Czech University of Life Sciences Prague

Faculty of Economics and Management

**Department of Management** 



**Diploma** Thesis

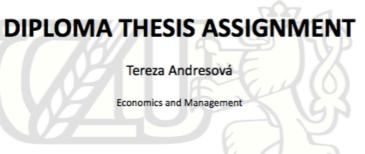
External coaching in the Czech banking sector

Bc. Tereza Andresová

© 2016 CULS Prague

#### CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management



External coaching in the Czech banking sector

#### **Objectives of thesis**

Thesis title

The main aim is to find how external coaches are selected for employee development in the Czech banking sector.

In order to identify this, the following objectives will be addressed:

- 's- What is a coach? To define who is a coach, difference between coach and mentor
- 's- What skills do coaches possess?
- 's- What criteria are the most important in the selection process?
- 's- Advantages/Disadvantages of using an external coach
- 's- What are the expected benefits of using an external coach?
- To define difference between individual clients and corporate clients of coaching

- To find out what preferences and criteria the corporate clients in Czech companies have on chosen coaches

#### Methodology

Diploma thesis is divided into two parts. The theoretical part focuses on literature review and analysis from relevant sources as books, journals or websites. The theoretical part is base for the second practical part of diploma thesis. The practical part focuses on needs, criterion and preferences for choosing external coaches for employee development within Czech banking sector. Data collecting is conducted through semi structural interviews with responsible employees of education and development in chosen banks.

Official document \* Czech University of Life Sciences Prague \* Kamýcká 129, 165 21 Praha 6 - Suchdol

#### The proposed extent of the thesis

Approximately 60 pages

#### Keywords

external coaching, banking sector, needs, preferences, coach selection

#### **Recommended information sources**

Clutterbuck, D., & Megginson, D. (2011). Mentoring Executives and Directors. Routledge: Abingdon. Gallwey, W. (2010). Inner game pro manažery: tajemství vysoké pracovní výkonnosti. Praha : Management Press.

Underhill, B., McAnally, K., & Koriath, J. (2008). Executive coaching for results: The definitive guide to developing organizational leader. ReadHowYouWant.

Whitmore, J. (2009). Coaching for Performance: GROWing Human Potential and Purpose: The principles and practice of coaching and leadership. London: Nicholas Brealey Publishing.

Expected date of thesis defence 2015/16 SS – FEM

The Diploma Thesis Supervisor Ing. Richard Selby, Ph.D.

Supervising department Department of Management

Electronic approval: 17. 2. 2016

prof. Ing. Ivana Tichá, Ph.D. Head of department Electronic approval: 17. 2. 2016 Ing. Martin Pelikán, Ph.D. Dean

Prague on 13.03.2016

Official document \* Czech University of Life Sciences Prague \* Kamýcká 129, 165 21 Praha 6 - Suchdol

# Declaration

I declare that I have worked on my diploma thesis titled "External coaching in the Czech banking sector" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break copyrights of any third person.

In Prague on

Tereza Andresová

# Acknowledgement

I would like to thank Richard Selby, Ph.D. for his advice and support during my work on this thesis. Also I would like thank to other people who were involved in the creating process of this diploma thesis. External coaching in the Czech banking sector

# Externí koučink v Českém bankovním sektoru

### Summary

This thesis has two major purposes: 1) to define criteria on external coaches in the Czech banking sector and 2) to demonstrate how looks a selection process of an external coaches in individual banks. Data for this research were obtained through semi structural interviews with employees of seven chosen banks operating in the Czech Republic. On the basis of the results of this research, it can be concluded that several banks have similar criteria and selection process of external coaches. The similarity or dissimilarity of criteria and selection processes mostly depends on the size of the particular banks.

## Souhrn

Tato diplomová práce má dva hlavní účely: 1) definovat kritéria na externí kouče v rámci Českého bankovního sektoru a 2) popsat, jak vypadá proces výběru externích koučů v jednotlivých bankách. Údaje pro tento výzkum byly získány skrze polostrkuturované rozhovory vedené s pracovníky sedmi vybraných bank působících v České republice. Na základě výsledků tohoto výzkumu lze dospět k závěru, že některé banky mají kritéria a proces výběru externích koučů podobná. Podobnost a nebo naopak rozdílnost kritérií a procesu výběru mezi bankami, závisí především na velikosti jednotlivých bank.

Keywords: External coaching, Banking sector, Needs, Preferences, Criteria, Coach selection, Professional coaching organizations, Types of coaching
Klíčová slova: Externí koučink, Bankovní sektor, Potřeby, Preference, Kritéria, Výběr kouče, Profesionální koučovací organizace, Typy koučinku

# **Table of Contents**

1	INTRODUCTION	9
2	THESIS OBJECTIVES AND METHODOLOGY	10
2.1	Objectives of the research	10
2.2	Methodology	11
3	LITERATURE RESEARCH	13
3.1	Brief history of coaching in the Czech Republic	13
3.2	Terms "coaching", "coach" and "coachee"	15
3.2	2.1 Coaching	15
3.2	2.2 Coach	16
3.2	2.3 Coachee	17
3.3	Professional coaching organizations in the Czech Republic	
3.3		
3.3		18
3.3	5.3 ICF	19
3.4	Chosen coaching approaches in the Czech Republic	19
3.4	, e	
3.4	6	
3.4	Inner Game	20
3.5	Difference between coaching and mentoring	
3.5	0	
3.5	.2 Mentoring	22
3.6	Difference between individual and corporate clients of coaching	23
3.7	Types of coaching within an organization	
3.7	7.1 Executive coaching	
3.7		
3.7		
3.7	6	
3.7	8	
3.7	6	
3.7	2.7 Life coaching	25
3.8	Internal coaching vs External Coaching	27
3.8		
	3.8.1.1 Manager as a coach	
3.8		
3.8	<u> </u>	29
	3.8.3.1 Expected benefits of using an external coach	
3.8	Disadvantages of external coaching	
3.9	The reasons of hiring a coach	31
3.10	How to select coach	32

3.10	0.1 What criteria are the most important in a selection process?	
3.11	What skills does coach possess?	
3.11		
3.11	1.2 Top ten characteristics of coaches designed by Registr koučů ČR	
4 I	PRACTICAL PART	37
4.1	Partial research questions	
4.2	The research sample and its selection	
4.3	Organization of the research	
4.3.		
4.3.	1	
4.3.	1	
4.3.	4 Characteristic of banks	
4.4	Limits of the research	
4.5	Research findings	
4.5.		
4.5.	0	
4.5.	1	
4.5.		
4.5.	5 Measuring of efficiency	60
5 1	RESULTS AND DISCUSSION	62
5.1	Results	62
5.2	Discussion	67
6 (	CONCLUSION	68
7 1	BIBLIOGRAPHY	69
	onic sources	
		_
8 I	LIST OF TABLES	74

# **1** Introduction

The impulse for creation of this thesis was a situation on the Czech coaching market. The main objective of this thesis is examine criteria and the selection process of external coaches in the Czech banking market.

There are multiple publications dealing with the topic of the external coaching however the most of them is written in foreign languages only.

This thesis explains what are the preferences of selection of external coaches and the way how they are selected in the Czech banking sector.

In the theoretical part the description of coaching as a profession is provided. Also the coaching types, the coaching approaches and its advantages and disadvantages. The difference between coaching and mentoring and the distinction between internal and external coaching are explained in this part. There is also a chapter dedicated to criteria and selection process of external coaches in organizations.

I choose for the practical part a qualitative type of the research in form of semi structured interviews. This part describes the sample of the respondents, its characteristics and selection. The practical part deals with the partial research questions, responses from the respondents, evaluation of the research findings and with ethical aspects and limits of the research.

In the last part of the thesis is evaluation of the research findings following by discussion.

# 2 Thesis objectives and methodology

### 2.1 Objectives of the research

The main aim of the research is to define criteria on an external coaches and determine how external coaches are selected for employee development in the Czech banking sector. This general aim consists of partial objectives to understand and analyze the situation of the selection process of external coaches in individual banks and to compare of research findings. Other important area of the research is to find out the criteria important for selection process of external coaches. The objectives of the research are following:

- To define who is a coach, to describe the difference between a coach and a mentor,
- what criteria are the most important in the selection process,
- what are the preferences regarding the personality of an external coach,
- to define advantages and disadvantages of external coaching for an individual and organizations,
- and finally own research how the selection process is actually done in different banks operating in the Czech Republic.

The main research question is "According to what criteria does selection process of external coaches look like in the banks operating in the Czech Republic?"

The partial research questions focus on needs and impulses which motivate to hire an external coach, on specific criteria of selection process and how does the selection process look like. Also, they examine what are the advantages and disadvantages of external coaching and how to evaluate the overall efficiency of external coaching service in the banks.

#### 2.2 Methodology

The diploma thesis is divided into two parts. The theoretical part focuses on literature review and analysis from relevant sources such as books, journals or websites. The theoretical part is a base for the second part of the diploma thesis. The practical part focuses on needs, criteria and preferences for choosing a coach for the employee development within Czech banking sector. The data collection is conducted with the help of semi structured interviews with responsible employees of education and development of the chosen banks.

The qualitative type of research gives a researcher an ability to focus on a detail and allows him or her to explore and analyze data very deeply. The advantage of qualitative research is also a possibility of adding or modifying research questions during the research. The aim of a researcher is to gain an integrated view of an investigated situation (Hendl, 2005).

Hendl (2005) describes three basic methods of data collection in qualitative research: observation, interviews and document analysis.

The method of an interview guide is used for research of this diploma thesis.

As Hendl (2005) notes, an interview guide is a specific for pre-prepared list of questions that need to be discussed during the interview. These questions can be asked in a different order, depending on what direction the conversation unfolds. It also allows to a researcher to adjust formulations of questions as needed.

For collecting data hand notes, their following transcripts and audio records are used.

Based on these methods, the researcher is trying to understand the current situation and creates a detailed description of what he or she observed or recorded. The researcher tries not to miss anything that might help clarify the situation (Miles and Creswell, In Hendl, 2005).

The research strategy was firstly chosen through drawing up theoretical basis and methods of data collection. In other chapters, description of the implementation of

research, analysis and interpretation of data, ending with the recommendations and summaries of research findings will follow.

The organization of the research, its limits and the research findings are explained in the detail in the chapter 5.

# **3** Literature Research

# 3.1 Brief history of coaching in the Czech Republic

The establishment of coaching as a profession in business is slightly different in each country. It depends on various factors such as history, mentality or on the predominant styles of management in organizations. The form of coaching is taken from sport and was brought into the business around late 80s by an American Timothy Gallwey.

Europe is one of the most advanced parts of the world in the field of coaching. But there is a significant difference in its development in different parts of Europe. Anglosaxonregion and the Scandinavian countries are much more advanced compared to Mediterranean countries and least developed post-communist countries. In 1989, after the fall of the Berlin Wall in post-communist countries implementation of coaching had started. But it is less advanced than in Western European countries. Coaches of post communist countries make up about 3-4% of all EU coaches. According to the European Coaching Survey in these countries coaching is predominantly not accepted and used as a business tool. Exceptions are some states such as the Czech and Slovak Republic. In these countries coaching is used and accepted as a business tool. National and international conferences in the field of coaching organized in these countries are proof of that. Eastern Europe has still a long way to go in accepting coaching as a real profession. Eastern European countries are in the same situation as Western European countries used to be when coaching was introduced into the business. (Association for Coaching , 2013).

