

# How coaching culture builds resilient, future-ready organizations





The past few years have revealed an irrefutable truth: organizations and businesses are navigating tumultuous waters. On the precipice of continued economic uncertainty, tides have risen, waves are cresting, and gale-force winds are tossing precious cargo about. The global Covid-19 pandemic may have been just the start of a long-term period of uncertainty, instability, disruption, and change. Prior to 2020, companies often sailed to each destination without reckoning with massive impediments to employee performance. But times are different now, and it's not enough to merely stay above water. Your organizational vessel requires reinforcements capable of withstanding the strongest storms. There can be no passive passengers on your ship.

How do you help your team and organization safely get to shore?

Coaching, or rather, a culture of coaching at all levels of an organization is how you keep the course. Building this culture in your organization is a key investment — one that creates a competitive advantage regardless of whether a tsunami of uncertainty strikes.





# So, what precisely is coaching culture?

Coaching culture combines two powerful organizational tools: **coaching**, which is dedicated practice where individuals uncover strengths and build resiliency using proven behavioral science techniques; and **culture**, which represents a cascading framework where leaders equipped with key mindsets model successful behaviors and drive organizational success.

A strong coaching culture empowers employees to be the resilient resources they'll need to draw upon. Building a culture of self-sufficiency is imperative in times of uncertainty: employees receive support and coaching that encourages growth and collectively become stronger, more efficient teammates and organizational contributors. That strength reduces the need for acute interventions and is a proactive way to address attrition, burnout, and languishing.

Coaching culture is a framework that allows businesses to thrive, especially because empowerment is baked right in. When managers can learn and strengthen the skills and mindsets needed to promote more social connections among their teams, their people flourish. The best leaders tend to act more as a coach than a typical manager and model the behaviors and mindsets they want to encourage. Further, when managers act as coaches, they model an approach to work and learning that ripples outward, creating a broader culture of coaching across the team.

Moreover, investing in developing strong coaching culture is not just a competitive advantage; **it's a business imperative**. According to our data,<sup>1</sup> companies with high coaching culture:

- Have significantly higher revenue five-year average growth (+14%) than low coaching culture companies;
- Have significantly higher year-over-year revenue growth (+45%) than low coaching culture companies; and
- Are projected to experience an 18% increase in year-over-year revenue growth over time with just a 10% positive increase in coaching culture.

1. Analyses drawn from BetterUp member data collected at onboarding (unless otherwise indicated) between July 2019 & June 2022. Comparisons between High and Low Coaching Culture groups draw only on the top 25% and bottom 25% of all data points, for a total of n= ~18,300 members.

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*Coaching is one of the tools that enable us to be more proactive in building this resilience around change, which is something that's not going away in the workforce.*

*Coaching has really enabled us to focus on how we build that change resilience so when there are changes occurring in the workplace, people are ready, have tools, and understand what they're feeling and how they're reacting.*

**Tina Gupta**

VP of Talent & Employee Experience,  
WarnerMedia + BetterUp customer

What's at stake

1



For decades, companies have assumed that organizational leadership and employees would figure out how to navigate change and challenges through experience. But today we're in uncharted waters. At a time when companies are reconfiguring budgets and reassessing personnel needs, every employee who is still aboard your organizational ship will need to understand and master the vital roles they'll need to play.

Without a strong coaching culture, organizations assume risk in dynamic, challenging times — and the disadvantages are both measurable and stark. There are myriad costs associated with skill gaps, disengagement, and turnover for companies of all sizes.<sup>2</sup>

Attracting and retaining qualified job candidates are the main challenges worrying employers globally:

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**72%** of employers surveyed cited this as a top concern.<sup>3</sup>

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Following the status quo will undoubtedly cost companies in the near and long term.

We anticipate that relying upon traditional learning and development solutions — for example, instructor-facilitated leadership training seminars — will only offer 0x to 2x ROI. The problems with these solutions are well documented, and a lack of personalization further contributes to low impact. Coaching culture offers a more effective way forward.

2. Waters, PhD, S. (2022, January 14). How to improve employee retention (and prevent turnover). How to Improve Employee Retention (and Prevent Turnover). Retrieved July 22, 2022, from <https://www.betterup.com/blog/employee-retention>

3. Russell Reynolds Associates' 2022 Global Leadership Monitor Survey, n=1,590 CEOs, C-level leaders, next-generation leaders, and non-executive board directors RRA 2021 Global Leadership Monitor, base n=1,327 global executives and non-executive directors Colvin, C. (2022, July 11). Study: Lack of skilled talent increasingly threatens businesses worldwide. HR Dive. Retrieved July 14, 2022, from <https://www.hrdive.com/news/skilled-talent-global-business-study/626943/>





# Investing in coaching culture as a business pays off

It empowers people to lean on and help one another rather than overburdening HR leaders and relying on company infrastructure to do so. Data shows that traditional, one-off training has no staying power — employees forget 75% of what they learn within three weeks. Science shows us that lasting behavior change happens over time in bite-sized pieces.

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**75%** of employees forget what they learn within three weeks.

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## Coaching scales, and it's personalized

The practice fits into the flow of employee days and addresses the whole person (especially since we can't fully compartmentalize our professional and personal selves). Coaching provides a two-pronged approach by helping employees while empowering and enabling HR leaders to invest in solutions with long-lasting results. With shifting challenges and companies re-evaluating priorities, employees must learn how to do more with less, while still being offered the support they need to continue to stay engaged and happy at work.

# A strong coaching culture also has a cascading effect

When managers gain the opportunity to seek coaching and implement coaching-based support and resources, it helps individual contributors, which in turn helps teams. It is an investment that scales and supports the whole organization's growth.

