

How Does Psychological Contract Explain the Efficacy of Coaching?

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Abstract

There is little in workplace coaching literature to explain its efficacy. Psychological contract is a construct which could explain it, but it is yet to be introduced to the body of knowledge. This paper examines the data collected from an exploratory case study to explain the perceived lack of results reported by participants of a workplace coaching program. Using psychological contract theory as a frame of reference, it explains the lack of results as a function of expectation mismatches identified in the case. It is inferred that certain conditions might need to exist for coaching to be effective as a workplace intervention.

Introduction

The workplace coaching body of knowledge contains little qualitatively oriented research to describe and explain coaching. The case study research described in this case was an attempt to correct some of these deficiencies. Although one of the conclusions of the Xyz case study was that coaching was effective as an organisational development tool, the findings of the Xyz case study report suggest that there were conflicting reports made by participants concerning coaching's efficacy. Most notably, Xyz management do not consider coaching as a strategic lever for the organisation despite evidence that it resulted in a number of positive strategic outcomes including: increased retention; expedited development of individual leaders; successful transition of coachee's into more challenging roles; and in some cases dramatically improved role performance of leaders. Psychological contract theory is used as a frame for explaining the differences in perceived and/or actual results reported by these participants. It is hypothesised that these differences can be explained by the 'unworkability' of psychological contract expectations held by various coaching participants. Specific instances of the case are described to illustrate this. The paper begins with a review of the relevant literatures to contextualise this study i.e. coaching and psychological contract, and then the case is described. There is a brief outline of the methodology, before the research question is explored. Using an inferential approach, the paper concludes by conceptualising the 'conditions of a workable coaching psychological contract as a base for further research.

Workplace Coaching

Coaching is defined as a tailored form of one-to-one learning, which is focused on solutions and outcomes, and is suitable for non-clinical populations in that it is focused on optimising human functioning rather than remedial issues (Sussman and Finnegan, 1998; Grant, 2001b; Ellinger and Keller, 2003; Linely and Harrington, 2005; Plamer and Whybrow, 2005). This is not to say that coaching does not involve remedial work, but that the remediation is specific to the workplace, and to those without significant psychological dysfunction.

As an academic discipline, workplace coaching is an undeveloped area lacking in empirical research (Ellinger and Keller, 2003; Grant and Cavanagh, 2004). A recent literature review reveals that there is little research about coaching in a management context, i.e. little to explain or validate the claimed efficacy of coaching, frameworks for evaluating coaching outcomes, or understanding of the mediating factors that determine its efficacy. Specifically, the notion of psychological contract and how it applies to the workplace is one which has yet to be introduced or explored in coaching research.

Psychological Contract

Psychological contract has been understood as an approach to organisational effectiveness (Schein, 1980) resulting in increased job satisfaction, productivity, reduced staff turnover (Kotter 1973; Sturges, Conway, Guest and Liefoghe, 2005). It also may explain the nature of the employment relationship (Shore and Tetrick 1994), worker commitment (Janssens, Sels and Van Den Brande. 2003), organisational citizenship behaviour (Hui, Lee and Rousseau, 2004), employee performance (Tekleab and Taylor, 2003) and absenteeism (Deery, Iverson and Walsh, 2006). Specifically, the term psychological contract is used to describe a set of individual beliefs or set of assumptions about promises voluntarily given and accepted in the context of a voluntary exchange relationship between two or more parties, for example between an employee and an employer (Rousseau, 1995). Associated with the promises each party makes to another are mutual obligations and expectations, and depending on each party's beliefs about these promises, a psychological contract is subject to variations in expectations about that contract i.e. matches and mismatches (Kotter, 1973), which may affect the potential for each party's expectations being met. When parties are clear about the beliefs and assumptions underlying each other's promises, then it is more likely the expectations will be met. Where one party has failed to fulfill its promises or obligations, a psychological contract breach is said to have occurred (Robinson and Rousseau 1994).

Methodology

The case study described in this research was developed as part an exploratory research project investigating the purposes of workplace coaching. For the purposes of this paper, the data from the case are examined in relation to psychological contract theory. To ensure triangulation of data, it was collected from multiple sources primarily consisting of in-depth interviews with various coaching participants, i.e. the coach, coachees, coachees' supervisors and the general manager of human resources. Documents included personal notes made by the participants, policy documents supplied by the organisation and assessment tools supplied by the coach to facilitate behavioural analysis and 360 degree feedback. The primary unit of analysis consisted of three closely knit units consisting of the coach, a coachee, the coachee's supervisor. In total, there were three of these units which participated in the research.