Coaching as a profession appeared in the Czech Republic at the turn of the millennium. In 2005 the branch of ICF was established in the Czech Republic (ICF Czech Republic, 2015).

According to professional certified coach, Monika Barton, awareness about coaching as a tool for development of management and leadership has increased in the Czech Republic in recent years. Coaching represent an important pillar for personal development of top managers. Companies tend to prefer their internal coaches, partly due to lower costs. Coaching can be seen by some employees as a very attractive benefit.

Even though the number of certified coaches has increased in the Czech Republic, this growth is lower in comparison with some other countries of Central and Eastern Europe. Main leading markets in the area of professional coaching in Europe are especially Great Britain, Germany or Scandinavia countries (Barton , 2014).

Besides increasing number of certified coaches increases also the number of uncertified ones. We can talk about coaching oversaturation on the market. It is important to realize that not everyone who presents himself or herself as a coach, is really a professional one. This poses a problem in this specific oriented and a relatively small market (Barton, 2014).

Organizations are often facing a problem of the right choice of a good professional. Also they are lacking market information in field of coaching (Barton , 2014).

In fact, for a coach is not easy to win the contract for a large company. It is known that some coaches are even willing to sell their consulting and mentoring services under name of coaching. This situation does not make a good professional coaching reputation (taking into account the code of ethics and standards of ICF). Even though a coach can take various professions, in the case that the coach sells the coaching, he or she has to also carried out.

## 3.2 Terms "coaching", "coach" and "coachee"

#### 3.2.1 Coaching

There is significant amount of coaching definition which in some aspects differs one from the other. In these days, the term "coaching" becomes very popular. However not each promoted profession which is called "*coach*" has attributes of coaching which is demonstrated and discussed in this thesis.

ČAKO (Czech Association of Coaches) defines coaching as a nondirective type of managing people leading to unlock the human potential as a result (CAC, 2015).

According to ICF (International coaching federation) coaching is a partnership of trust between a professional coach and a client (coachee) which helps to meet client's objectives, goals and wishes. The process of coaching supports increase awareness and leads to client to accept responsibility for his or her own actions. The role of coach is to support and to provide a feedback to a client. (ICF Czech Republic, 2015).

One of the famous representatives of nowadays coaching profession, John Whitmore, says that coaching is style of thinking, leading and also the kind of being (Whitmore, 2009). This author is considered to be one of the promoters of professional coaching in Western countries.

Eric Parsloe perceives coaching as a "process that enables learning and development to occur and thus performance to improve. To be a successful coach requires a knowledge and understanding of process as well as the variety of styles, skills and techniques that are appropriate to the context in which the coaching takes place" (Parsloe, 2004).

Coaching is a process of set principles and techniques which helps to develop and unlock human potential. In addition, open questions are the base of this whole process. Thanks to open questions coaching can be imagined as a parallel to the Socratic method of teaching.

Open questions are powerful tools for increasing awareness of client's (coachee) personality and his or her area of interest of change or development.

Coaching is focused on future instead of trying to figure out problems or situations from the past.

In business context "coaching has become a source of competitive advantage" (Leimon, Moscovici, & McMahon, 2005).

"Coaching does not end with self-awareness. It is a form of active learning that transfers essential communication and relationship skills" (Freas & Sherman, 2004).

Other few aspects of coaching are explained in chapter 3.3 Difference between coaching and mentoring.

## 3.2.2 Coach

Coach is a person who leads the coaching process (CAC, 2015). Coach is a professional who helps the others to develop themselves. As Whitmore says, a coach helps unlock human hidden potential. In order to do so he or she needs to have a following skill as listening, being able to ask strong and open questions and using at the right time good tools or techniques for work.

Coach has to work on his or her inner qualities, professional abilities and self awareness.

Coach accepts only the kind of contract which he or she is able to fulfil. If he or she finds out that the goals of contract are above of his or her abilities, then should recommend to a client another professional or both sides change the contract of coaching (CAC, 2015).

Coach respects the personality, abilities, wishes, goals and objectives of his/her client. He or she never misuses the confidential information and respects them (CAC, 2015).

According to principles of coaching, a coach is never in the position of advisor (seen in chapter 3.5).

# 3.2.3 Coachee

Coachee is a client of coaching process, someone who is being coached (Freas & Sherman, 2004). Coachee makes a contract with a professional coach. Client brings out the problem or topic which he or she wants to change or develop with help and support of a coach. His or her position is crucial because he or she is a person who valorize the outputs of whole coaching process. Coachee is primarily the person who benefits from the coaching process, it is mainly about deeper self awareness, improvement and different point of view on particular area of his or her problems.

# 3.3 Professional coaching organizations in the Czech Republic

Professional coaching organizations helps to keep standards in educating coaches and their further development to be best professionals in field of coaching or mentoring (in case of EMCC). For many buyers of coaching services those organizations serve as a certain guide or one of the criteria which leads to the selection of a particular coach. If a coach has one of the following accreditations, it can be assumed that his or her attitude and quality of work is very professional.

Among the professional organizations of coaches in the Czech Republic belongs:

- ČAKO (Czech Association of Coaches),
- EMCC (European Mentoring and Coaching Council),
- ICF (International Coaching Federation).

ČAKO operates on national level, EMCC on European level and ICF operates on world level (Parma, 2006).

# 3.3.1 ČAKO

ČAKO operates in the Czech Republic since 2004. It was founded by professional coaches, but a member may become anyone who is dedicated to coaching and who shares values of ČAKO. Main mission of ČAKO is to ensure quality and professionalism of coaches on the Czech market. They achieved it primarily through the accreditation of coaches and training courses, setting a standard of ethics and also through the conference, seminars and other events that allow interaction among professional coaches (ČAKO, 2015).

ČAKO offers three types of accreditation:

- Accredited Coach (AC),
- Accredited Professional Coach (APC),
- Accredited Supervisor Coach (ASC) (CAC, 2015).

These three accreditation grades differ in a number of hours of coaching, experience and the number of references from clients. All these three types of accreditation require at least a bachelor's degree independent the form or type of study (CAC, 2015).

# 3.3.2 EMCC

A third organization referred in this chapter is the EMCC (European Mentoring and Coaching Council). EMCC offers one accreditation:

• European Individual Accreditation (EIA).

EIA is an accreditation accomplished in entire Europe, which demonstrates that a coach or mentor who owns EIA has a certain level of knowledge and skills necessary for his or her professional practice. In the market is EIA perceived as proof of quality and prestigious award (EMCC, 2016).

# 3.3.3 ICF

International Coaching Federation is one of the most famous international coaching organizations. The Czech branch of ICF was established in 2005. The main impulse was to bring together professionals in the field of coaching, who can rely on international standards, code of ethics and internationally applicable accreditation.

ICF offers the following types of accreditation:

- Associate Certified Coach (ACC)®,
- Professional Certified Coach (PCC)®,
- Master Certified Coach (MCC)®.

Differences between the accreditation degrees are derived primarily from the gained experience, number of coaching hours and the number of sessions with a certified mentor (ICF Czech Republic, 2013).

# 3.4 Chosen coaching approaches in the Czech Republic

As well as there are many definitions of coaching, there is a significant amount of coaching approaches and schools. Each approach or school has a slightly different basis. Coaches and their practice are based on different philosophies, therapeutic bases or mental models. In the following subchapters are mentioned such as example three coaching approaches which are often used in the Czech Republic.

# 3.4.1 Systemic coaching

As the name indicates systemic coaching is based on the systemic approach which examines the behaviour of social systems. For example, man is perceived as a whole system, another perception of systems can be teams of people or an entire organization. In case we want to provoke a change in the system, this change must be done from the inside instead of influencing from outside. As Petr Parma says, Systemic coach is firstly learning to think of his/herself as a competent and fully-fledged system. Once he or she can do it, then can deal well with others (Parma, 2006).

Systemic coaching is a combination of the above mentioned systemic approach and coaching.

John Whittington says: "Systemic coaching is that which acknowledges, illuminates, and releases the system dynamics so each element can function with ease. It is coaching that prioritizes the system" (Whittington, 2012).

#### 3.4.2 The art and science of coaching

The main representative of approach The art and science of coaching is a Canadian lady Marilyn Atkinson. She is the founder of the globally successful Erickson College International, which focus on human development (Atkinson & Chois, 2009). This approach is based on psychotherapy practice of Milton Erickson who built on optimistic attitude and faith. An important element of this approach is transformational coaching conversation. Those conversations help to become a balanced and meaningful person. The principle of transformational conversations is to monitor own patterns, especially the structure of habits of mind that are greatest barriers in ourselves (Atkinson & Chois, 2009).

### 3.4.3 Inner Game

The Inner Game approach originally comes from the sport. Its main representative is Timothy Gallwey. The method of Inner Game works with following formula:

PPerformance,	
ppotential,	P = p - i
iinterference.	

"According to this formula, performance can be enhanced either by growing "p" potential or by decreasing "i" interference" (The Inner Game, 2016).

Timothy Gallwey says that if we want to win outer game, firstly we have to win the inner game. Even though this method is based on sport, it meets with great application in other areas including business (Gallwey W. T., 2010). This approach also focuses on responsibility for own thoughts and actions. When a person accepts his or her responsibility for his or her thoughts and actions his or her commitment increases. If the inner motivation is missing then the person does not feel responsibility for his or her action and there will be no change in performance (Whitmore, 2009).

#### 3.5 Difference between coaching and mentoring

Coaching and mentoring have a lot in common. Their basis is equal and deep in subject of human exchange (Western, 2012).

The reason why it is necessary to know the difference between a coach and a mentor is to avoid misunderstanding before dealing a contract, for instance with a company. Firstly, it is necessary to be aware on usage of terms *coach* and *mentor*. In some countries or by some people these two terms are perceived oppositely. It is necessary to clarify the meaning of these two terms; *coach* and *mentor*.

In the following text, the terms *coach* and *mentor* will be explained according point of view used mostly in the Czech Republic.

#### 3.5.1 Coaching

Coaching has a time frame setting which depends on the conditions of a contract between coach and coachee (in case of company between coach, coachee and buyer of coaching service, e.g. HR manager).

The role of a coach can be also defined as a facilitator who allows the coachee to find his or her own way to deal with the problems.

The coaching process allows a coachee to be more effective not only by learning from a coach but also learning from his or her own by insight development. A coach is never in the position of an advisor. Every step and decision comes from his or her client. Coach does not need to be an expert in a field of actual discussing phenomenon but he or she needs to be an expert in coaching (Coaching, 2016). The coaching process tries to help the client to find his or her own solution instead of giving a prescribed one.

This is one of the most significant difference between a coach and a mentor because a mentor is an expert in a particular area where he or she helps the others.

The return of coaching is reciprocal. Both participants are mutually enriched. Interesting enrichment is for example given by different points of view on the same situation. A coach can learn a lot from given feedback to him or her.

# 3.5.2 Mentoring

Concept of mentoring comes from the Greek mythology when Odysseus entrusted his son to Mentor and let him learn everything what he knows (Jarvis, 2004). "Mentoring is off-line help by one person to another in making significant transitions in knowledge, work or thinking" (Clutterbuck & Megginson, 2011). Mentoring comes with the job expectations. A mentor is work focused and pays attention to performance of a specific task or skills/behaviour of client (mentee). The mentor is generally a senior within a company who helps the mentee (usually less experienced employee) to deal with any problems through his/her own experiences (Coaching, 2016).

