

The Power of Strengths-Based Coaching

A study of coaching's impact in the hospitality industry

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Introduction

» *In recent years, coaching has taken on a profoundly expanded role in business as a key component of organizations' strategies to maximize the productivity and engagement of their workforces.*

Where coaching once was stigmatized as merely a tool to "fix" broken executives, it is now understood to have much more far-reaching applications. In fact, it is one of the most effective methods for growing and retaining top talent at every level. On its face, this makes perfect sense. In the realms of athletics or arts such as music and drama, every top performer has a coach. Indeed, in these fields — where performance is everything, and the results are widely known and easily judged — achieving high performance without a coach is unthinkable.

It makes sense, then, that businesses expecting high performance from their own people should take a careful look at the impact coaching can have on outcomes.

Strengths-Based Coaching

As coaching has expanded its impact, some practitioners have expanded its vision. Strengths-based coaching, for instance, is dynamic and different from previous models of executive coaching. Rather than focusing on eliminating “weaknesses” or identifying and filling “gaps,” the strengths-based approach is founded on extensive research indicating that people will be at their most productive, creative, focused, generous, and resilient when they figure out how to play to their strengths most of the time (Buckingham, 2007). Earlier approaches focused on the medical model in a hierarchical relationship between a “well” coach and a “less well” executive (Kauffman & Scoular, 2004). Strengths-based coaching, in contrast, is closely related to Positive Psychology, which is grounded on the assumption that individuals strive to live meaningful and fulfilling lives (Seligman, 2002). This new approach is “a collaborative, solution-focused, systematic methodology designed to enhance well being, facilitate goal attainment and foster purposeful, positive change” (Madden, Green & Grant, 2011).

The goal is to help individuals identify their strengths and then direct their talents and abilities into meaningful and productive behaviors (Peterson & Seligman, 2004). As a proponent and leading practitioner of strengths-based coaching, The Marcus Buckingham Company (TMBC) wanted to discover whether this new approach to coaching could deliver measurable impact on an organization’s business metrics. To that end, we partnered with Hampton by Hilton to engage in a study of how coaching affected their General Managers.

People will be at their most productive, creative, focused, generous, and resilient when they figure out how to play to their strengths most of the time.

Traditional Coaching

Executives

Bridging Gaps

Remediation

Discovery

Results over Time

Strengths-Based Coaching

All Top Performers

Unleashing Strengths

Retention

Action

Speed to Impact



Hampton and Strengths

Since its launch in 1984, Hampton by Hilton has become one of the most successful brands in the hospitality industry, with over 2,300 properties and 60,000 team members in 19 countries worldwide. Hampton has topped the "Franchise 500" list in *Entrepreneur* magazine four times, and won numerous awards from J.D. Power and other industry observers.

The brand prides itself on introducing a number of industry firsts, including online room booking and the "100% Hampton" guarantee. It is intensely dedicated to the guest experience and to ensuring that all team members provide the highest level of service quality.

Study: Coaching at Hampton

In mid-2015, TMBC and Hampton designed a study to investigate the impact of a strengths-based coaching pilot program in a hospitality business setting. The program focused on General Managers, since they are responsible for every aspect of a hotel's operation, from its revenue to its operations to its "corporate culture." It was anticipated that General Managers' participation in the program would be associated with increases in performance metrics for the participants' hotels. The study design was a pre/post design with a contrast Control group to rule out changes that could occur naturally rather than as a result of the intervention.

Participants

We selected the participant sample based on performance metrics within the organization. Twenty-five General Managers were selected from each of four performance quadrants, for a total of 100 General Managers. A second sample of 25 Control group hotels from each quadrant, for a total of 100 hotels, were selected to provide a comparison group to the Study participants. In total, 200 hotels were examined for this study.