This paper examines the data from the case in order to answer the question: can psychological contract explain the efficacy of coaching? Using psychological contract theory

as a frame of reference and adopting an inductive approach, the data was scanned for evidence of situations which might infer that psychological contract expectations were operating. From an analysis of this evidence, conclusions are made regarding the inherent 'workability' of these expectations. On the basis of these conclusions, the 'conditions of workability' are conceptualised as parameters for guiding the formation of 'workable' coaching psychological contracts.

Case Overview

The organisation explored in this case study research was a large publicly listed manufacturing organisation with over 200 operational sites in Australia and New Zealand, more than 30,000 customers, and 7,400 employees. It manufactures a wide range of products, the majority of which are used in the construction, manufacturing, housing, mining and agricultural industries. The organisation values people, and recognises that they are a distinguishing feature of successful business. It is committed to attracting, maintaining and building a skilled and motivated workforce. The primary developmental tools that it uses are based on approaches that are more traditional. Xyz utilises graduate schemes, cadetships, apprenticeships, and traineeships throughout its businesses, across a variety of disciplines, including Finance, Marketing, Engineering and Office Administration. The use of workplace coaching though has been reserved for the development of its senior managers, who hold positions at regional, state, and national levels. There are a number of protocols that it uses to structure the coaching, which may provide some insight into its expectations regarding coaching. The protocols are quoted directly from documents obtained from the organisation:

1. Coaching will be used... as part of a development plan to achieve a clearly defined behavioural change, and/or to further develop effective leadership behaviours. Coaching will also be used to support the effective orientation of individuals into new roles with clearly defined behaviours to be developed as part of this orientation.
2. Coaching will be used with participants who are 'solid' or high performers with the potential to be even more valuable to Xyz. Coaching will not be used for those with significant performance issues.
3. Xyz recognises that coaching is most likely to be successful in achieving the desired behavioural change or development when the following conditions are met:
 - There is a clear business benefit from the desired behaviour change so that the coaching is closely linked with business goals
 - The participant wants to participate in coaching and there is alignment between the desired coaching outcome and the participant's personal and professional goals
 - There is strong sponsorship by the manager and a preparedness to actively support behavioural change

- The participant is placed in a 'stretch' position so that coaching becomes more meaningful and focused. A 'stretch' position may be a new role, a particular business challenge or recent feedback which has created a readiness for change.

Can psychological contract explain coaching's efficacy?

In the earlier review of psychological contract, it was suggested that psychological contract is a potential antecedent of organisational effectiveness, where measures of organisational effectiveness included job satisfaction, productivity, and reduced staff turnover. The coaching literature also suggests that coaching shares some of these same measures of organisational effectiveness (in addition to others) as a measure of its efficacy. For instance, coaching's success can be measured at an individual behavioural level, whereby the leader being coached makes tangible changes in behaviour.

Behavioural Measures of Coaching's Effectiveness

Behavioural measures may include:

- **Relationship behaviour** (Wasylyshyn, Gronsky and Haas, 2006; McKelley and Rochlen, 2007) which incorporates elements such as improvements in communication, trust between organisational members, and attitudes.
- **Self-regulatory behaviour** (Grant and Palmer, 2002; Gyllensten and Palmer, 2005); Blattner, 2005) which has been linked with increased tolerance to stress, and a reduction in self-limiting and critical behaviour. Self-regulated coachees set specific rather than vague goals, solicit ideas for improvement from supervisors (Smither, London, Flautt, Vargas and Kucine, 2003), engage in help-seeking behaviour (McKelley and Rochlen 2007), and are more flexible (Jones and Spooner, 2006; Jones, Rafferty and Griffin, 2006).
- **Change Behaviour** (Tobias, 1996; Kilburg, 1997; Smither et al. 2003) which describes those pro-change behaviours adopted by leaders receiving coaching. They may include, humility, acting on feedback, accountability, creativity and flexibility, and ownership.