A mentor directs a person to end finish result. He or she tries to change or reinforces the behaviour or skills of mentee by set principles. The return/result of mentoring is seen in job performance of employee or in a better co-working within a team. Apart from a coach, a mentor gives an advice to less experienced person (Coaching, 2016).

Simple overview of difference between coach and mentor can be seen in the table below:

Difference between coaching and mentoring			
	Coach	Mentor	
Role	Facilitator	Advisor	
Type of leading	Nondirective	Directive	
Return/Benefit	Reciprocal for coach and coachee	Seen in mentee job performance	
Set duration	The length depends on preferences and needs of coachee (team), usually 3-6 months	Relationship can last for a long period of time	
Field of application	Personal and company side of action	Mostly within a company	

Table 1: Difference between coach and mentor: own processing

#### 3.6 Difference between individual and corporate clients of coaching

On the following lines is mentioned how some professional coaches perceive two types of clients. Information in chapter 3.4 are based on an authentic testimony of professional coaches. The main difference is in a motivation of a coachee, which also determines number of meetings with a coach. It can be assumed, that coachee who is paying for coaching services by himself or herself can have a slightly different attitude and motivation. Coaching in corporate sphere can be for example perceived as a benefit and coachee himself or herself may not have such a great need to look for this type of service. Sometimes happens a situation that manager assigns coaching sessions to his or her subordinate. In that case may happen that employee himself or herself has no such inner motivation to do so and often he or she does not know why does he or she need a coach. Individual client has a chance to choose a particular coaching approach according to his or her preferences otherwise a coachee from organization has assign a coach from organization's pool of coaches. In this pool of coaches is sometimes limited choice of coaching approaches and types of personalities of coaches even though the organization is trying to make a portfolio of their coaches as wide as possible.

#### **3.7** Types of coaching within an organization

This thesis examines only some parts of coaching. This chapter focuses on mostly selected used types of coaching in relation to organizations.

In addition to different approaches of coaching, there are different types within coaching. In the sphere of coaching in organizations are frequently used these types:

#### 3.7.1 Executive coaching

Executive coaching or management coaching is mainly focused on the development of competencies of an individual executive or a board member. Most often it is about improving leadership skills and personal growth which leads coachee to be more successful and efficient manager. As Underhill and collective says "executive coaches facilitate the transportation of leaders to new levels of development and effectiveness" (Underhill, McAnally, & Koriath, 2008).

Anthony M. Grant in his article pointed out another reason for this type of coaching; importance of executive coaching in times of organizational changes (Grant, 2013). Janice Caplan agree with Anthony Grant that executive coaching is suitable within times of changes but she also points out executive coaching as growth-oriented (Caplan , 2003).

For executive coaching, it is typical to hire a coach from outside sphere but it is not a requirement. The executive coaching has growing importance in organizations.

### **3.7.2** Business coaching

Business coaching can be generally considered to be focused on increasing efficiency of the business and its further development.

The function of a coach in business coaching is that he or she has to know the corporate goals and be familiar with them. Besides the knowledge of people and development of their potential, coach has to be aware of set business within company and how the organization operates. Another assumption of a coach role is to understand operational steps within the company. A coach may work both with individual employees and with all teams. He or she supports the coachee or coachees with achieving set goals (Leimon, Moscovici, & McMahon, 2005).

#### 3.7.3 Leadership coaching

Leadership coaching is also focused on improving leadership skills. But on the other hand a coach has experience in similar position, such as top management and he or she really does understand both business and environment and culture of the organization.

Gray (2010) points out that the leadership coaching helps "creating a collective vision for the organization".

#### 3.7.4 Team coaching

Team coaching leads to improving communication, cooperation and supporting the overall corporate culture. Using team coaching solves the organizational and long-term problems (Gray, 2010).

# 3.7.5 Career coaching

According to Gray's perception of career coaching, this is type defined as a help in developing a career which suits best for a client along with capabilities of an individual and needs of the company.

Author set three main points where coach can help:

- Clarifying career goals,
- Examining career choices,
- Developing career transition plans (Gray, 2010).

Monika Bartoníčková points that career coach is mostly used in the time of career change, for example when coachee faces to be released from work. According to her, only about 15% of the population loves to go to work. Career coaching in this area can help a lot to find the kind of work for which one will be more satisfied with (Bartoníčková, 2007).

# 3.7.6 Performance coaching

Performance coaching deals with increasing efficiency of using abilities of individuals, resources and processes in the company. In business context it is mainly about delegation, team building, negotiation, presentation or for example sales skills (Gray, 2010).

# 3.7.7 Life coaching

According to Gray (2010) life coaching is "a form of coaching that tends to focus on the whole person and issues such as self-confidence, health and general wellbeing". The table below shows criteria for choosing a suitable type of coaching as an example:

Type of coaching	Choose this type when you
Executive/Corporate Coaching	<ul> <li>Are in a senior position of authority, and must deal with complex business issues</li> <li>Feeling isolated and in need of someone to share ideas and feelings with</li> <li>Want to create a vision of the company that fits with your personal values</li> </ul>
Leadership coaching	<ul> <li>Need to inspire others around you</li> <li>Want to engage in strategic and cultural change</li> <li>Need to select from different leadership approaches, depending on the environment</li> </ul>
Team coaching	<ul><li>Need to develop team cohesion</li><li>Want to improve communication</li></ul>
Performance coaching	<ul> <li>Are aware that you are under-performing at work</li> <li>Need to improve on one or more specific skills areas</li> </ul>
Small-business coaching	<ul> <li>Want to see your small business grow</li> <li>Are experiencing growth but you are having difficulties organizing your business, handling change, coping with work/life balance, etc.</li> </ul>
Career coaching	<ul> <li>Are thinking of changing jobs</li> <li>Want promotion</li> <li>Need help in improving your résumé</li> <li>Need to improve your interview skills</li> </ul>
Life coaching	<ul> <li>Want to increase yourself-confidence</li> <li>Want to find a lasting personal relationship</li> <li>Want to become healthier</li> <li>Are striving to overcome phobias</li> </ul>

 Table 2: Which type of coaching is right for you? by David Gray

## 3.8 Internal coaching vs External Coaching

Even though this thesis deals with external coaching, it is important to define it in comparison with internal coaching, in order to understand what position external coaching takes.

## 3.8.1 Internal Coaching

Coaching as a management style, whether it has internal or external character, is not applicable in all corporate environments. Coaching management style helps primarily to achieve the medium-term and long-term goals of the company. Best application of coaching is in organizations where there is a learning culture supported by top management (FME, 2013).

The decision to introduce an internal coaching arises mainly due to lack of corporate funds or lack of time. The coaching role takes over either the team manager, another manager, employee, HR specialist or anyone else, who will be internally determined. The position of an internal coach changes the position of the determined person for coaching. The following points show where changes occur:

- cooperation instead of control,
- delegating more responsibility,
- more listening than talking,
- asking more questions instead of prescribing tasks,
- emphasis on feedback rather than criticism.

Internal coaching can greatly benefit from greater trust and honesty between the coach and coachee, which may also be reflected in the other parts of organization. David Gray agrees, that internal coach "can help to promote a coaching culture in the organization" (Gray, 2010). Thanks to the coaching the coachees are more able to take initiative and responsibility, be creative and make own decisions.

The disadvantage of internal coaching can be time pressure from the coach side. This may mean that the internal coach does not pay adequate enough attention on coaching process with his or her coachees, as he or she try to save time for his own job agenda (FME, 2013). Gray (2010) describes that internal coach has his or her advantage in understanding the internal culture and major issues in the company.

#### 3.8.1.1 Manager as a coach

Manager as a coach has its advantages and disadvantages. According to Gray (2010), it is important to realize that the manager, who coaches his or her subordinates, is not a professional coach, but still a manager who uses coaching techniques to develop their employees. He or she helps to meet employee's needs and achieve set goals of the company. As an advantage can be considered lower costs the company spent on coaching. Another one is, that manager coaches his or her subordinates as a part of his or her job agenda. The main disadvantages may be a poor coaching expertise, lack of objectivity and keeping confidentiality (Gray, 2010).

Article by Joseph R. Weintraub and James H. Hunt discusses four reasons why managers should spend more time to coaching. According to their research managers see an advantage in coaching as a tool for achieving the set goals. Other attribute, which according to research the coaching managers have, is their curiosity. That means asking open-ended questions towards coachee and realizing that they are there for their employees. The important part of coaching in the role of a manager is to build good relationships in the workplace. A good relationship between an employee and the manager can greatly benefit the entire coaching. Does it means that an employee is not afraid of his or her coach manager to said problems or deficiencies that need to be improved (Weintraub & Hunt, 2015).

#### **3.8.2** External coaching

External coaching has a following meaning: a company hires professional coach from outside sphere, an external coach is not an employee of a particular company. The reason for choosing an external coach could be for example lack of internal coaches (or managers with coaching competencies), higher professional skills than in case of internal coaches or different level of trust. An external coach as an independent person within organization can give a coachee feeling of broader trust, it means coachee can discuss hidden problems which he or she could not be able to discuss with his or her manager or an internal coach. The hidden problems can be crucial for further development of employee's progress. Also the feedback from the coach perspective can be more objective than in case of an internal coach (FME, 2013).

### 3.8.3 Advantages of external coaching

As an advantage, it can be considered that an external coach is not burdened by organizational internal environment and policies. As mentioned above the coachees can be much more open because of no influence by business on external coach (FME, 2013). According to Gray (2010) external coach "can bring an outsider's perspective".

External coaches in comparison with internal coaches do not feel barriers and fear of consequences of future in particular organization. External coaches have an advantage in their professional carrier. They really do understand the processes of coaching, have generally clear thinking and different points of view which can be considered as enrichment of their client.

Professional coaches themselves many times worked in managerial positions and have experience in leadership and other managerial positions, which generally internal coaches do not posses (Bohoňková, 2014).

Another advantage is possibility of a specific selection of the external coach for a particular employee of the organization (it can be described as selection in meaning of experience of coach, gender, age, personality etc). This means that an external coach may be charged tailored to specific prospective of coachee. As far as internal coaching is concerned this benefit is lacking (Society for Industrial and Organizational Psychology, 2016).

### **3.8.3.1** Expected benefits of using an external coach

Besides advantages mentioned above some authors describes expected benefits of external coaching. External coach can be described as "an objective, committed, and confidential support to individuals who wish to extend beyond what they already know they can do or have accomplished" (Gibson, 1998).

Generally, it is necessary to take into account several aspects that can greatly affect benefits arising from coaching. Gray (2010) lists three main areas which should not be underestimated for fulfilling the purpose of coaching process. Firstly, is about coachee's effort to fulfill his or her set goals. It means how much the coachee is willing to spread his/her effort to work on him/herself. Secondly, skills of coach are very important. Final assumption of quality coaching process is the relationship between coach and coachee (as already mentioned, it is mainly about the personality of the coach, mutual trust and openness).

Gray states several general expected benefits from coaching process, if it works well:

- Better performance,
- greater confidence,
- more assertiveness,
- the ability to make good decisions,
- better problem solving skills,
- improved interpersonal skills,
- reduced stress levels,
- better relationships with work colleagues (and family members),
- greater adaptability to accept and implement change,
- improved work-life balance,
- more self-awareness (Gray, 2010).