Companies that are high in coaching culture have happier, more committed, and more dedicated people, and their teams report:

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**11%** more trust

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**22%** greater agility in response to new challenges

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**24%** greater ability to generate and apply new and useful solutions to hard challenges

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**25%** more confidence in discussion problem solving with coworkers

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**26%** greater ability to generate and apply new and useful solutions to hard challenges

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To be without those attributes is to impede progress and stifle growth. Without a strong coaching culture, productivity, employee retention, and organizational success are at risk.



# An achievable goal

*Strong coaching culture  
looks distinctive*





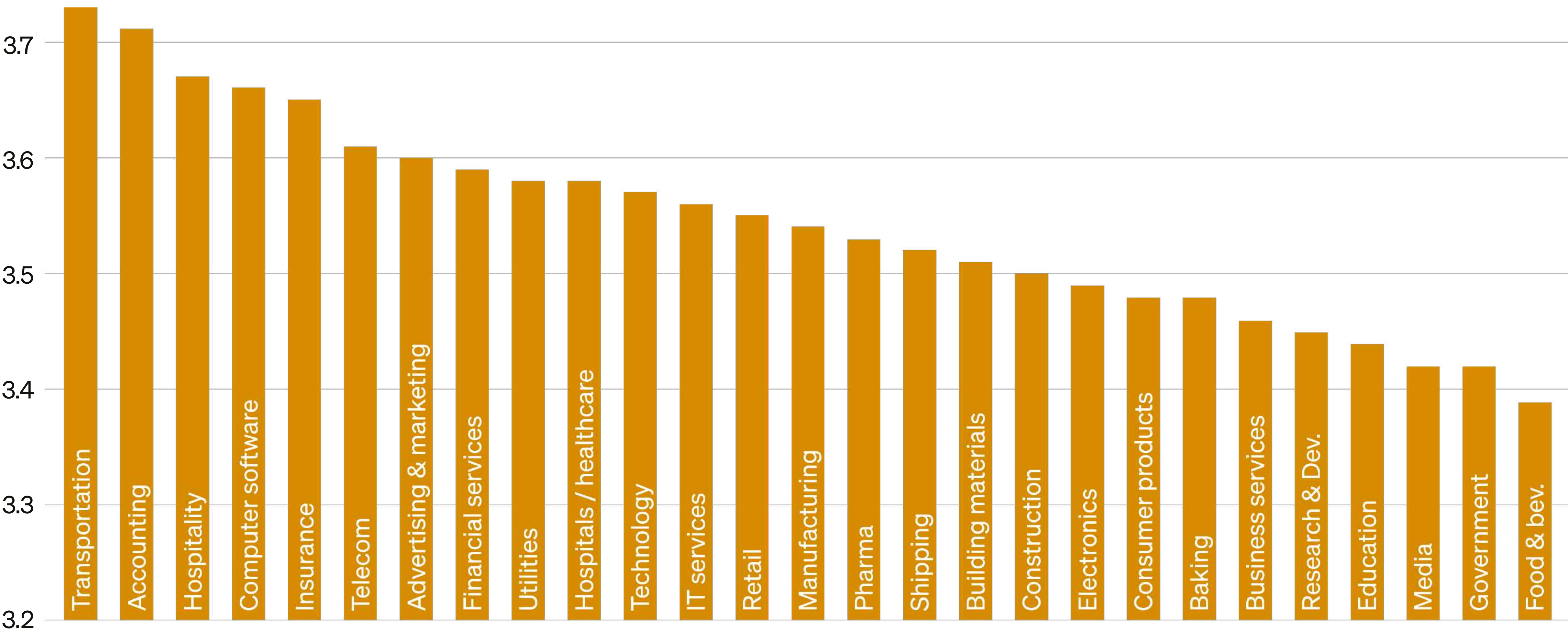
There are key indicators of whether your organization is especially at risk of struggling with coaching culture or has a healthy one. Organizations with strong coaching culture have employees who report satisfaction in management, organizational support, and psychological safety. Sometimes this cultural framework develops organically due to the nature of work or leadership styles based on the industry. Other times, it needs to be cultivated. Either way, any company can benefit from an investment in building a strong coaching culture.

You're not alone if you've already identified growth areas in your organization. There are specific industries in which high coaching culture is difficult to attain without intervention and an intentional commitment to building coaching culture:



### Coaching culture index score by industry

Mean coaching culture index score



Some industries suffer more when it comes to coaching culture, but the good news is that **employees in all industries can and do benefit from an investment in coaching culture.** A strong coaching culture is not only an achievable goal but one with clear indications of success.



# A timeless (and timely) benefit

*In both good and challenging times,  
strong coaching culture impacts all  
aspects of organizational success*





Coaching culture is the infrastructure your organization needs to thrive in the good times and overcome difficult seasons. The benefits of coaching culture are clear:

**Benefits of coaching culture**

*Bars represent the average advantage observed in high coaching culture organizations*



*% by which members in high coaching cultures outscore those in low coaching cultures.*

However, these advantages matter as much in seasons of immense growth and prospering as they do in difficult ones. In good times, employees coming from organizations with a strong coaching culture assume the best intent in their peers and the organization at large. They possess strong social and emotional well-being characteristics and excel in work life and productivity. Undoubtedly, these traits (and more) blossom when coaching culture is made a priority.

In the best of times, high coaching culture benefits myriad aspects of employee life, especially for employees who are onboarding and accustomed to its implementation. Data paints a clear picture of how coaching culture affected members during their onboarding phase.





# Improved social and emotional well-being

When employees can support themselves, they can bring their best effort to their work and those they work with.