Changes in behaviour were definitely expected by the organisation as evidenced by the coaching protocols outlined in the case description. In particular, it was focused on changing 'de-railed' behaviour, as it was believed that changes in this behaviour would yield big changes in leader effectiveness. The coaching also focused on developing leader 'relationship behaviours' such as communication and social engagement skills. However, changes in the behavioural measures of effectiveness were considered antecedents to the resultant measures described next.

'Resultant' Measures of Coaching's Efficacy

As well as behavioural measures of coaching's success, there are also a number of measures which may be used to evaluate coaching's success at a 'resultant' level. These are probably more relevant to the case. At an individual level, resultant measures include:

- **Individual Performance** (Witherspoon and White, 1996; Maurer, Solamon and Troxtel, 1998; Bartlett, 2007) which could incorporate sales performance (Rich, 1998), generic non-role specific behaviours (Orenstein, 2002), enhancement of specific leadership behaviours (Peterson, 1993; Diedrich, 1996), improvements in 'interview performance' (Maurer et al. 1998), and goal attainment (Bowles and Picano, 2006). Individual performance discrepancies are identified using 360 degree feedback. Coachees then attempt to eliminate feedback rating discrepancies, i.e. the difference between self-ratings and those of feedback raters (Wohlers and London, 1989; Luthans and Peterson, 2003).
- **Individual Relationships** which refers to improvement in the quality of relationships between coachees and their colleagues (Kilburg, 1997), customer relationships (Doyle and Roth, 1992) and personal relationships (Blattner, 2005). The 'honest' nature of the contact that occurs between coachees and their colleagues, and the increased support that coachees often receive (Blattner, 2005; Ket De Vries, 2005) could explain this improvement
- **Individual Well-Being** which includes increases in mental health status (Grant and Palmer, 2002; Butterworth, Linden, McClay and Leo, 2006), decreased anxiety and stress (Foster and Lendl, 1996; Bowles and Picano 2006), physical health status (Butterworth et al. 2006), life satisfaction and quality of life (Bowles, Cunningham, De La Rosa and Picano, 2006), work satisfaction (Nocks, 2007), and hope (Green, Oades and Grant, 2006).

In addition, at a group level, resultant measures of organisational effectiveness include: team self-management, quality of member relationships, member satisfaction, task performance (Wageman, 2001), team player behaviour (Sue-Chan and Latham, 2004) and team performance (Hackman and Wageman, 2005). At an organisational or strategic level, measures include sales revenue (Ellinger and Keller, 2003), unit-level production quality and productivity (Olivero, Bane and Kopelman, 1997; Bowles and Picano 2006), customer satisfaction, work satisfaction and morale (Nocks 2007), organisational commitment and retention (Luthans and Peterson, 2003; Nocks 2007), and a reduction in operating costs (Witherspoon and White, 1996).

In the case, we see some of these same measures being utilised – in particular, individual performance, quality of individual relationships and strategic measures such as retention. However, there was little evidence that group or other organisational level measures were being utilised.

As suggested in the earlier review of psychological contract, it is an antecedent of organisational effectiveness. The review of coaching literature also suggests that coaching is an antecedent of organisational effectiveness. Hence, it is proposed that psychological contract could explain coaching's efficacy, because coaching and psychological contract share organisational effectiveness as a dependent variable. This next section delineates this proposition through an examination of the case data.

How does psychological contract explain coaching's efficacy?

As suggested in the initial review of psychological contract, each party in a psychological contract makes a promise to one another, which form the terms of the contract. It is the beliefs about these promises (or variations in them) held by the parties which explain expectation matches and mismatches (Kotter, 1973) and ultimately affect the potential for each party's expectations being met. When parties are clear about the beliefs and assumptions underlying each other's promises, then it is more likely the expectations will be met. The following analysis of the case describes instances in the case where psychological contract expectation mismatches were evident and the negative implications of these for coaching's success. In general terms, it is suggested that the formation of a psychological contract based on mismatched expectations results in 'unworkable' coaching psychological contracts. This may explain the apparent lack or the perceived variation of results reported and observed in the case. Unworkable psychological contracts were evident in the following instances of the case, where:

1. Expectations held by one party were unable to be fulfilled by another;
2. Expectations held by one party were perceived as unlikely to be fulfilled by the other;
3. Expectations held by one party resulted in a perception of adverse consequences for the other party;
4. Expectations held by one party were not clear to the other party;
5. Expectations of one party were in conflict with the expectations of the other party;
6. Expectations of parties were based on different conceptualisations of an outcome.