These quoted benefits lead to better understanding of the reasons why the organizations hire a coaches (internal or external). From the perspective of an organization the benefits of coaching are as follows:

- Improving productivity, quality and customer service,
- higher employee satisfaction levels,
- higher employee retention rates so there is less staff turnover,
- better use of people's talents,
- better teamwork,
- stronger company commitment to individuals and their potential,

 employees dealing with new responsibilities, preparation or follow up for conventional training programs (Gray, 2010).

### 3.8.4 Disadvantages of external coaching

Main disadvantage of external coaching is higher costs. For this reason external coaches are often hired only for coaching of top management (Bohoňková, 2014). Some people claim that not knowing the internal conditions within company can be seen as an advantage for an external coach. (FME, 2013). On the other side during the time spent in the organization an external coach is more involved in policies and culture of company environment which can turn into disadvantage (Bohoňková, 2014).

## 3.9 The reasons of hiring a coach

There are many reasons for hiring a coach. This chapter shows only these reasons which are common from organizational environment point of view.

ICF presents selected reasons for hiring a coach. The Clients reasons for choosing a coach are for example:

- higher effectiveness,
- to accelerate results,
- self development and self improvement,
- saving the time,
- and life balance (ICF Czech Republic, 2015).

Whitmore gives examples of application coaching in:

- motivating staff,
- delegating,
- problem solving,
- relationships issues,
- team building,
- appraisals and assessments,
- task performance,

- planning and reviewing,
- staff development,
- team working (Whitmore, 2009).

Underhill claims that the main reason for hiring a coach in the corporate sphere is leadership. According to him it is most important to enhance and strengthen leadership skills (Underhill, McAnally, & Koriath, 2008). In other points as development of staff, task performance or team building Underhill & collective agree with Whitmore's examples for hiring a coach.

### 3.10 How to select coach

Executive Committee member of Association of coaches and mentors EMCC, Dana Kodešová, says that many companies buy the services of coaches and mentors without a deeper rethinking (Čechová, 2014).

Jessica Jarvis (2004) on behalf of CIPD (Chartered Institute of Personnel and Development) says that workers who choose a coach for the company should give great care throughout the selection process. It should be the best possible match between the coach and the organization or a particular individual and coach. In the case of hiring a coach for an individual, it is important to take into account the particular needs of the coachee. Conversely, in the case of hiring more coaches, it is necessary to take into account the company's needs and type of and organizational culture.

There are different sources where coaches can ben found. Examples where to find coach can be websites of individual coaches, professional social networks (such as LinkedIn), websites of organizations or association that are dedicated to professional coaching and its databases (Gray, 2010). Other important sources could be word of mouth, especially recommendations from people, meeting with coaches at conferences or other events of networking type.

The table below shows the results of a survey conducted by the CIPD, which shows how HR buyers of coaching services are knowledgeable of the coaching market. It is referred to the statement mentioned in the introduction to this work, that it is not precisely clear who is and is not a coach or what is and is not coaching. Also, it is not an easy task to find a highly qualified external coach and it is also related to education of coaches. Not all the coaches have accreditation or are governed by the ethical codes of international coaching organizations. This can lead to contradictory perceptions of coaching and it does not make a good reputation (Jarvis, 2004).

Concerns of HR buyers of coaching services	% of res	pondents
	Agree	Do not know
There is a great deal of confusion around what is meant by the term 'coaching'	81	3
I clearly understand the difference between all the different types of coaching on offer	50	14
Finding and selecting high-quality external coaches is a difficult task	49	29
The lack of regulation and accreditation in the coaching industry is very worrying	40	27

# Table 3: Concerns of HR buyers of coaching services by CIPD

# 3.10.1 What criteria are the most important in a selection process?

Each organization has a slightly different set of important selection criteria based on needs of an organization. Overall there are few points below which should not be missed in the selection process of coaches.

Jessica Jarvis behalf of CIPD discuss some points of a profile of a good external coach:

- Level of coaching experience means how many hours he or she has coached, how many clients he or she had, on what type of tasks he or she is oriented and on what level of seniority he or she works.
- Experience in business is a debatable issue for many persons who recruit a coach. Someone considers as important that the coach has an experience in particular industry, on the contrary some people believe that the experience in the same field may be counterproductive. According to international principles coach must be impartial and does not give an advice. If the coach is not an expert in the particular area, it can be considered as an advantage (depends on point of view).

- **References** are very important indicator of the quality of a coach. It is good if these references are freely accessible and can give to buyers of coaching service an idea of how a coach works and which approach use in interaction to his or her clients.
- **Background** of coaches is sometimes surprisingly different. It can be the education and experience in HR, psychology, working in managerial positions, coaches could be also lecturers or people with a very different background, such as technology. The background of a coach is not entirely conclusive but it may help in the selection of coaches according to predetermined preferences.
- **Supervision** is another integral part, which should belong to the coach's agenda. It can be explained as an objective criticism of coach work with the client. It is a backward reflection, thanks to which the coach can move on in his or her career.
- Equipment of coach involves the usage of tools, techniques and methods that he or she applies. From a wide spectrum of tools and techniques a coach always needs to be able to use appropriate technique meeting the needs of a client.
- A coach should be able to recognize where his or her **boundaries** of competencies are. It means that if he or she detects that he or she is not able to meet the needs of a coachee through his or her skills and competencies, he or she should to refer his or her client to another professional (sometimes it happens in case of the line between coaching and psychotherapy).
- Whether a coach needs to have a **qualification (certification or accreditation)** is still an open question. There are organizations that require a coach with certain qualifications but there are organizations where it is not necessary. The fact that the coach did not pass the qualification does not mean that it is not a good coach. Reverse is also true but we can assume that those who have received coaching qualifications are at least educated in the basic principles of coaching, know the code of ethics and other international standards needed for coaching practice.

- Being a part of **professional bodies (chambers)** is another indicator but certainly does not guarantee that the coach is governed by internationally recognized standards of practice.
- **Professional indemnity insurance** can be for buyers of coaching service sort of legal support in case the problems arise (Jarvis, 2004).

# 3.11 What skills does coach possess?

There are several design typology of coach personality. The question is whether buyers of coaching services are aware of it or have own typology for selection process.

# 3.11.1 Personality of a coach

# CIPD presents additional qualities and personality characteristics of a coach:

Other qualities/personal characteristics of a coach		
Self-awareness and self- knowledge	Ability to encourage new perspectives	
Clear and effective communication skills (verbal and non- verbal)	Ability to assist in making sense of a situation	
Relationship-building skills (including ability to establish rapport)	Ability to identify significant patterns of thinking and behaving	
Flexibility of approach	Ability to challenge and give feedback	
Listening and questioning skills	Ability to establish trust and respect	
Ability to design an effective coaching process	Ability to facilitate depth of understanding	
Ability to assist goal development and setting, including giving feedback	Ability to promote action	
Ability to motivate	Ability to build resilience	

Table 4: Other personal characteristics of coach by CIPD

In parallel the Registr koučů ČR has lists following characteristics of coaches:

# 3.11.2 Top ten characteristics of coaches designed by Registr koučů ČR

- 1. They have a strong belief in themselves, they aware of their own values, they are authentic and know what they want to achieve.
- 2. They are educated in the field of coaching and are still working on their own development and learn new things.
- 3. They can listen carefully, they are deeply interested in coachee's views and opinions and respect them.
- 4. They are naturally inquisitive especially when it comes to the people around them, they have a sense of gentle humour and humility.
- 5. Their personal integrity is very high, behave consistently and if he or she ever makes a mistake, does not mask. They are direct and honest.
- They are willing to meet and clients needs and with each of them acting individually. They are open to many different possibilities and do not adhered strictly to established processes.
- 7. As entrepreneurs have a stable financial base, do not promise the impossible and in matters of money are completely open to clients and deal with them straight.
- 8. Coaches have a well balanced life and they are satisfied.
- 9. There have clearly defined ethical and human borders, it means coaches do know how far they can go and do not abuse coaching to manipulation. They do not advice, do not assess and do not impel their own solutions.
- They have highly developed intuition; they are courageous, creative and willing to take a risk that they go into the unknown sphere. They are opened to change - welcome and support it in a positive direction (Registr koučů ČR, 2016).

## 4 Practical Part

## 4.1 Partial research questions

Based on the theoretical basis, I have formulated a list of partial research questions needed for my research. The individual partial research questions and process of their formation is always individually described in particular subchapter. The interview is divided into four partial research questions with their own subquestions in order to help better answer the main partial question.

The first partial question examines the initial impulse to hire an external coach. It is focused on the cause and what needs to be fulfilled. This question is connected with the Chapter 3.9 Reasons for hiring a coach and with the Chapter 3.7 Types of coaching within an organization.

The questions are following:

- 1. What is the reason that motivates to look for an external coach?
  - For what type of target group is an external coach hired?
  - For what type of coaching is an external coach hired?

The second partial research question focuses on specific selection criteria of an external coaches. It is connected with chapters 3.10 How to select a coach, 3.10.1 What criteria are most important in the selection process? and 3.11 What skills does a coach possess? This partial question is also based on chapter 3.4 which deals with the coaching approaches and last chapter needed for second partial question is 3.3 Professional Organization in the Czech Republic. This final chapter shows types of accreditations of each organization which are in many cases crucial criteria. The questions are following:

- 2. What are the criteria for selecting an external coach?
  - What expertise and experience does an external coach possess?
  - What abilities and skills does an external coach possess?

Third partial research question examines selection process of external coaches itself. It is based on chapter 3.10 How to select a coach.

The questions are following:

- 3. How does the process of selection a proper external coach/es look like?
  - How does the purchasing process of service of an external coach look like?
  - How has the approach of selection process changed in time?
  - Are there any complications in selection process?

The last partial research question relates to chapter 3.8.3 Advantages of external coaching and its disadvantages mentioned in chapter 3.8.4

The questions are following:

- 4. What are dis/advantages of external coaching?
  - What dis/advantages an external coaching brings to the bank?
  - What are dis/advantages of external coaching for coachee?
  - To what extend does the external coaching fulfill the needs of the bank?
  - How would you evaluate the effectiveness of external coaching?

## 4.2 The research sample and its selection

Seven banks operating in the Czech Republic have been selected as a research sample. For better choice, which bank to choose, an overview of banks reported by the Czech National Bank (CNB, 2016) was of good help. The aim was to reach several well known banks operating in the Czech Republic. Depending on the size of banks three big banks, two medium-sized banks and two small banks were selected. For selection of particular banks given internal contacts to HR and other departments were significant. The given contacts of several banks were a very big advantage. In practice it works as follows: if someone is calling to a call center of a bank and requests an internal contact (for example for HR manager), the employees are very often not able to give any internal contact. It does not work everywhere it this way but it can happen very often.

#### 4.3 Organization of the research

This chapter includes ethical aspects, characteristics of respondents and the way of contacting and meeting with them.

#### 4.3.1 The process of contacting and meeting respondents

It is not easy to contact people who are responsible for selection process of the external coaches within a bank. It was a great help to get some contacts from friends who had some contacts in HR departments of particular banks. Through these contacts I had a chance to be connected with the employees of HR department, who are involved in the selection process of external coaches. It was not the same in all cases but only in five of them. One of these five banks refused to cooperate with me because they only allow cooperation on thesis to their employees or trainees of bank. This bank was replaced by another one, a small-size bank (in other indications Bank no. 6). The contacting process in this bank was very quick and successful. The person in customer center very willingly gave me a contact of responsible person who is involved in the selection process of external coaches.