Members coming from organizations with high organizational coaching culture report having strong, positive relationships with coworkers, and are also:

12%

more confident in their ability to manage work-related stress than those in low coaching culture workplaces

15%

less emotionally drained

20%

more likely to feel as though they have control over their lives

22%

more optimistic about the future

24%

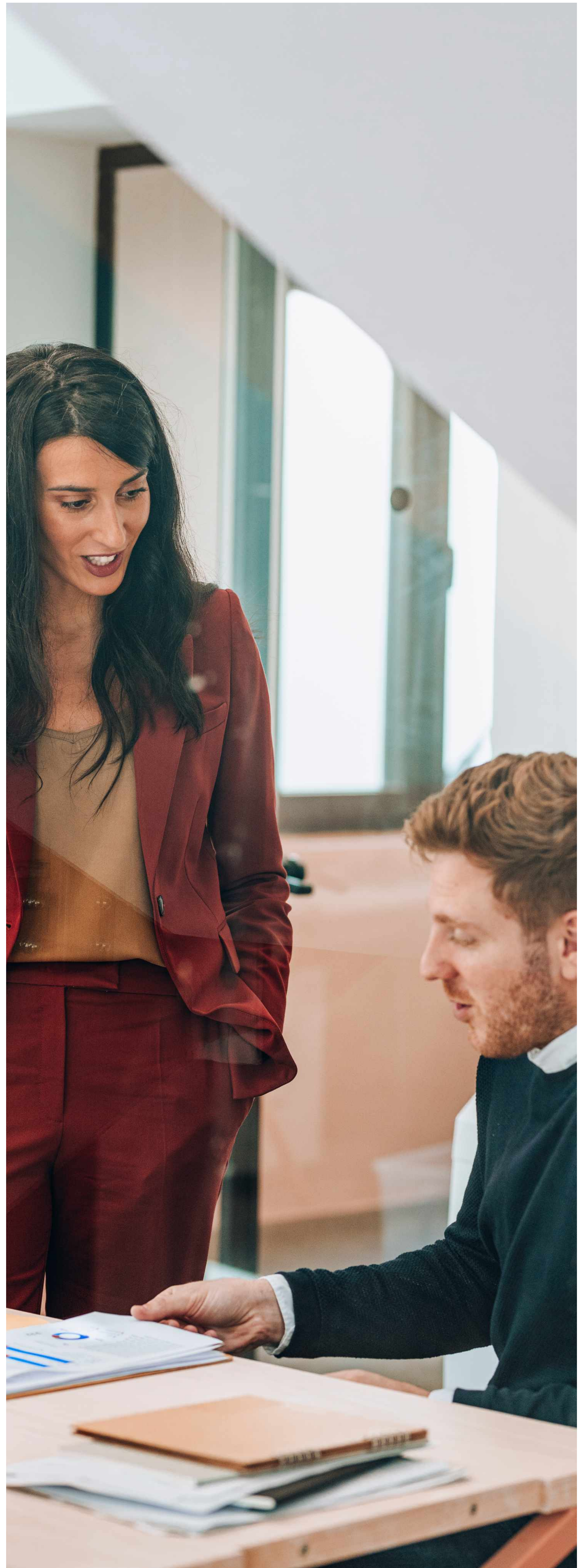
less burned out

30%

more confident in their ability to achieve meaningful growth and change by working on their self-development

37%

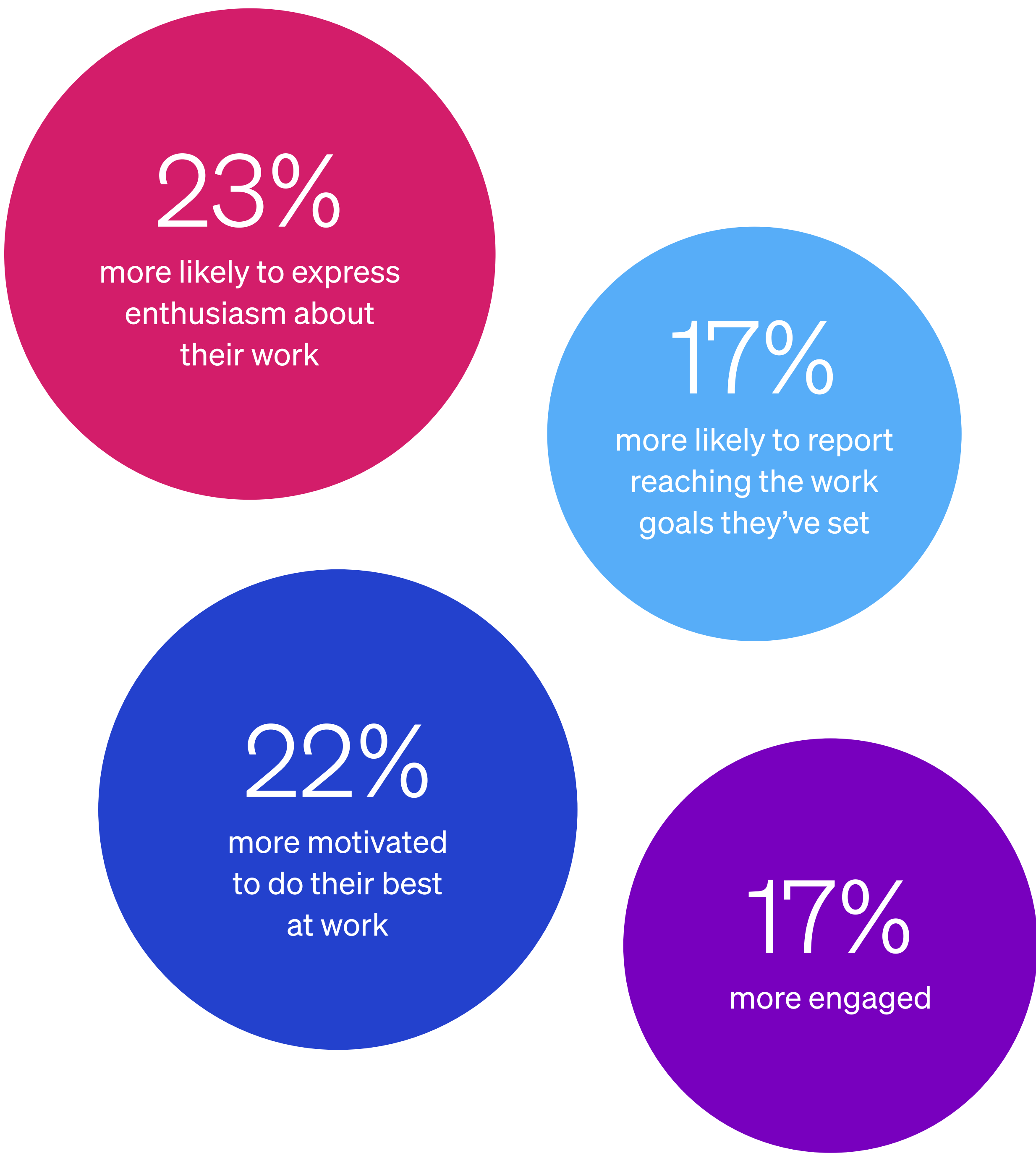
more likely to report feeling seen, heard, valued, and that their opinion matters at their organization