Expectations held by one party which are unable to be fulfilled by another

This first instance of the case suggests that expectations held by one party may not be able to be fulfilled by the other. This occurred because initial expectations of the organisation were significantly exceeded and resulted in a substantial adjustment in expectations, such that the amended contract became unrealisable. Because the expectations were unable to be fulfilled, there was then an increased probability of a breach of contract and a subsequent withdraw from the contract.

One of the first interviews conducted in the case study was with the General Manager of Human Resources (GM). The GM explained the factors that led to Xyz implementing coaching as a strategic program for organisational effectiveness. The organisation had heard positive claims about coaching and decided to 'experiment' by engaging a coach to facilitate the development of one leader. According to both the GM and the coach, the outcome of this

intervention was the leader's 'transformation'. The coach in particular cited this as evidence of the effectiveness of his interventions, suggesting that not only did he prevent the leader from resigning, but that the leader went on to "make the organisation a lot of money". So, on this basis and with high expectations, a companywide program was implemented as a strategic approach to improving organisational effectiveness. However, after three years or so, the organisation concluded that the subsequent results of the coaching (42 leaders) were not commensurate with expectations, and the program was withdrawn as a strategic lever. The GM says "there is still a little bit going on, but it is not a strategic lever that we are intentionally using at this stage".

The initial results of the coaching significantly exceeded expectations, and these results formed the basis of revised expectations held by the organisation. The problem was that these revised expectations were based on unrealistic benchmarks, which were unlikely to be typical or achievable for coaching on an ongoing basis. Because the adjusted expectations were unachievable, a perceived breach of contract was inevitable. Further, any evidence of expectations being partially fulfilled was discounted by the organisation despite 'hard-evidence' that strategic results had been obtained (as suggested in the case overview). It is more desirable that more modest expectations be developed based on multiple sources of evidence rather than one off experiences. In addition, more modest expectations should be set in cases where generalisable evidence is not available to justify higher expectations.

Expectations held by one party are perceived as unlikely to be fulfilled.

The case also suggests that at any time during the coaching process, a party may deem an expectation unrealisable because that party perceives that a breach of contract is probable at a future point in time. This may result in the withdrawal of contract.

A number of coachees at Xyz communicated an expectation that the coaching process be 'credible'. In particular, this was illustrated in the experience of one coachee who received 'adverse' results from a 360 degree feedback program. The feedback identified some personal weaknesses that were affecting his leadership performance. Although he knew that the objective of the coaching was to benefit him and that he needed to self-reflect, it was difficult for him to acknowledge and accept the 360-degree feedback. But, rather than resisting the feedback, he said that he did eventually accept it because of the 'credibility' of the process due to a number of factors i.e. the coach was external to the organisation, was a skilled facilitator, and maintained coachee confidentiality. The coach confirms this, citing confidentiality as a factor in developing coachee motivation to change. He says that some coachees are generally very cautious about announcing the sorts of changes they are going through, and that some are reluctant to let others know that they are being coached. The coach indicated that he was supportive of the coachee's desire for confidentiality because he was conscious that it was a key to gaining coachee motivation to change.

The coachees had a high expectation for credible coaching practice and these formed the basis of their psychological contract. The fulfilment of these expectations was a condition for their on-going co-operation with the coach. Given the coachees high sensitivity to these

expectations, any perception that a breach of contract was likely to occur (even if it hadn't actually occurred yet) might also have resulted in that leader withdrawing from the contract. This suggests the need for the coach to ensure that he/she is seen to be fulfilling the contract as well as actually fulfilling it. A coach should actively manage participant perceptions throughout the coaching process.

Expectations held by one party result in a perception of adverse consequences for the other party.

Analysis of the case suggests that expectations held by one party (i.e. the organisation) which result in a perception of adverse consequences for the other party (i.e. the coachee) will lead to a contract withdrawal. In the case specifically, it resulted in a failure to solicit the co-operation of a leader targeted for coaching.