Two other banks were contacted by finding contacts on their websites and then searching for particular people through professional social network LinkedIn. This way of contact was also successful in both cases.

All communication with employees of banks was via e-mail or telephone. In all cases the communication went without any troubles and I met with a very helpful attitude from employee's side.

The meetings with particular employees of banks were agreed within time allocation of one hour (in the Bank no. 1 had meeting longer duration one hour and half). All interviews were conducted between three weeks, since the second half of February 2016 to first week of March 2016. The meetings were situated in cafeterias, meetings room, halls of banks or in cafeteria outside of the bank.

#### 4.3.2 Ethical aspects of the research

The ethical aspects include anonymizing of data. In the beginning of each interview a respondent was asked how the particular bank will be mentioned in diploma thesis: whether the name of bank, name of employee, his or her position will be named or not. The respondent from the bank no.1 requested a total anonymization except putting the job title in general terms. In the banks no. 2, 3, 6 and 7 there was no such a problem with anonymity. After the consideration I have decided to anonymize all the banks for the reason of the same conditions of their presentation. In the final form, I have decided for an anonymization in following points:

- description of banks only in a simple form within three sections according to their size (large, medium and small) and approximate number of employees and clients,
- names of positions of individual employees will be given in general terms.

#### 4.3.3 Characteristic of respondents

Data anonymization does not allow me to mention the precise title of respondent's job positions and their characteristics. Almost all respondents are part of Human Resources department. Some of them are employees of training and development or specifically are HR specialists, HR managers or coaches for example.

#### 4.3.4 Characteristic of banks

The description of seven selected banks seems to be a little complicated. Anonymity allows to write only about general information and the identity of a particular banks will not be recognized. For this reason, I have chosen my own typology how banks can be classified. The selected banks are divided into three groups according to the number of their clients and employees. These three groups are simply named as large, medium and small sized. The figure of numbers of clients and employees always has three subcategories that do not show the specific number of clients or employees but only an estimated number. The data of numbers of employees and clients come from the websites of individual banks, articles and interviews with bank's employees themselves.

#### Large banks

The bank no. 1 has more then 3,000 employees and more then 500,000 clients.

The bank no. 1 is a large universal bank with a wide range of services in retail, corporate and investment banking, dealing with pension supplementary insurance, building savings, factoring, consumer loans and insurance.

The bank no. 2 has more then 3,000 employees and more then 500,000 clients.

The bank no. 2 is a large universal bank focuses on financing needs related to housing (mortgages and building savings loans) insurance products, pension funds, collective investment products and asset management, leasing and factoring and services related to trading shares on the financial markets.

The bank no. 3 has more then 3,000 employees and more then 500,000 clients.

The bank no. 3 is large universal bank focused on retail clients, small and mediumsized companies, towns and municipalities. It is focused also on the financing of large corporations and services in the financial markets.

#### Middle sized banks

The bank no. 4 has among 1,000 and 3,000 employees, and the number of clients is among 100,000 and 300,000.

The bank no. 4 is a middle sized universal bank that offers a wide range of banking services to private and corporate clients.

The bank no. 5 has among 1,000 and 3,000 employees and has among 100,000 and 500,000 clients.

The bank no. 5 is a middle sized universal bank with a wide range of products for corporate customers and private clients.

## Small sized banks

The bank no. 6 has less then 1,000 employees and less then 100,000 clients.

The bank no. 6 is a smaller universal bank with a wide range of products and services in retail and corporate banking.

The bank no. 7 has less then 1,000 employees but has more then twice clients then bank no. 6.

The bank no. 7 is specialized on offering a wide range of mortgage products for home financing.

No. of employees				
1,000 <	1,000 - 3,000	< 3,000		
Bank no. 6	Bank no. 4	Bank no. 1		
Bank no. 7	Bank no. 5	Bank no. 2		
		Bank no. 3		
No. of clients				
100,000 <	100,000 - 500,000	< 500,000		
Bank no. 6	Bank no. 4	Bank no. 1		
	Bank no. 5	Bank no. 2		
	Bank no. 7	Bank no. 3		

The table no. 1 shows numbers of employees and clients:

Table 5: Classification of banks: own processing

Table no. 2 shows how the banks are classified according the typology mentioned in chapter 2.3.4:

Size of banks		
Large	Middle	Small
Bank no. 1	Bank no. 4	Bank no. 6
Bank no. 2	Bank no. 5	Bank no. 7
Bank no. 3		

Table 6: Size of banks: own processing

## 4.4 Limits of the research

Limits of the research are influenced by several factors.

One of the main limitation of the thesis I consider the processing of the research findings based only on authentic testimonies of each respondent.

The first factor occurred in case of providing questions in advance into the bank no. 6. The reason was that the responsible person had not been for a long time at that position and that is why she did not know whether she would be able to answer all the questions during the interview. For this reason, I was asked by that employee to provide with the questions in advance.

Another distorting factor is the recording of an interview. One distortion can be not to catch some information during an interview by writing notes. Even though the interviews were recorded, notes were always taken, in case technique fails. In one case, at the bank no. 2 the technique really failed, therefore the information was only collected by handwriting. The bank no.1 had not allowed to record the interview therefore handwriting remained the only choice. Translation is another distortion of an interview. Except for the bank no. 1, where the interview was conducted in English, all other interviews were conducted in Czech language, because of Czech-speaking employees. The translation into English itself could carry the distortion of an interview.

#### 4.5 Research findings

This chapter contains the answers to the research questions. Because of the anonymity of the respondents and banks I presents their statements as follows: Bank no.1, 2, ...7. The Chapter number 4.5 is divided into the subsections. Each of them is focused only on one partial research question and its complementary subquestions. The respondent's answers are written based on my notes from the interviews. In some cases, the answers are complemented by a table.

#### 4.5.1 Needs and motives to hire an external coach

As I mentioned in the chapter 4.1 Partial research questions, the first set of questions focuses on the impulse/needs/motivation to find the service of external coaches.

#### Large banks

The bank no. 1 states that the initial impetus to find an external coach is the personal development of management therefore it depends on the actual needs and circumstances of an individual. The bank no. 2 more or less agrees with the bank no. 1. The impulse is the actual need of an individual manager from middle and top management. The bank no. 3 describes coaching as an incentive. They believe that people can learn to motivate themselves, they also accept their responsibility and especially they are able to better managed the situations of change. For these reasons the management of the bank no. 3 has decided to implement coaching across the whole bank. The coaching principles are commonly used in this bank.

#### Middle sized banks

The bank no. 4 states that the motivation is staff development, especially of the senior positions. There is a need to enhance performance, strengthen the competencies or for instance to formulate strategy. These motives apply to individual and group coaching as well. The impetus in the bank no. 5 is either 360° feedback or query for a coach comes itself from the manager or his or her superior manager. After given 360° feedback, in some cases external coaching is selected as an appropriate method of personal development.

#### Small sized banks

The bank no. 6 also states that the reason is based on very individual needs of a potential coachee, but firstly they prefer to offer coaching services to its internal coaches. The bank no. 7 coincides with the impetus of individual needs of employees and managers but decision for purchasing a service of an external coach is made only in case if the need does not fit with solving problems in a group.

Based on the respondent's answers it can be argued that in all the banks the motives for looking for an external coach are individual personal development needs at different levels of management.

As a part of the first partial research question respondents also answered two subquestions regarding the target groups and what type of coaching a coach is hired for. Simple version of responses is seen in the Table 7 below.

Bank	Target group	Type of coaching
Bank no. 1	Middle strategic management, Top management	not specified
Bank no. 2	Middle and Top management; 50 top managers	mostly work-life balance; hard to categorized
Bank no. 3	B0, B-1, B-2	not specified
Bank no. 4	B-1, B-2	not specified
Bank no. 5	Top leaders, Top management	executive coaching
Bank no. 6	well qualified manager	not specified
Bank no. 7	not specified	not specified

 Table 7: Target group and type of coaching: own processing
 Image: State St

In table above terms B0, B-1, B-2 are mentioned. These terms mean hierarchy of top management where B0 stands for Board, B-1 for one level below the Board and B-2 means two levels below the Board.

The bank's employees explained into details what is their target group for coaching and which type of coaching the coaches are hired for.

#### Large banks

In the bank no. 1 external coaching exists as a part of the strategic management agenda. There are 3 ways how managers can get an external coach. First option is based on 360° and 270° feedback. When a manager has more then three subordinates 360° feedback is used. In case that a manager has no subordinates 270° feedback is used. The managers who go through these two types of feedback have a chance for a brief meeting with a coach. The second option of usage of external coaching is focuses on middle strategic management. Coaching is used in case if a manager has already 5 years of experience and has a potential to grow. If these requirements are met the manager has a possibility to use an external coach for session block of 5 hours (every hour is equal to 90 minutes). First of all, both sides have a meeting if they fit each other or not. The third option for using an external coach is for top management. It is about an individual approach where coaching is one of the option for personal development. The possible length of coaching is 7 to 10 hours. In the bank no. 1it is not specified for which type of coaching an external coach is hired. Every contract depends on the current need and issues. The employee of the bank no. 1 states that in case of external coaching there is no group or team coaching, only an individual one.

**The bank no. 2** uses external coaching mostly for top 50 managers, it means middle and top management. Why mostly? For instance, occasionally sales manager who does not belong to top 50 can also use the external coaching services, but it depends on the budget which he or she handle with. Generally middle and top management has higher volume of budget but it does not mean employees from lower hierarchy level can not use external coaching services. Otherwise some of potential coachees from middle and top management rather apply for an internal coach. The respondent from bank no. 2 does not want to categorize type of coaching within the organization. On the other hand, the respondent mentions that a coaching meeting is almost always about performance coaching and that it is very often about the topics, issues and needs related to work-life balance coaching. According to this respondent it is better to look on categorization from a different point of view; if coaching or mentoring will be used. Furthermore, the respondent from bank no. 2 also talked about team coaching. In the bank the team coaching slowly started in 2012 and this year, 2016, there is plan to introduce the team coaching with external coaches for B0.

**The bank no. 3** is using external coaching for the top managers on the level B0, B-1 and B-2. On other levels is internal coaching is commonly used and employees are also encouraged to coach themselves because the coaching principles are very common in bank no. 3.

#### Middle sized banks

The target group for coaching in **bank no. 4** is B-1 and B-2. The service of external coaching is provided according to the hierarchy level. In general, the external coaches are usually more expensive. It is difficult to specify types of coaching. **The bank no. 5** is using external coaches for their executives, it means top leaders and managers within the bank. For this reason, executive type of coaching is used.

## Small banks

**In the past, the bank no. 6** had a program which allowed hiring an external coach for group of managers with aims to enhance their managerial level. Currently, the situation is little bit different. The target group has two options. The first one is if manager who will be a coachee is a very talented person and his or her supervisor manager need to promote him or her very soon. The second possibility is if manager is very well qualified but something needed for his or her agenda is missing. For instance, great sales manager has perfect negotiation skills but managerial skills are missing there. The respondent from the bank no. 6 also agrees with difficulties to specify the type of coaching. On the other hand, the HR manager mentioned that there was a possibility that the team coaching will be implemented in the future. Interesting is, bank is planning to introduce team coaching across functions.