# Enhanced work life and increased productivity

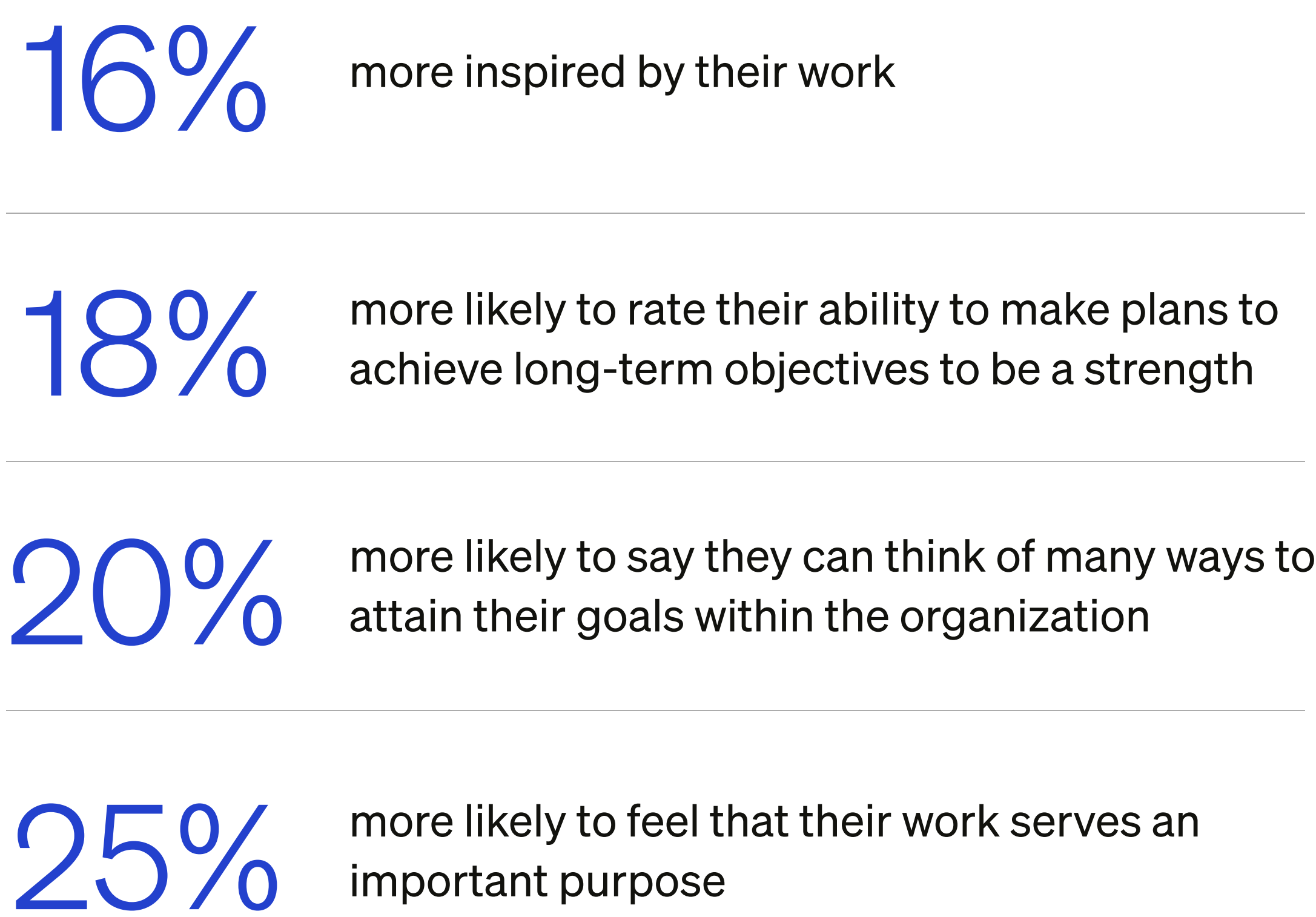
Getting the most out of the employees being trusted to fulfill an organizational mission is imperative for company success. In fact, in 2021, 92% of employers said they planned to prioritize the employee experience over the next three years.<sup>3</sup> Members coming from organizations with high organizational coaching culture report having strong, positive relationships with coworkers, and are also:



Those employees also think more highly of their employers. Specifically, their employer NPS scores are 34% higher, on average, and they are 35% more likely to feel as if their organization supports their well-being. In a time where retention of top performers is paramount, these employees express 25% higher commitment to their organizations than their peers at low coaching culture organizations.

# Providing more purpose and meaning

When times are less challenging, purpose and meaning contribute to an overarching sense of possibility for employees. Our data shows that members are:



High coaching culture fosters a strong sense of purpose and in turn, creates motivated, thoughtful employees that want to serve their organization regardless of what arises.