Some of the leaders (who were selected to participate in coaching) believed that they had been selected as a 'punishment' for poor performance. However, this was not the intent of the GM who tried to frame coaching as a reward i.e. "*Coaching will be used with participants who are 'solid' or high performers with the potential to be even more valuable to Xyz. Coaching will not be used for those with significant performance issues*". The GM did expect that the coaching would focus on overcoming the leader inadequacies, and that each targeted leader would have to accept that there was a need for them to improve. She also acknowledged that this may be difficult for them to accept, and thought that a difficulty with acceptance may explain the lack of results. There is evidence to suggest that these perceptions were corrected only after the goals of coaching and its processes were explained.

The coaching literature suggests a number of reasons that coaching may be viewed as a punishment by coachees. For instance, the literature explains that a coachee may view coaching as a punishment if an organisation uses it as a non-strategic reactive tool, rather than as a strategic pro-active strategy (Allenbaugh, 1983; Krazmien and Berger, 1997). However, it is unlikely that this applies to the Xzy case, as they appeared to initially be using coaching pro-actively. A second explanation in the literature is that a coachee may perceive coaching as a punishment because of the assumption that if they need training, then they mustn't be adequate for the task of performing their job (Krazmien and Berger, 1997). This is a perception that they do not want others in the organisation to form about them. In the context of senior leadership this makes sense, as they are used to actively managing perceptions of peers, superiors and sub-ordinates as a means of creating an impression of competence. So, it is likely that coaching was viewed as a threat to their ability to control the impression management process; a threat to their reputation as a competent leader; and ultimately would diminish their influence. However, once the leaders met with the coach, their perception that the consequences of coaching would be adverse were moderated, and on this basis they agreed to participate in the coaching process.

In regards to psychological contract, this suggests that when expectations held by one party result in a perception of adverse consequences for the other party, it may lead to a contract withdrawal or a failure to solicit the co-operation of a leader targeted for coaching. This has

the potential to de-rail the coaching process even before it has begun, and in a broader context explains coaching's effectiveness. Organisations can overcome these perceptions through a program of impression management which might include adopting a pro-active strategic use of coaching rather than using it reactively; and by implementing an education program about the coaching construct and its intention. This strategy would increase the likelihood that participant expectations are aligned with 'reality'.

Expectations held by one party are not clear to the other party

The case data suggests that when expectations held by one party are not clear or are ambiguous, then the potential for a perceived breach to occur is increased. This is illustrated in the case of one coachee (who was not interviewed during the research, but whose story was conveyed by the GM).

The GM told the story of one coachee who was receiving coaching but not making tangible gains in leadership effectiveness. The GM indicated that the coaching did build on his existing strengths e.g cognitive abilities such as conceptualisation and analytical skills. However, whilst this was considered a 'welcome improvement', the GM suggested that this made him better at what he was already good at, but did not satisfy her expectation that his weaknesses would also be overcome. She felt that a more substantial improvement could be made if the leader's weakness was remediated, i.e. his ability to structure his own work, design it for others and delegate it to sub-ordinates. As evidence, the GM recalls that whenever she would have conversations with the leader about his coaching experience, he would indicate how much he enjoyed the coaching, but did not show any awareness that he needed to change or obvious intention that he was going to change. The GM indicated that more "tension" around the coaching experience was needed for him.

There seems to be a lack of understanding between the two parties as to the expectations which form the basis of their psychological contracts. For the coachee, the case suggests that he was not clear about the organisation's expectation that he make tangible changes in behaviour, i.e. overcome his weaknesses. Another possibility is that there was not enough "tension" around the coaching experience for him. Being made more aware of the expectations would possibly create this tension and might stimulate change motivation. However, it was difficult for the GM to intervene directly and at the same time be seen to be fulfilling the expectations of other parties that the coaching be a self-directed process. She did not want to be seen to interfere. If it is as the GM says, that there is more tension needed, and it is also because the expectations have not been made clear, then the latter could explain the efficacy of the coaching intervention. In addition, greater tension could be created simply by making the expectations clearer in the first place - if not directly, then indirectly through the coach. In the first instance, a more collaborative approach to the formation of psychological contract, whereby parties are able to share their expectations, explain their reasons, and agree to shared meanings would be appropriate.

Expectations of one party were in conflict with the expectations of the other party

Similarly, when expectations of one party are in conflict with another, the nature of the joint expectations may be unclear. Hence, it is difficult for a third party to fulfil them. This may explain the behaviour of a coachee who is not 'seemingly' fulfilling their obligations as per the contract.