In the table 7, it is mentioned that the **bank no.** 7 has no specification for target group and type of coaching. The main reason is the bank's small size. It works as follows; managers have budget for educational or development needs for them and their team hence the request for external coaching belongs to the manager of a team. As the representative of the bank no. 7 told me, coaching is based on trust so it

means that HR department does not ask for methods, goals or types of coaching. It is a matter of the particular employee (coachee). Sometimes it happens that the senior manager of an employee is the person who orders an external coach. In that case the senior manager determines what the goal is but does not determine how to achieve it. The HR department has a philosophy not to interfere into the process of coaching because it is very sensitive and it is based on trust.

## 4.5.2 Criteria for selecting an external coach

The three large banks are describing their criteria as follows:

The bank no. 1 points out the criteria for an external coach which has to include:

- Experience of coach at least 3 years or 1000 hours of coaching in practice or 50 clients (there are some exceptions),
- professional background and qualification is must,
- references.

The external coaches in bank no. 1 are sometimes involved in other company activities and their position is such as training professionals, speakers etc. In this case they are hired into the company not as external coaches but as professionals of training, lectors, etc. It means that the bank already has some references of these coaches. These references are not from coachees but HR employees who can observe how an external coach behaves: his or her way of communication and it is much easier to see or gain additional information about him or her.

The training and development manager from the bank no. 1 also demonstrates criteria on external coaches from coachee point of view. These criteria mainly are:

- Male or female,
- theoretical or pragmatic approach,
- soft or strict approach,
- introvert or extrovert,
- background of coach.

The list of criteria of the **bank no. 2** is following:

- Certification by professional coaching organization (ČAKO or ICF or EMCC), but it is not required, bank already has external coaches who does not have any certification by theses organizations,
- more then one type of coaching school,
- price.

The bank no. 3 has following criteria:

- Training by ICF (ACC or PCC accreditation),
- number of hours of coaching in practice,
- references,
- among other criteria belongs humility and respect toward himself or herself and to others.

The two middle sized banks are describing their criteria as follows:

The bank no. 4 has three main requirements:

- Experience and references,
- accreditation by ČAKO or ICF Czech/International or EMCC Czech,
- price (it is not a dominant criterion but it depends on the budget).

The bank no 5. has also three main requirements:

- at least ACC accreditation by ICF,
- number of hours of coaching in practice,
- references.

The two small sized banks are describing their criteria as follows:

The bank no. 6 notes criterion as:

- Background,
- references (personal or through HR managers from other companies),
- outcomes,
- membership in ČAKO (accreditation is must),
- price (it is not the most important criterion; if coach has quality but otherwise is expensive, quality has priority).

The HR manager of the bank no. 6 pointed out a complication with getting a sample of coach's work. The background is an important criterion. In many cases the coaches have psychological or business background. Then it is up to the coachee which background he or she prioritizes.

The bank no. 7 has five main requirements:

- Personal experience
- credibility of coach,
- trust,
- references,
- price.

The personal experience in bank no. 7 is very easy to get. Almost every coach has started working in that bank as a lector which means that the employees and the HR department already have an experience with the particular coach. Credibility mean not misusing any provided information. The bank has a price limit for purchasing a coach, given by the budget. Of course exceptions exists, for instance based on requirements from side of B0.

## 4.5.3 Selection process

This chapter demonstrates answers of respondents in field of selection process of external coaches.

## Large banks

**The bank no. 1** announces a selection process in form of a tender. Last tender was five years ago.

How does a tender look like?

The training and development department contacts:

- A coach from the current pool of coaches in the bank,
- providers of training (some of them are already coaches and fit to criteria),
- a person who applied for the position of the coach.

The selection process itself has three main parts.

The first step is preselection consisting of a questionnaire which is given to a pool of coaches who attend the tender.

The questionnaire for external coaches is rewritten to a simple version with my notes for better overview what is important for selection in the bank:

- Personal details
  - Education
    - o academic
    - o coaching qualification
  - Professional experience
    - managerial experience, if any (on what position)
    - o individual coaching
    - team coaching
    - what % of their whole activity is dedicated to coaching (if coaches are also lecturers, trainers, etc.)
  - Practice coaching
    - $\circ$  it is about coaching vision
    - o wwn definition of individual and team coaching (coach point of view)
    - why have they decided for the coaching profession
    - what model and techniques do they use
    - what is their favorite situation on coaching
    - what kind of supervision do they use
    - o professional language: (English is often required)
  - Practical information
    - $\circ$  length of coaching process
    - $\circ$  length of one session
    - place of coaching
    - o frequency
    - o price
- References if they already work for bank as another external professionals or external coaches it is easier to find out references, if it is not the case they try to find out references from organizations where he or she used to work

The selection of coaches itself is based on questionnaire which shows how each applicant fulfill needs and requirements of the bank.

In tender in 2007 64 coaches applied, 28 from them went through the interview and 19 of them were selected as external coaches for the bank.

In 2011 24 coaches applied, 17 went through the interview and 11 were chosen as external coaches for the bank.

Nowadays bank uses 11-12 external coaches. The reason for this number of coaches is wide range of coverage, diversity and to ensure that bank will be able to propose a proper coach to the coachee.

The last part of the selection is an interview. This part is divided into three steps.

The first step of the interview is self presentation. It takes 10 minutes and the coach has a chance to introduce himself or herself, to impress the audience and show who he or she is. The group of people who choose a coach have great opportunity to observe how he or she reacts, behaves and what relation with others he or she is able to create. The committee tries to be as objective as possible during the whole selection process.

The second part of the interview is a model situation. One volunteer (for instance HR member) is doing with a coach a simulation of coaching session. It takes approximately 20 minutes. The committee sees how the coach handles it and the main criteria which the committee focus on are how the goals of coaching are explained, if the coach is asking questions, using eye contact and proper active listening, is able to motivate coachee, if he or she understands the vision and needs of coachee and if he or she is able to create an atmosphere of trust.

The third part of the interview consists of 10 minutes discussion with additional questions. The whole interview process takes approximately 45 minutes.

After three steps of interview the final decision is made. According to it "medallions" with photos, mottos and brief information about chosen coaches are made.

**The bank no. 2** uses tender form as well. Every two years a tender for external suppliers of education and training is announced. During a tender the bank does not provide an accurate contract. When an actual need for personal development appears in the bank, it is covered by the supplier who won the tender. Same suppliers are very often repeated.

The searching process of external coaches outside of a tender has three steps.

- Decision who will be on the list of applicants according to bank's criteria,
- some internal coaches have references on external ones as well,
- or some managers have an experience with external coaches from the past which leads to recommendations to the bank.

The bank has a pool consisting of 25-30 external coaches. Approximately 20 of them have the required accreditation, 5 of them do not have so these 5 coaches offer lower price for their service which is more suitable for teams where their budget is lower.

Bank has 15-20 of coaching contracts annually. These coaches are mainly those people who are working at bank for a long time. The coaches who are involved in other activities such as trainings or they are members of educational institutions have an advantage because they are known in the bank and the employees have experience with them.

Coaching exists in the bank no. 2 since 2004. Since implementation of coaching there are efforts to have as many coaching schools and approaches as possible. This diversity allows higher probability of covering all possible coachees's needs.

#### Bank no. 3

The beginning of the selection process in the bank no. 3 seems to be very similar as in the bank no. 2. The bank announces open competition, address some suppliers of training and education and some coaching schools and also candidates are sending their CVs into the bank. The latest selection process was three years ago when bank had received 80 applications of candidates. All 80 applicants were invited for an interview. Although the open competition was focused on coaching many applicants were not coaches. Finally, 12 out of 80 candidates who matched with the set criteria were chosen into the pool of external coaches. HR department tried to choose as most diverse range of coaches as possible. Other factors which influenced the selection process were personality and charisma of a candidate. Model situations were used in order to see how a coach is working with his or her client (20 minutes).

The bank recommends to a coachee six sessions with a coach depending on the budget of a particular department.

## Middle sized banks

## Bank no. 4

The potential external coaches have several options how to get into the bank no. 4's pool of coaches:

- Through a firm which is a supplier of trainings, 360°feedbacks, managerial skills, coaching, etc.
- by an individual request of senior managers which means that a coach can get into the bank through the references.

The pool of coaches has nowadays 25 external coaches which managers can choose from.

The number of session is approximately 4-5 hours of coaching, where individual sessions are conducted within range of 14 to 21 days. The whole coaching process takes in average 3-4 months.

During the time, the requirements on criteria have slightly changed. Selection of external coaches used to be without any strict criteria. Nowadays, greater emphasis is placed on accreditation.

The possible ways to get into the bank no. 5 as an external coach are:

- references; for instance, manager has a contact of certain coach,
- an occasional contact,
- example of Leadership training where lector is simultaneously a coach and trainees are asking for him or her as their potential coach.

The bank no. 5 has altogether 5-6 coaching contracts per year. These contracts are for B0, 9 members, and for B-1 with approximately 40 managers.

The respondent from bank no. 5 mentions two significant changes in selection process in time. Firstly, the need for coaching is not too high as it used to be 4 or 5 years ago. Secondly, when there is none interest of for a certain external coach, HR department crossed him or her off. Nowadays, nobody is crossed off from the pool of coaches in this way.

#### Small sized banks

#### Bank no. 6

Generally, the process of selection is done with more care then it used to be. The seniors are very often those who choose or decide if the coaching will be provided for a particular manager. The selection process starts in the moment of personal development need of a particular employee. Afterwards a longlist of coaches is formed based on:

- references and recommendations for instance from managers who have an experience with particular coaches from previous firms,
- knowledge of HR managers of coaching market where websites are also sometimes suitable.

The longlist is followed by a shortlist which is created according to the typology how a coach is working with clients and according to the references and its confirmation. The principle of the shortlist is looking for a diversity of coaches brought into the coaching pool.

The bank no. 6 has currently 10-12 external coaches in its pool.

## Bank no. 7

The HR manager from the bank no. 7 noted that tenders were not uses at all. The bank has a catalog of offered courses for its employees. It has own importance. The lectors of these offered courses are very often coaches as well. For the HR department it means that they have a chance to see a lector how he or she does his or her job and how he or she behaves. In case a lector successfully proves his or her abilities which are wanted in the bank, the HR department extends the mutual cooperation. This is the way how external coaches can get into the bank. The HR manager describes that all current external coaches went through this way. This small bank is based more on cooperation. After the trial course with a new lector

the participants are asked for the feedback how had they perceived a particular lector. If the feedback is positive and the HR department agrees with the selection of a particular coach, the demand for the lector – coach is extended.

The bank has currently 7 external coaches. Six of them used to be lectors in the bank. Almost every coach has been for 3-4 years already in the bank.

## 4.5.4 Advantages and disadvantages

## Large banks

The respondent from the bank no. 1 sees following advantages in external coaching:

- external point of view from coach side,
- manager tend to take more time with an external coach then with an internal one.

The respondent no. 1 does not see any significant disadvantages of the external coaching. Both contractual sides sign a confidentiality document to avoid any complications.

## Bank no. 2

The respondent no. 2 sees the advantages of external coach as following:

- his or her different point of view and broader perspective,
- high level of professionalism,
- relationship where coachee can be open due to coach's discreteness and confidentiality.

As a disadvantage, the respondent no. 2mentions only high price of external coaching services.