3. Russell Reynolds Associates' 2022 Global Leadership Monitor Survey, n=1,590 CEOs, C-level leaders, next-generation leaders, and non-executive board directors RRA 2021 Global Leadership Monitor, base n=1,327 global executives and non-executive directors Colvin, C. (2022, July 11). Study: Lack of skilled talent increasingly threatens businesses worldwide. HR Dive. Retrieved July 14, 2022, from <https://www.hrdive.com/news/skilled-talent-global-business-study/626943/>



# Invest in your people — *especially* when times are tough

Indeed, strong coaching culture will help employees grow when conditions are fertile, but what happens when challenging times approach? A dedicated effort to building a strong coaching culture ensures that not only will employees be prepared to navigate difficulty, but they will be equipped to thrive even in the throes of turbulent seasons. **Coaching culture is often the antidote to lack of connection, employee dissatisfaction, and lack of belonging**, all of which are key factors that cause employees to react negatively to uncertainty.

Employees with lower levels of belonging have a 313% stronger intention to quit and are 176% more likely to be seriously searching for another job.

They're not bluffing, either.

People with low belonging follow through with their departures — and quit their jobs 39% more often.

Here's better news: belonging is the second-highest predictor of intent to stay, and BetterUp members with the highest levels of belonging have 34% higher intent to stay. The connection? **Belonging blossoms when the seeds of coaching culture are nurtured.**

To retain, encourage, and support employees through an economic downturn and other workforce challenges, employers must be prepared to instill strong coaching culture values.

So, how do organizations enhance belonging and retain top talent, especially when tough times emerge? By building behavioral skills. According to research conducted by Josh Bersin, global talent industry analyst and BetterUp Science Board Member, this includes skills like agility, collaboration, creativity, tenacity, curiosity, communication, and empathy.

Do you need your colleagues to pivot to the next priority despite rapidly changing information? That's agility. Do your brainstorming sessions need to produce ideas from all perspectives and reveal solutions never before considered? That's collaboration. That's curiosity. Those skills are only becoming more necessary in the workplace, not less.

The reason these skills are so important is that the shift to both remote-first and hybrid work only exacerbated an existing gap in leadership skills. Now that people are working remotely, leaders can't rely on the organizational structure to create a sense of belonging for their teams. Intentionality is a must, behavioral skills are required, and leaders need to empower people to drive organizational success.





Strong coaching culture also helps buffer the impact of strife on personal well-being — a key factor in employee resilience and organizational success. Members from organizations with high coaching culture are:

- **18%** more confident in their ability to shift the way they think about a situation in ways that benefit them
- **20%** more likely to report being able to recover quickly after stressful experiences
- **20%** more likely to engage in self-compassionate thinking

What’s more, members from high coaching culture organizations emphasize flexibility, agility, and creative problem solving, which are invaluable when resources are limited or uncertain. These members are:

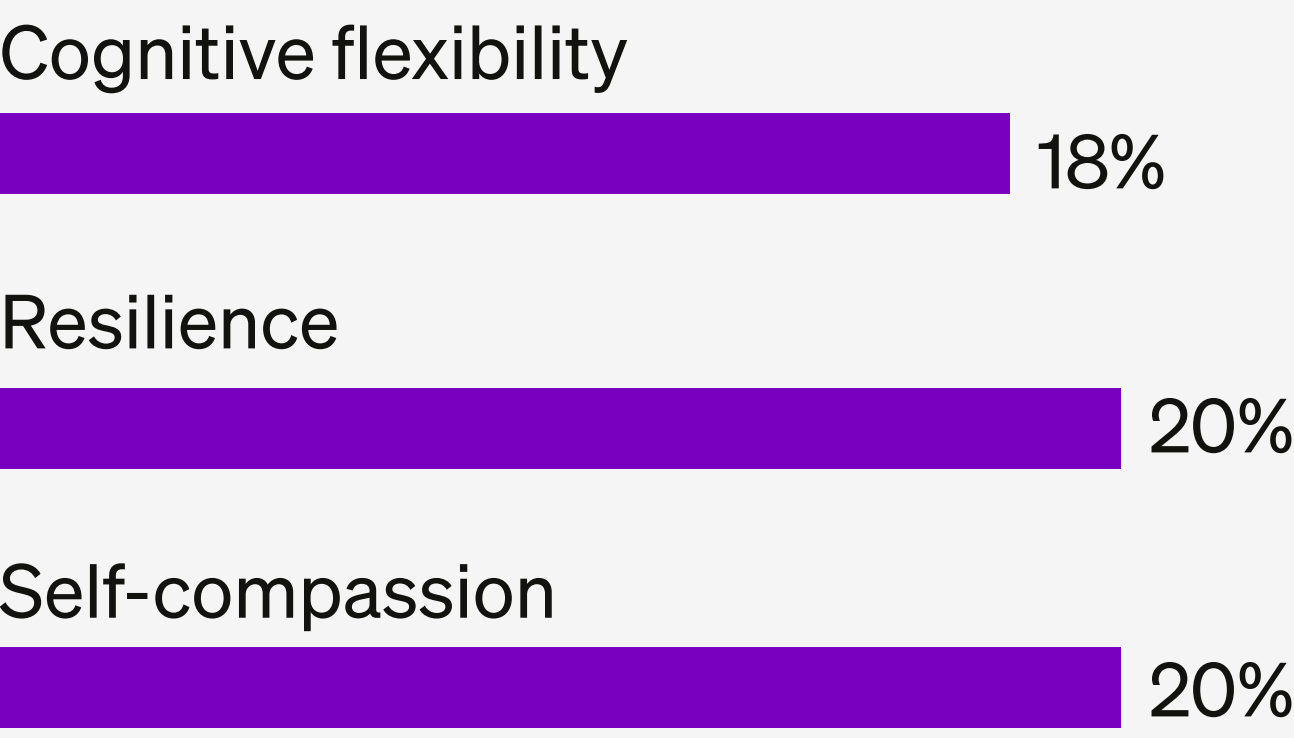
- **16%** better at bouncing back to full performance after setbacks and
- **17%** more likely to rate their team’s ability to generate creative approaches to overcome challenges as above average when compared with other teams
- **22%** more confident in their ability to refocus after distractions
- **23%** better at coming up with many possible solutions to problems they encounter

