker, Demerouti, and Schaufeli (2003) studied call center employees and identified a positive relationship between organizational commitment and three job resources: performance feedback, social support, and supervisory coaching. Using structural equation modeling, they determined that those resources predicted organizational commitment, and that commitment mediated the relationship between those job resources and turnover intentions. This leads to the third hypothesis:

\[ \text{H3: Managerial coaching is negatively related to employees’ turnover intentions.} \]

**Research Methods**
The research design was correlational. A survey combining a revised coaching measure and existing outcome variables instruments was administered to a randomly selected sample of the population through the company’s intranet system. The survey data were analyzed using descriptive and inferential statistical analyses.

**Sample**

The sample of this study was drawn from a technology organization headquartered in the United States. This organization is one of the top global organizations in the field. For this study, among 22,600 employees in the United States, 500 employees were randomly selected by the HR department in the company. The HR department sent an invitation email to the identified employees asking for their voluntary participation in the study with a description of the study, the contact information, a URL linked to the web survey. The survey was launched on February 23, 2007 with duration of one month. Of 500 employees randomly selected for the study, the total respondents who finished the entire survey were 187 for a response rate of 37.4%.

**Instrumentation**

The participants were asked to answer on their managers’ coaching skills and their own learning, organizational commitment, and turnover intentions. The participants were also asked to answer their demographic information in the survey.

*Managerial coaching.* To measure managers’ coaching skills, McLean et al’s (2005) instrument was revised for this study. The series of revision process included the literature review, experts’ review, qualitative evaluation with doctoral students, and quantitative validation from the data collected. As a result, the five dimensions of managerial coaching skills including *Open Communication, Team Approach, Value People, Accept Ambiguity, and Facilitate Development* were identified. A pilot test for a convenient sample with 30 people revealed that the overall Cronbach’s alpha was .96 and the items in the instrument were clear.

*Personal learning.* The instrument of Lankau and Scandura (2002) was employed to measure employees’ learning and development. The instrument was originally developed to investigate learning in mentoring relationships, but as Lankau indicated (personal communication, April 11, 2006), it was also to assess the extent of personal learning due to a developmental relationship in organizations. The instrument has 12 items measuring two domains of personal learning: relational job learning and personal skill development. Relational job learning refers to increased understanding about the interdependence or connected of one’s job to others (Lankau & Scandura, 2002). Personal skill development refers to acquisition of new skills and abilities (Lankau & Scandura, 2002). Cronbach’s alpha coefficients from Lankau and Scandura (2002) were .82 and .84 for relational job learning and personal skill development, respectively (personal communication, May 16, 2007). The two-factor model fit the data with Goodness of Fit Index (GFI) = .89, Non-Normed Fit Index (NNFI) = .88, and Comparative Fit Index (CFI) = .90 (Lankau & Scandura, 2002).

*Organizational commitment.* To measure organizational commitment, the instrument developed by Cook and Wall (1980) was adapted. This measure describes an employee’s overall organizational commitment including organizational identification, organizational involvement, and organizational loyalty. Six items out of nine items, omitting the three negative items, were utilized in this study based on the suggestions by previous research (i.e. Fenton-O’Creevy, Winfrow, Lydka, & Morris, 1997; Mathews, & Shepherd, 2002; Guest & Peccei, 1993). The fit indices for the three-factor model with six items were NNFI = .99 Adjusted Goodness of Fit Index (AGFI) = .95 in Mathews and Shepherd (2002) and NNFI = .94 AGFI = .92 in Fenton-O’Creevy et al. (1997). The Coefficient alpha was .81 (Guest and Peccei, 1993). Five Likert type scales were employed as in Kidd and Smewing (2001).

*Turnover intention.* A three-item scale developed by Landau and Hammer (1986) was used for this study to measure turnover intention. The three items were distinctive from each other in the factor analysis they conducted. Lee and Bruvold (2003) reported the internal consistency reliability of Laudau and Hammer’s scale as .80.

**Results and Discussions**

First, the measurement model of managerial coaching skills was assessed to ensure reliability and validity of the revised instrument. Confirmatory factor analysis was performed; it revealed that the five factor model with 20 items had the following fit indices: $\chi^2(160) = 427.19$ (p<.01), CFI = .96, NNFI = .96, IFI = .96, GFI = .81, and Standardized Root Mean Square Residual (SRMSR) = .063. As the fit indices met the desired criteria for fit (i.e., higher than .90), the measurement model of managerial coaching skills in this study was valid to the data. Cronbach’s alphas were calculated on all four variables including managerial coaching skills. Table 1 demonstrates the cronbach’s alphas in addition to the descriptive statistics and correlations of the four variables in this study.

*Table 1. Descriptive Statistics, Correlations, and Reliability Estimates of Four Main Constructs*
To answer all three research questions, multiple regression was performed. Table 2 summarizes the results of regression analysis on all three research questions.

Table 2. Results of Regression Analysis of Managerial Coaching Skills on Employees’ Personal Learning, Organizational Commitment, and Turnover Intentions

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<td>Time Spent with Managers</td>
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<td>Managerial Coaching</td>
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<td>Education Level</td>
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<td><strong>Employees’ Turnover Intentions</strong></td>
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<td>Managerial Coaching</td>
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<td>Education Level</td>
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The first research question was about the relationship between managerial coaching and employees’ personal learning. Personal learning was the criterion variable. The predictors included managerial coaching skills, time spent with managers, and education level. As shown in Table 2, managerial coaching and time spent with managers were significant predictors for employees’ personal learning. However, education level was not significant. The results suggest that there is a positive association between managerial coaching and personal learning. Also, the results indicated that, for employees to perceive the increase in their learning from their managers, some substantive time working with their managers would be needed. The coefficient of determination (adjusted $R^2$) indicates 36% of the variance in personal learning is explained by the variance in managerial coaching and time spent with managers.