## Bank no. 3

The respondent no. 3 perceives advantages in:

- method of coaching itself which is significant source of support in the bank,
- confidentiality because external coach is from outside environment.

As disadvantages the respondent no. 3 lists several examples:

- expensiveness of some external coaches,
- there is no full control of an external coach in comparison with an internal one,
- lack of measurement of coaching process.

The respondent no. 3 also mentions an example of complication which already happened in the bank. During the selection process of external coaches there were some coaches refused because of very high prices for their services. These refused coaches did not take it very well and they can sometimes make troubles afterwards.

## Middle sized banks

The respondent from the bank no. 4 sees the advantages from external coaching for a bank in following:

- an instrument which allows to employee to get abruptly further in his or her career because of bigger confidentiality and openness,
- "refresh elixir" which means a form of personal development for instance when employee has a feeling of burning out.

The disadvantages for coachees are following:

- organizing thoughts,
- achieving goals,
- setting up a career plan,
- at least sharing information with unbiased person is perceived as big advantage,
- confidentiality and discreteness.

The disadvantages for the bank are:

- expensiveness of service,
- difficulties with measuring of coaching efficiency.

A disadvantage for a coachee can appear in the moment when the coach is chosen by the senior manager of the coachee. If a bad choice is made, demotivation of coachee can come along.

## Bank no. 5

The respondent no. 5 sees the advantages for bank in following:

- individual form of personal development which is not already possible to handle for senior manager,
- coach's different point of view through which bank receives a benchmark of a market from.

The advantages for the coachees are:

- mental hygiene,
- have a partner which helps to clarify thoughts.

The disadvantage for the bank is expensiveness of the coaching service. But later on there is a full return of investment.

The HR department of the bank no. 5 sees as the biggest disadvantage for coachees is dependency on coaches. To avoid dependency on the coach the HR department had to educated managers to not call to coach in every situation.

The respondent no. 5 describes the obsession of coaches to get into the bank, no matter what, as a complication.

## Small sized banks

## Bank no. 6

The respondent no. 6 notes five advantages of external coaches:

- knowledge and practices which are internally not implemented,
- external point of view,
- some managers are more willing to work with someone from outside,
- individuals are moving forward,
- external coaching is sometimes perceived by employees as motivation or a benefit.

The disadvantages are expensiveness of service and complicated measurement of its efficiency.

## Bank no. 7

The respondent no. 7 describes outside point of view of external coaches as an advantage. In case of the bank no. 7 every external coach is a lector as well. Even though they are biased by corporate environment problems do not arise. The external coaches have their position as professionals in their field of coaching. The bank has well defined rules, limits and process. Due to the long term cooperation with external coaches everything is working without any problems.

The respondent no. 7 mentions following disadvantages:

- extension of contract by a coach and coachee need to over see unnecessary prolongation,
- not everything is known about the coach in advance, until experience shows,
- expensiveness of service.

#### 4.5.5 Measuring of efficiency

The questions about efficiency measurement were included in the interviews in the category of advantages and disadvantages.

The bank no. 1 states that coaching certainly helps in employee development but it is hard to measure. The bank does not have any ROI on coaching, it is perceived as non-tangible asset.

The respondent no. 1 says that fulfillment of needs through coaching can be slightly measured by a questionnaire. Before the whole coaching process starts, coach and coachee define together the coaching objective which is stated in the contract. In the end of the process both sides again fill a final report and last feedback questionnaire is for coachee only.

The coachee fills in questionnaire whether the objectives of coaching were fulfilled or not. The coachee also provides answers regarding efficiency, personal fitting, trust, satisfaction, skills of coach as listening, and so on. This is the only one measurement of coaching efficiency in the bank no. 1.

The respondent of the bank no. 4 perceives measurement of coaching as questionable. A formulation of coaching goal already shows quality of coach. This is a moment where it is very nicely seen how the coach is working and is able to handle with goal of the contract.

The bank no. 5 measures effectiveness of the whole coaching process by setting goals. The coaching begins by tripartite meeting where the manager of the coachee, the coach and the coachee meet. All of them together define needs for the coaching. Three months after the end of the whole coaching process all involved parties will meet and discuss coaches's progress. Very often it happens that three months after

the process the coach reaches out to the senior manager the coachee and asks on his or her progress. As the respondent no. 4 says, "coaching is not stand alone activity, there is interconnection".

The respondent no 6 says the efficiency and feedback on coaching is hardly to measure. Also, it depends on particular need and problem which is solved during a coaching process. In some cases, the coachee's progress is easily visible from outside, in some cases is not visible if it brings results.

The respondent no. 7 explains that if the senior manager is the one who orders a coach for his or her subordinate, then the effectiveness of the coaching is possibly partly measured is based on the objective of the contract. On the other hand, if the coach is hired by a manager himself or herself and paid from the budget, the HR department does not know what this particular coaching is about. The respondent no. 7 is describing know-how of the bank. "Moderated feedback" was implemented in the bank. It means that the coachee, the senior manager of the coachee and three colleagues and three subordinates (if any) meet. The whole moderated feedback is accompanied by a facilitator or a coach. Two questions are very often asked by facilitator. "Tell us three things you appreciate on him or her (coachee)" and otherwise "three things you wish he or she does differently". The whole meeting is recorded. Based on this moderated feedback a new meeting arises where the coach, the coachee and the senior manager of the coachee. Meet. This meeting serves to set up a coaching contract The moderated feedback is a very good instrument for obtaining very important information, as criticism or satisfaction.

## 5 Results and discussion

## 5.1 Results

From research findings it is obvious that the size of bank significantly influences preferences, criteria and selection process of external coaches.

In the chapter 4.1 I stated partial research questions and its relations to the chapters in the theoretical part. In this chapter I focus on evaluation of the research findings.

The first partial research question reveals the initial impulse for hiring an external coach. First of all, it was important to define needs of coaching's target group in individual banks and target groups itself.

In the most cases board, top and middle management or very qualified managers are target groups of an external coaching in the banks. From respondent's answers I can deduce that the key element based on which is target group defined is the size of an individual bank. I dare to say, that among these seven banks the general rule applies that the bigger the bank is, the more managers on higher positions are entitled to an external coaching. On the other hand, this statement can not be generalized and is valid only for surveyed banks.

In all seven surveyed banks applies that an external coach is hired for an individual needs of personal development of employees at different levels of bank's hierarchy. In the chapter 3.9 are marked Whitmore's reasons for hiring an external coach, staff development is one of them. The bank no. 7 has an original know how, how to define needs for coaching. It is internally known as moderated feedback.

Another crucial question for the better understanding why to choose an external coaching service are types of coaching. In the chapter 3.7 of the theoretical part of this thesis are listed several most used types of coaching within organizations. Surprisingly, the types of coaching are not so easily to categorize. 5 of 7 respondents stated that types of coaching are not specified within the bank at all. In the bank no. 5 it is specified that always only executive coaching is used there. The reason for executive coaching is the target group consisting of top leaders and top management. This corresponds to subchapter 3.7.1 Executive coaching. On the other hand, respondent no. 2 stated, that coaching is always about performance and

work-life balanced type of coaching, which may include all of the mentioned types of coaching in the chapter 3.7.

The second partial research question refers to criteria for selecting external coaches. All of the three large banks have one criteria in common; professional background of coaches. Other criteria slightly differ. However, dominant criteria are references, accreditations, price or for instance more then one type of coaching school. Two middle sized banks have more then one criteria in common. These criteria are experience of coaches, references and at least one certification by coaching organization as ICF.

Two small sized banks have in common two criteria as well, price and references. These two banks significantly differ one from another in their preferences towards coaches. In the bank no. 6 the membership in ČAKO is mandatory. On the other hand, bank no. 7 prefers trust and personal experience with coach instead of being a certified member of a coaching organization.

According to my research it seems that dominating criteria are: references, coaches professional background, price and accreditation. The chapter 3.10.1 lists a several most important criteria on external coaches set by CIPD. As seen criteria listed by surveyed banks correspond to criteria mentioned in the chapter 3.10.1.

Answers on selection process in individual banks carries out some differences which can be also associated with size of the banks. The three large banks announce tenders for purchasing of external coaching service. Bank no. 1 and 3 announce tenders directly to coaching services. Conversely, bank no. 2 announces tender generally for training and education services through which can coaches get into the bank. All of these three large banks are trying to have as wide range of different types of external coaches as possible. The wide range coverage fulfils variety of an individual needs of potential coaches. The bank no. 1 has currently 11-12 external coaches, the bank no. 2 has 25-30 external coaches and the bank no. 3 has 12 external coaches at disposal.

According to interviews in the large banks it seems the selection process is the most refined in the bank no. 1. The bank no. 1 is using three steps for selection. Preselection consisting of questionnaire which is seen in chapter 4.5.3 based on which the shortlist of candidates is done. Then follows three step interviews where coaches have own presentation, interview with HR managers and doing a short model simulation of coaching.

In the middle sized banks can coaches be selected through suppliers of training and education, by references or they can get into the bank as lectors, as in the case of bank no. 5. It is interesting that two middle sized banks have significantly different numbers of external coaches. Pool of coaches in the bank no. 4 consists of 25 external coaches besides the bank no. 5 has 5 or 6 coaching contracts annually. As respondent no. 5 stated, coaching is currently less popular.

Small banks have different ways of selecting coaches as well. The bank no. 6 prefers references on coaches and its confirmation. HR department of the bank no. 6 also uses knowledge of its managers and employees about Czech coaching market. A situation can occur that HR managers will recruit external coaches not only by recommendations and references but also through the web sites of particular coaching organizations, etc. It shows that bank no. 6 is only one out of seven banks where web sites for selection process are used, as mentioned in the chapter 3.10. It refers to a closer interaction with a Czech coaching market. Pool of coaches in the bank no. 6 consists of 10-12 external coaches.

The bank no. 7 has also its specification. Main preference is personal experience with an external coach. In the bank no. 7 whole selection process differs from other banks. Every external coach used to work in the bank as a lector. This phenomenon is unique among all of the seven banks. The bank no. 7 exclusively chooses its external coaches from their pool of lectors. The HR employees in the bank no. 7 have a satisfying experience with this process, which almost makes a position of lector an unofficial requirement to became a coach for the bank. HR department gives a chance to employees to collaborate in selection of external coaches. This is

the only case among other six banks when employees are involved in this process and making very important part of it. Bank no. 7 has currently 7 external coaches.

The fourth section of interviews is focused on advantages and disadvantages of an external coaching.

5 out of 7 respondents points out as one of the biggest advantage is coach's external point of view. This positively corresponds with a statement in the chapter 3.8.3 that external coach is not burdened by an organizational environment. Confidentiality is another advantage of an external coach described by the bank no. 3 and 4. Respondent no. 4 adds that another big advantages are: achieving goals, to organize thoughts and have a possibility to share information with unbiased person. Respondent no. 5 sees as an advantage an individual personal development of employees and their mental hygiene. Respondent from the bank no. 6 mentions as an advantages the knowledge and practices which are not implemented in the bank. In comparison with an internal coaches have an external coaches an advantage in willingness of coachees to cooperate with someone who is unbiased. Employees often perceive external coaching such as benefit or motivator.

6 out of 7 banks points out expensiveness of an external coaching service as the biggest disadvantage. This example confirms a statement pointed by Bohoňková in the chapter 3.8.4. Respondent from the bank no. 5 notes that despite of expensiveness of service, this investment is fully return back. 3 out of 7 banks sees another big disadvantage in difficulty of measurement of a coaches efficiency.