Strong coaching culture encourages social support and communication that enables employees to learn from and lean on one another for support. Members from high coaching culture organizations are:

- **15%** more likely to support and encourage others when they are down
- **26%** more likely to endorse asking others for help during challenging times rather than trying to handle it themselves
- **34%** more likely to report feeling connected with members of their team

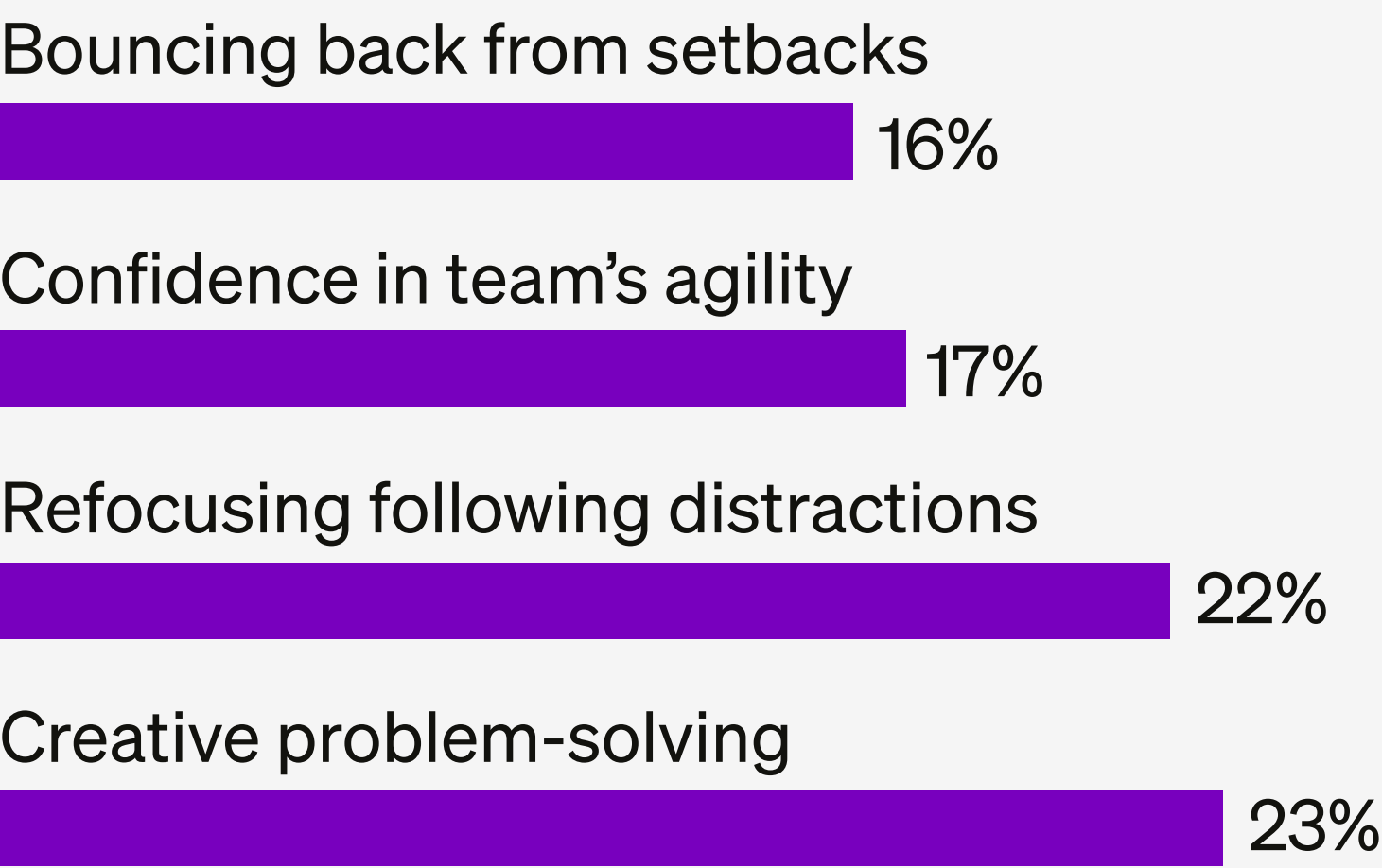
### Coaching culture buffers against strife

*% by which members in high coaching cultures outscore those in low coaching cultures*



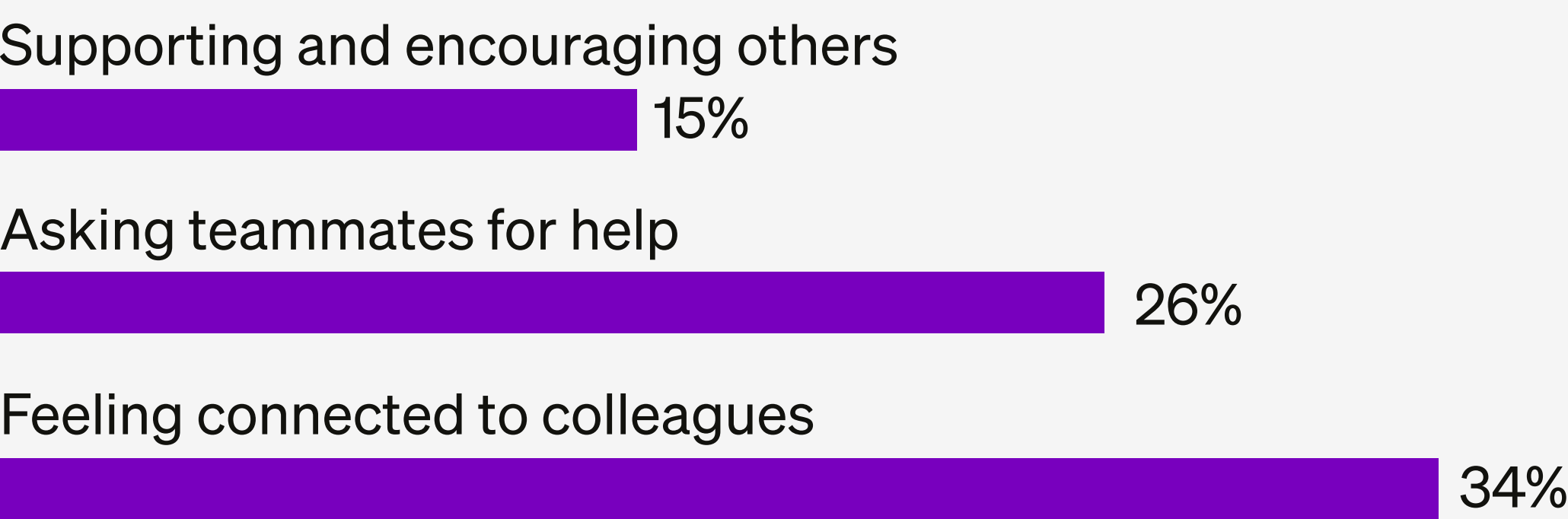
### Coaching culture cultivates flexibility