The second research question was on the relationship between managerial coaching and employees’ organizational commitment. Organizational commitment was the criterion variable. Managerial coaching and three demographic variables including time spent with managers, years in organizations, and educational level were the predictors. As demonstrated in Table 2, the multiple regression results revealed that managerial coaching was highly significant and the only predictor for employees’ organizational commitment. None of the three demographic variables were significant. The squared coefficient (adjusted $R^2$) indicated that 24% of the variance in organizational commitment was explained by the variance in managerial coaching.

The third research question was on the linkage between managerial coaching and employees’ turnover intentions. In the analysis of the multiple regression, turnover intention was the criterion variable. Managerial coaching and three demographic variables (time spent with managers, years in organizations, and education level) were the predictor variables. The regression results showed that managerial coaching was a significant factor for turnover intention and its t-value was negative, indicating that managerial coaching was the predictor of turnover intentions, reducing employees’ intentions to leave. All three demographic variables remained non-significant. The coefficient of determination (adjusted $R^2$) indicates 22% of the variance in employees’ turnover intentions is explained by the variance in managerial coaching.

The study results supported all three hypotheses. First, the study results indicated that managers’ managerial coaching skills are significantly related to their employees’ personal learning, with 36% of the variance in personal learning explained by the variance in managerial coaching skills and time spent with their managers. Employees’ learning and development have been recognized as direct outcomes and one of the main purposes of managerial
coaching. Particularly, its supporting and developing characteristics are aimed at helping employees learn more and improve their skills. This result clearly demonstrates that managers’ utilization of managerial coaching skills for some amount of time is positively related to employees’ own perceptions on their own learning.

The study results also supported the conclusion that managerial coaching is highly related to employees’ organizational commitment, with 24% of the variance in organizational commitment explained by the variance in managerial coaching skills. This result is aligned with the literature. Many studies have emphasized the important role of managers in increasing employees’ organizational commitment (Kidd & Smewing, 2001; Mathieu & Zajac, 1990; Mottaz, 1988). When employees perceive that they receive support from their managers in their development, they are more likely to be engaged with the organization (Mottaz, 1988). Empowerment of managerial coaching can bring trust and ownership to employees that will lead to employees’ organizational commitment. In addition, satisfaction with their managers is likely to enhance employees’ need for affection and belonging at work, strengthening their sense of attachment to the organization (Allen & Meyer, 1990). The results clearly support the conclusion that managerial coaching impacts employees’ organizational commitment.

Managerial coaching was negatively associated with employees’ turnover intentions in this study. The variance in managerial coaching explained 22% of the variance in turnover intention. Cotton and Tuttle’s (1986) meta-analysis demonstrated satisfaction with supervision as one of the factors strongly correlated with turnover. Some other research also indicated managers’ role such as supervisory support was critical in employees’ turnover intentions, affecting employees’ career satisfaction (i.e., Greenhaus et al., 1990) and organizational commitment (i.e., Bakker et al., 2003). People might enjoy working with their managers who act as their coach and might, then, want to stay in the organization.

Conclusions and Implications

This study investigated the relationships of managerial coaching with employees’ attitudes and behaviors. It empirically supported the positive relationship between managerial coaching and employees’ personal learning and organizational commitment. The negative association between managerial coaching and employees’ turnover intentions was also empirically confirmed.

Many studies have proposed potential outcomes of managerial coaching (Evered & Selman, 1989; Orth et al., 1987; Stowell, 1988; Zemke, 1996), and yet little attention has been paid to employee developmental outcomes such as learning (Ellinger, 2003). This study reinforced empirically that managers’ roles for employees’ development and organizational commitment in organizations are critical. Specifically, it showed that, when managers employed their managerial coaching skills, their employees’ learning and organizational commitment are likely to be increased and their turnover intentions are likely to be decreased.

This study provides rationale and motivation to use managerial coaching as a leadership initiative for managers in organizations. The emphasis on managerial coaching has been partly based on the faith that coaching will contribute to individual development and commitment. Some doubts about managerial coaching have been reported (Kelly, 1985; Zemke, 1996). Organizations’ lack of support is also an important reason why coaching is not being utilized effectively. The empirical impact of managerial coaching from this study will reinforce that managers and organizations should support managerial coaching as a leadership strategy for their employees’ learning and development, commitment to the organization, and retention.

Recommendations

The population of this study was employees in one organization. Even though the sample was from different areas in the organization, the extension of the population to different types of organizations will expand the generalizability of the study results.

This study focused on relationship between managerial coaching and each individual criterion variable. The interrelationships among all four variables can be examined in the future, describing how managerial coaching can impact employees. For example, turnover intention was identified as a significant factor for managerial coaching, but this study did not examine if managerial coaching would impact turnover intention directly or indirectly.

In addition, future research can focus on the antecedents of managerial coaching in organizations. The scope of this study was on the detriments of managerial coaching skills in organizations. Once managerial coaching is shown to be an effective leadership strategy for organizations through revealing its impact on employees and organizations, there will be curiosity regarding the factors that will reinforce managers to learn and utilize managerial coaching skills. Studies on the factors that lead to successful managerial coaching can be another research direction in the future.
References