The coach and the organisation had an understanding that the coachees must take the coaching seriously and be seen to do so, but the coachees did not always fulfil this expectation in the first instance. The coach explains that one coachee in particular was not taking the coaching seriously as evidenced by the fact that she was not investing an appropriate amount of effort into the intervention and change process. This prompted the coach to withdraw, he says

if someone [a coachee] is...disregarding the investment that Xyz is putting into them, I will be the first to pick it up and I will pull back. I have done that with a couple of people, I have just withdrawn.

Having said this, the coach was adamant that the coachee be allowed to self-determine the choice and pace of changes that they made, rather than impose an agenda:

You can't impose that [the organisational agenda]. That is why it is a totally ridiculous notion, and I see that some coaches say, 'well where are you up to?' and I say, well, where the candidate wants to be up to.

This is also consistent with the assertion of the GM that there needs to be coachee awareness of the need to change, but for them to also feel they are valued and appreciated by the organisation. She indicates that this is a delicate balance.

Employee development is complicated by the fact that it is a voluntary engagement for the coachee i.e. you can't force someone to change, as it is considered a largely self-directed process (Grant, 2001a; Clegg, Rhodes, Kornberger and Stilin, 2005; Schnell, 2005; McComb, Lewer and Burgess, 2007). This was the coaches' philosophy also, and was evidenced in his insistence that coachee direct this change. However, the coaches' approach directly conflicted by the expectation of the organisation that he expedite the change process. This conflict could explain the coachee's behaviour and lack of effort toward the change process. Although the organisation wanted the change, the coachee had the right to determine the pace of the change and was behaving consistent with this expectation. It could be argued that the terms of a psychological contract between the organisation, the coachee, and the coach must reflect the understanding that change is required by the organisation, and whilst the coachee needs to self-direct the process, it must result in tangible change in a timely fashion as per the organisation's agenda. The expectation could be expressed as, 'you are valued as an employee and we appreciate that you are voluntarily entering into this coaching process. We respect that this is a somewhat self-directed process. However, before you agree to be coached, we want you to understand our agenda and the fact that we are expecting a return on investment. Our agenda is that you acknowledge the need and potential for personal

change, and therefore make changes to improve your leadership effectiveness in an expedited fashion'. If the coach had understood this expectation, he may have modified his own, which would have in turn helped the coachee to moderate hers. There would then be an alignment of expectations.

Expectations are based on different conceptualisations of an outcome

A final example from the case suggests that expectations must be based on similar conceptualisations of an outcome, which is reflected in the measures each party uses to assess whether terms of contract are being fulfilled. Different conceptualisations may result in one party 'detecting' the fulfilment of expectations, whereas another may not, resulting in a perceived breach.

The organisation clearly expected changes in behaviour as a pre-requisite for performance improvement. This was conceptualised in terms of overcoming weaknesses in behaviour as reflected in their measures of role performance, i.e. leadership behavioural profile. This profile was used as the basis for a 360-degree feedback questionnaire which acted as a tool to assess symptomatic behavioural deficiencies. The coach implemented this 360 degree feedback tool. The coach also used another needs based behavioural tool (a causal assessment tool), which identified a different set of 'causal' set of weaknesses which might explain the performance based measures. The theory was that if these weaknesses were overcome, it might improve role performance. Discussions with the coach about his coaching approach did not focus as much on the measures of role performance, but on those of underlying behavioural issues.

The case suggests that the coach and organisation were unintentionally using different measures to determine contract fulfilment based on their conceptualisation of the outcomes they were expecting. Whilst both the coach and organisation were expecting increases in role performance as a baseline measure for assessing the fulfilment of expectations, the measures being used emphasised different aspects of role performance. For example, the coach was using increases in discretionary effort and motivation as an indicator of increased performance; whereas, the organisation was primarily using changes in leader weaknesses as a measure. The problem is that increases in motivation and discretionary effort tended to improve role performance incrementally in their positive effect on coachee strengths; but behavioural change i.e. overcoming leader weakness was thought to result in more significant increases in leader performance. Whilst the organisation was interested in increases in discretionary effort, they were more interested in signs that weaknesses had been overcome.