*% by which members in high coaching cultures outscore those in low coaching cultures*



### Coaching culture fosters strong team dynamics

*% by which members in high coaching cultures outscore those in low coaching cultures*

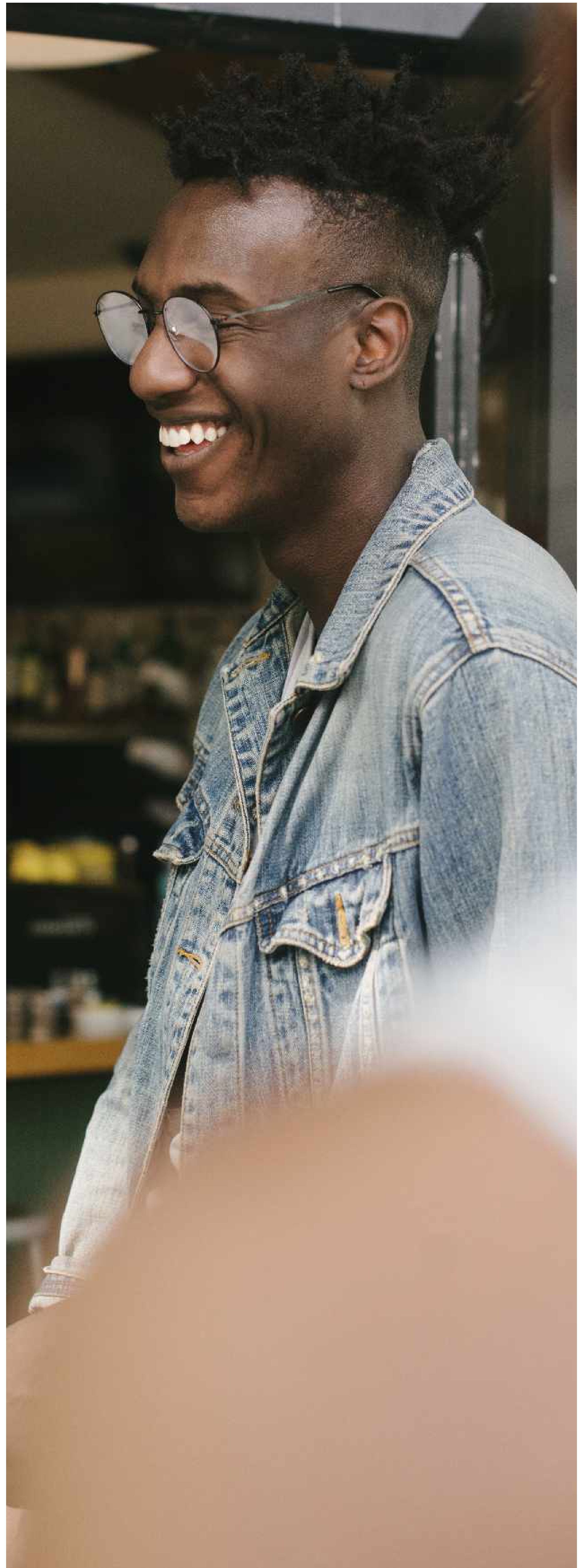




Finally, coaching culture bolsters companies even when the unforeseen occurs. The global Covid-19 pandemic is an important example. Employees of organizations with high coaching culture were 26% less likely to say that their productivity was impacted by the pandemic when compared with employees at low coaching culture organizations, and they also rated their company's response to Covid-19 24% more favorably. That fact alone can impact performance and morale long term.

In short, **challenging times present an incredible opportunity for organizations to take the lead.**

Emphasizing behavioral skills is invaluable when resources are limited or uncertain — while competitors are hoping their employees will tread water, an investment in strong coaching culture helps protect your organization from rippling negative impacts in times of great challenge.





So, how do you  
build a strong  
coaching culture?

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Regardless of where you are now, BetterUp Coaching can help develop a strong coaching culture in your organization. We deliver value with components of our coaching we believe are responsible for our best outcomes: exemplary Coaches, cutting-edge technology, evidence-based practices rooted in the latest in behavioral science, and of course, personalization. Our Coaches tailor their resources and styles to the needs of each member, offering a critically important commitment to customization.

BetterUp scales intentionally as well, mapping resources to the organizational priorities of each organization. Our commitment to organizational success means we are dedicated to proprietary metrics that combine crucial behaviors and mindsets that our research suggests are the strongest predictors of positive business outcomes.