Other mentioned disadvantages are: little or no control during the coaching process by HR department or senior managers; potential dependency on coach by coachees; possibility of extension coaching process by a coach above its necessity.

Some banks listed complications during the whole selection process of an external coaches. In some cases, coaches are trying to get into the bank by all means. This dedicated effort could be in the end bothering for banks.

As a part of the forth partial research question is a measurement of coaching efficiency. The bank no. 1 perceives coaching as nontangible asset where they do not have any ROI. The respondent no. 1 mentioned questionnaire as the only one tool of measurement. In the bank no. 4 respondent stated the measurement depends

on definition of goal of coaching contract. For instance, an objective of coaching contract will be improving managerial skills. This is a type of objective visible for other people. In the bank no. 5 measuring of coaching efficiency is by tripartite meeting. Coach, coachee and a contracting authority (senior manager of cochee) are setting the objectives of contract together. The bank no. 6 agrees with the bank no. 4 that depends on objectives of coaching contract. The respondent from the bank no. 7 is adding a similarly example as the bank no. 4. If a coach is ordered by a senior manager of coachee, the outcome is usually easier to measure. On the other hand, if manager orders coaching service for himself or herself, very often the outcomes of coaching process are unknown and much less measurable.

## 5.2 Discussion

The research findings demonstrate the selection criteria and the selection process of external coaches. Based on my research can be said that the most significant criteria are: references, professional background of external coaches, accreditation and price. According to the responses there is interdependency between the criteria and the selection process and the size of the bank. The most similarities are among the three large banks and no similarities exists among the two smallest banks.

The model situation where a coach shows his or her way of working seems to be the best way of the selecting coach.

The moderated feedback used in the bank no. 7 can also be considered as an interesting tool how to recognize the need for coaching. The need is defined with the help of the superior, colleagues and subordinates of coachee and a coach. The question is if this form of defining coaching needs is also suitable for implementation in the bigger banks. Because of the bank no. 7 is according to my categorization of the banks the smallest one.

The provided responses where the only source of information used are authentic answers of respondents in the research can be considered as a limitation.

Anonymity of the data and respondents had also an impact on the progress of the research. Another limitation is that research findings can not be generalized on whole banking sector.

On the other hand, this research can be used as a starting point for deeper analysis of this topic.

This diploma thesis can serve as a benchmark in the field of the selection of external coaches for the banks.

Secondly, this thesis can serve as an overview for potential coaches interested in applying for an external coaching position in a bank.

It would be interesting to conduct the similar type of research in other sectors as an comparison.

## 6 Conclusion

This thesis was focused on external coaching in the seven selected banks operating in the Czech Republic. The main aim was to find out what are the criteria for selection of external coaches and how the selection process actually looks like. In the theoretical part I tried to define the significant pillars needed for explanation of: coaching profession, its types and approaches and its advantages and disadvantages.

Also the information provided in the literature regarding the selection process and selection criteria where analyzed.

In the practical part of this diploma thesis was accomplished the qualitative research with the help of semi structured interviews.

The interviews were conducted in Czech and English language. Aims of the interviews were to find out: what are the reasons for hiring a service of external coaches into the banks, what are the criteria for selection of external coaches, how does look like the selection process itself and advantages and disadvantages of the external coaching and measurement of its efficiency.

Seven selected banks operating in the Czech Republic were as a research sample.

I have decided for simple categorization of the individual banks according to its size for better orientation in the research: large, middle sized and small banks.

The research findings were compared within three mentioned categories.

The research shows the higher proportion of similarity within the selection process and selecting criteria in category of the three large banks.

In other two categories the preferences on coaches and its selection process slightly differ.

Due to small numbers of respondents it is not possible to generalize the research findings on the whole Czech banking sector in the Czech Republic.

However, the research findings provide some valuable inside into this topic.

The question into the future is how the particular criteria and selection processes of external coaches will look like depending on the situation of Czech coaching market.

## 7 Bibliography

## **Printed bibliography**

- Association for Coaching . (2013). *Diversity in Coaching: Working with gender, culture, race and age* (2nd Edition ed.). (J. Passmore, Ed.) London : Kogan Page Limited.
- Atkinson, M., & Chois, R. T. (2009). *Koučink věda i umění, vnitřní dynamika*. Praha : Portál.
- Bartoníčková, M. (2007). *Kariérový koučink* (Vol. I). Praha, Czech Republic: Alfa publishing, s.r.o.
- Caplan, J. (2003). Coaching for the Future: How Smart Companies Use Coaching and Mentoring. London: CIPD.
- Clutterbuck, D., & Megginson, D. (2011). *Mentoring Executives and Directors*. Routledge: Abingdon.
- Gallwey, W. T. (2010). Inner Game pro manažery: Tajemství vysoké výkonnosti (Vol. II). Praha: Management Press s.r.o.
- Gibson, R. S. (1998). *Selecting a Coach*. (C. Sharpe, Ed.) Alexandria, Virginia, USA: American society for training and development.
- Gray, D. (2010). *Business Coaching for Managers and Organizations*. Amherst: HRD Press, Inc.
- Hendl, J. (2005). Kvalitativní výzkum: základní metody a aplikace. Praha : Portál.

- Leimon, A., Moscovici, F., & McMahon, G. (2005). *Essential Business Coaching*. London and New York: Routledge.
- Parma, P. (2006). Umění koučovat. Praha: Alfa Publishing.
- Parsloe, E. (2004). *The manager as a coach and mentor*. London: Management Shapers.
- Underhill, B., McAnally, K., & Koriath, J. (2008). *Executive coaching for results: The definitive guide to developing organizational leader.* ReadHowYouWant.
- Western, S. (2012). *Coaching and Mentoring: A Critical Text.* London: SAGE Publications Ltd.
- Whitmore, J. (2009). Coaching for Performance: GROWing Human Potential and Purpose: The principles and practice of coaching and leadership. London: Nicholas Brealey Publishing.
- Whittington, J. (2012). Systemic Coaching and Constellations. London: KoganPage.

## **Electronic sources**

- Barton , M. (2014, July 9). Koučink portál. Retrieved January 21, 2016, from Současná role firemního koučování v ČR – Monika Barton: http://www.koucinkportal.cz/soucasna-role-firemniho-koucovani-v-crmonika-barton/
- Bohoňková, I. (2014, July 31). Cesta k úspěchu. Retrieved February 3, 2016, from Výhody a nevýhody externího koučinku: http://www.cesta-kuspechu.cz/news/vyhody-a-nevyhody-externiho-koucinku/
- CAC. (2015). Czech association of coaches. Retrieved February 26, 2016, from Ethics code: http://www.cako.cz/cs/o-asociaci/eticky-kodex/
- CAC. (2015). *Czech Association of Coaches*. Retrieved March 5, 2016, from Accreditation Code : http://www.cako.cz/en/about-theassociation/accreditation-code/
- Coaching. (2016, January 18). Retrieved from London's Global University: http://www.ucl.ac.uk/hr/od/coaching/differences.php

ČAKO. (2015). ČAKO. Retrieved March 5, 2016, from http://www.cako.cz/cs/

- Čechová, B. H. (2014). European Mentoring & Coaching Council . Retrieved February 17, 2016, from Koučování ještě mnoho firem neumí využít: http://www.emccouncil.org/src/ultimo/models/Download/153.pdf
- ČNB . (2016, February 24). *ČNB* . Retrieved February 27, 2016, from Banky a pobočky zahraničních bank: https://apl.cnb.cz/apljerrsdad/JERRS.WEB15.BASIC\_LISTINGS\_RESPO NSE\_3

- EMCC. (2016). EMCC European Mentoring & Coaching Council. Retrieved March 10, 2016, from O EMCC akreditaci: http://www.emccouncil.org/cz/cs/akreditace/eia\_akreditovan%C3%AD\_k ou%C4%8Dov%C3%A9\_v\_%C4%8Dr
- Finparáda. (2015). Retrieved March 11, 2016, from http://finparada.cz/Banky-Pojistovny-Sporitelny-Zalozny-Zakladni-Informace.aspx?T=B
- FME. (2013). Principles of Coaching: Coaching Skills. Retrieved January 27, 2016, from Internal and External Coaches - Advantages and Disadvantages: http://www.free-management-ebooks.com/dldebk-pdf/fme-coachingprinciples.pdf
- Freas, A., & Sherman, S. (2004, 11). Harvard Business Review. Retrieved 2 8, 2016, from The Wild West of Executive Coaching: https://hbr.org/2004/11/the-wild-west-of-executive-coaching
- Grant, A. M. (2013, 6 25). *The Efficacy of Executive Coaching in Times of Organisational Change*. Retrieved February 9, 2016, from Journal of Change Management: http://www.tandfonline.com/doi/abs/10.1080/14697017.2013.805159#aH R0cDovL3d3dy50YW5kZm9ubGluZS5jb20vZG9pL3BkZi8xMC4xMDg wLzE0Njk3MDE3LjIwMTMuODA1MTU5QEBAMA==
- Hovorka , J. (2015, May 20). Aktuálně.cz. Retrieved March 10, 2016, from Jak velké jsou banky v Česku? Nový žebříček klientů i vkladů: http://zpravy.aktualne.cz/finance/jak-velke-jsou-banky-v-cesku-novyzebricek-klientu-i-vkladu/r~c6b9b70efe0211e499590025900fea04/
- ICF Czech Republic. (2015, January 26). Retrieved from Co je ICF koučink : http://www.coachfederation.cz/cz/pro-klienty/co-je-icf-koucink.html

- Jarvis, J. (2004). Chartered Institute of Personnel and Development. Retrieved February 7, 2016, from Coaching and buying coaching services: http://www.cipd.co.uk/NR/rdonlyres/C31A728E-7411-4754-9644-46A84EC9CFEE/0/2995coachbuyingservs.pdf
- ICF Czech Republic. (2013). ICF Czech Republic. Retrieved March 11, 2016, from ICF certifikace a akreditace: https://www.coachfederation.cz/cz/certifikace/co-jsou-certifikace-aakreditace-pozadavky-na-certifikace.html
- Registr koučů ČR. (2016). Jak vybrat správného kouče. Retrieved February 16, 2016, from Registr koučů ČR: http://www.koucove.cz/jak-vybrat-kouce
- Society for Industrial and Organizational Psychology. (2016). When to Use Internal Versus External Coaches. Retrieved February 14, 2016, from http://www.siop.org/Workplace/coaching/internal versus exte.aspx
- *The Inner Game*. (2016). Retrieved March 14, 2016, from Inner Game at a Glance: http://theinnergame.com/
- Weintraub, J., & Hunt, J. (2015, May 29). *Harvard Business Review*. Retrieved February 3, 2016, from 4 Reasons Managers Should Spend More Time on Coaching: https://hbr.org/2015/05/4-reasons-managers-should-spendmore-time-on-coaching

# 8 List of tables

Table 3: Difference between coach and mentor: own processing	22
Table 4: Which type of coaching is right for you? by David Gray	26
Table 5: Concerns of HR buyers of coaching services by CIPD	33
Table 6: Other personal characteristics of coach by CIPD	35
Table 5: Classification of banks: own processing	42
Table 6: Size of banks: own processing	42
Table 7: Target group and type of coaching: own processing	45