In addition, there may have been different understandings of what constituted weakness. The organisation's understanding of weakness was based on the competency-based measure of role performance, whereas the coaches' seemed to be based on needs-based behavioural survey, which he used to tailor the coaching approach for each coachee. The approach seemed more focused on addressing stress reactions which might manifest in undesirable leader behaviour, rather than focusing on developing strategies to address role performance behaviour directly. The success of his approach relied on the stress reactions being a

predictor of poor role performance. Based on the reports of the organisation, it appears that the link between stress reactions and role performance may not have been significant.

Discrepancies existed between the organisation and coach in terms of the measures they were using to determine whether contract expectations were fulfilled. This resulted in the organisation concluding that no significant change in performance had occurred for coachees. As far as they were concerned, a breach of contract had occurred. The coaching program was therefore withdrawn as a strategic lever. This suggests that conceptualisations of expected outcomes must be aligned, such that the benchmarks/measures used to assess the extent of contract fulfilment are agreed upon.

Conditions for ‘Workability’

From this discussion, we see that coaching psychological contract expectations can explain the apparent lack of results evidenced in the case. It is the mismatch of participant expectations which formed the basis of their psychological contracts that explains this phenomenon. An examination of the case suggests that mismatched expectations are evidenced as:

1. Expectations held by one party were unable to be fulfilled by another;
2. Expectations held by one party were perceived as unlikely to be fulfilled by the other;
3. Expectations held by one party resulted in a perception of adverse consequences for the other party;
4. Expectations held by one party were not clear to the other party;
5. Expectations of one party were in conflict with the expectations of the other party;
6. Expectations of parties were based on different conceptualisations of an outcome.

The formation of a coaching psychological contract based on these kinds of expectations can result in perceived breaches of contract and this can explain coaching’s efficacy in the case and perhaps beyond. From this, it could be inferred that certain conditions must be met in order for coaching psychological contract expectations to be workable and therefore able to be successfully fulfilled. These conditions include:

- **Realisability** – expectations held by one party must be able to be fulfilled by the other and/or must be perceived as likely to be fulfilled by the other party. *Implication:* expectations to be developed based on multiple sources of evidence (not one off experiences), or modest expectations to be set in cases where evidence is not available to justify higher expectations. In regards to highly esteemed expectations held by other parties to the psychological contract, there is a need for the coach in particular to engage in impression management, so that he/she is seen to be fulfilling the contract as well as actually fulfilling it.
- **Mutual Benefit** – expectations held by one party must not result in a perception of adverse consequences for the other party. *Implication:* organisation should adopt a pro-active strategic use of a coaching program rather than using it reactively. They

should also engage in impression management through education about the coaching construct and its intention to ensure participant expectations are aligned with the reality

- **Alignment** – psychological contract must be based on aligned expectations such that expectations held by one party must be clear to the other party; must not conflict directly with the expectations of the other party; and must be based on shared conceptualisations of an expected outcome. *Implication:* expectations underlying a coaching psychological contract must be collaboratively developed and where possible articulated.

The Caveat of Flexibility

The Xyz case suggests that achieving a match in expectations is difficult in the early stages of the coaching process, and may only be achieved iteratively. It is therefore appropriate that coaching psychological contracts be viewed as a ‘work in progress’ rather than as static. This means that expectations may need to be evaluated, adjusted and refined as mismatches are discovered. Hence, the process of forming coaching psychological contracts must be flexible, in that the opportunity to make these changes must be given to participants to improve the likelihood of coaching’s success in the workplace. We see this in the case, where the organisation could have adjusted its initial expectations to align with what was realisable rather than an ideal. We also see this with one of the coachees mentioned earlier who was not ‘taking the coaching seriously’. In this instance, after the coach ‘withdrew’, she was given an opportunity by the coach to adjust both her expectations and behaviour to align with the coach and organisation’s expectation that she ‘take it seriously’, and make the changes needed to perform her role effectively. Consequently, her coaching was a success because in the end she made a successful transition into a very challenging role i.e. from a technical role to one of senior leadership, and decided to remain with the organisation despite previously having considered resigning. But without flexibility, it would not have been successful. This is not to say that the expectations themselves should be flexible, but rather an acknowledgement that psychological contracts are not an exact science and may develop as situational constraints require. Without flexibility, a successful coaching program would require contracts that are ‘perfect’ from inception. But as the case suggests, this is not realistic. So, a final condition for workability that might be inferred is **flexibility**.

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