Our model conservatively predicts a **3.5x to 5x return on investment (ROI)** on an investment in BetterUp Coaching for a given employee population. This ROI includes key outcomes for companies navigating today's uncertain economic landscape: **retaining in-demand talent, getting the most from your employees, and driving innovation and transformation.**

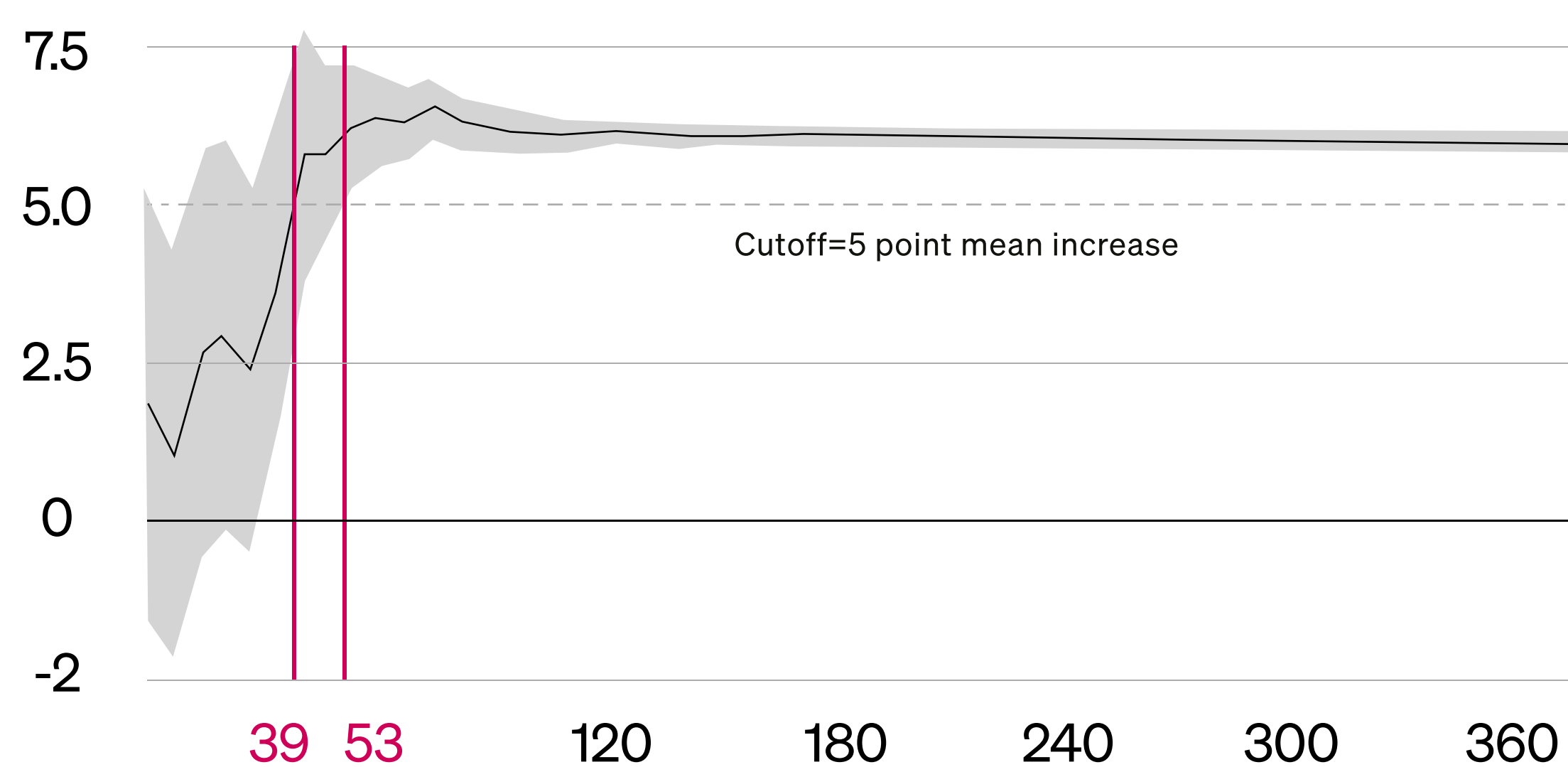
Transformation doesn't take forever, either. An investment in coaching can start making a positive difference in an organization relatively quickly.





## Cumulative mean changing in coaching culture index

Between onboarding and first reflection point



Vertical line(s) are the points at which the mean and lower bound of a 95% confidence interval exceed 5 and stay above 5. Data aggregated at the weekly level to smooth out the curve slightly.

Above, we see that employees with a BetterUp Coach who had the lowest 25% of coaching culture scores at onboarding showed an average of 84% improvement at their reflection point (periodic check-in to evaluate progress) three to four months later. More striking findings show that the most notable increases in coaching culture scores are evident just one month after onboarding.

Moreover, our research has shown that although individual contributors and executives yield a positive ROI when utilizing BetterUp, core managers (managers who sit two to three levels below the C-suite and manage a team) generate the most significant ROI on coaching. These findings mean that prioritizing coaching on priority people and roles — those with disproportionate influence and contributions — is essential.

How does coaching drive such impressive ROI for the core in particular? Performance. When you help leaders unlock their potential, they can drive greater engagement and performance from themselves and their teams. Secondly, core manager ROI is about retention. Coaching leaders improves retention for both the leader and their team — a correlation exists between a leader's psychological resources and their team members' risk of turnover.

BetterUp's methodology means measurable gains — especially for companies that leverage a dedication to building a strong coaching culture.

Coaching is a timely and necessary resource to implement and strengthen for employees. Uncertainty is the new constant, but organizations that prioritize strengthening their coaching culture will do more than survive... they'll thrive.

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*What's been really exciting for us is to see managers, when they have these breakthrough moments in their coaching, just changing their mindset and using some of the tools and techniques they've learned with their coaches. They've been able to not just use that for themselves — for their personal feeling of belonging, wellness, and focus — but with their teams as well.*

**Tina Gupta**

VP of Talent & Employee Experience,  
WarnerMedia + BetterUp customer

Build a company culture  
that will withstand  
unpredictable times

[Schedule a demo](#)