Hampton Quick Facts

1984 first hotel launched in Memphis, TN

2,300+ Properties

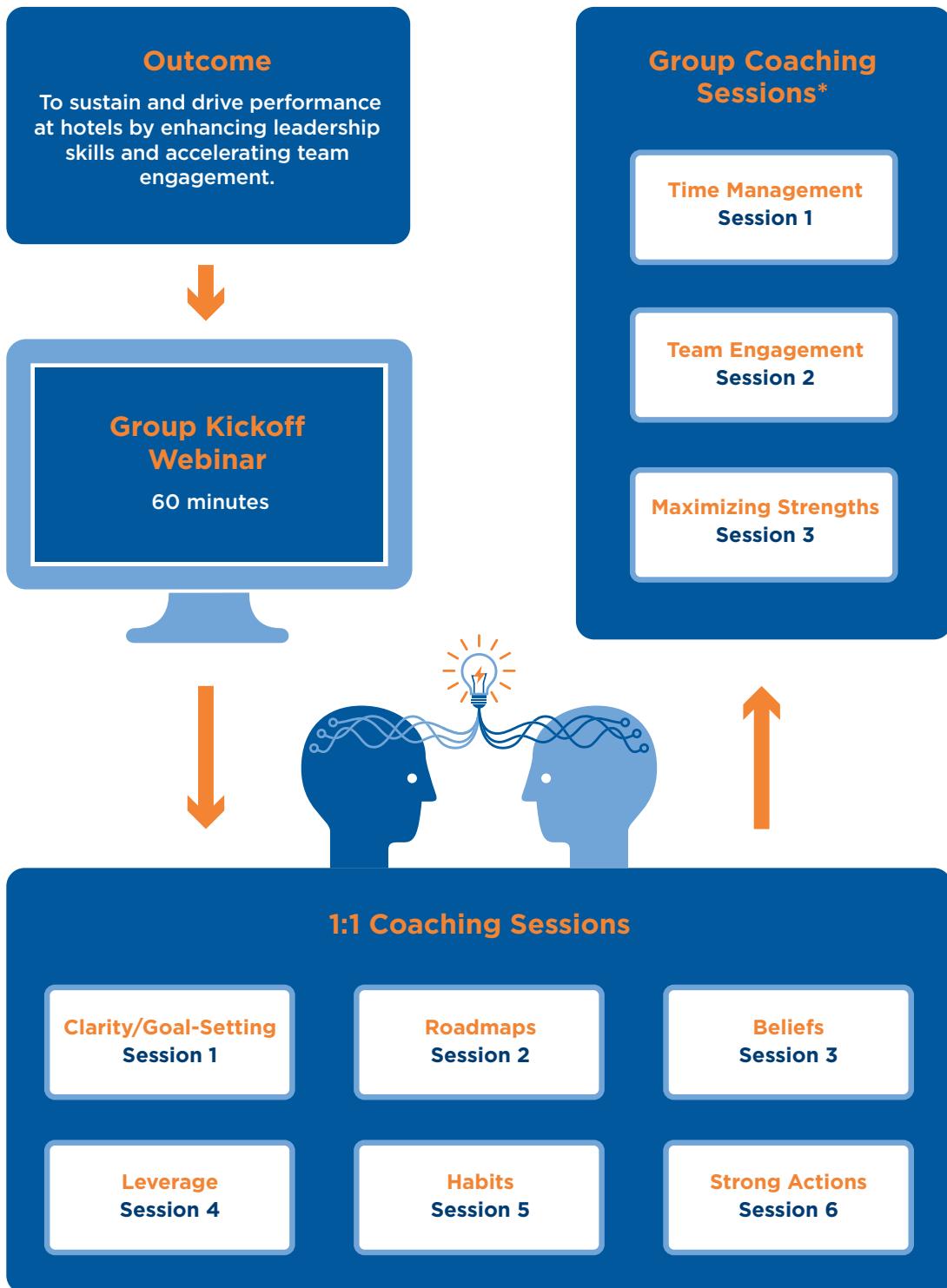
19 countries

60K+ Team members

1st hotel to introduce online booking

#1 franchise on *Entrepreneur* magazine's Franchise 500 list 4 times

Hampton Coaching Program at a Glance





The Coaching Program

The Study group participated in a six-month coaching intervention comprising six 1:1 strengths-based coaching sessions followed by three group coaching sessions. The first individual coaching session was 90 minutes long and focused on goal-setting. The remaining five sessions were each 45 minutes in length. The coaching conversations were varied and specific to the individual, with a focus on driving hotel performance by building leadership capacity. During the coaching engagement, TMBC hosted a call with coaches to identify recurring themes and challenges that Hampton General Managers were facing in the field. This feedback determined the subjects of the subsequent group coaching sessions, with content created to address the most important recurring needs. The group coaching sessions then focused on Time Management, Team Engagement, and Maximizing Strengths.

In the realms of athletics or music and drama, every top performer has a coach. Indeed, in these fields, achieving high performance without a coach is unthinkable.

What We Measured

To measure the impact of the coaching, the study used Hampton's own internal metrics. Satisfaction and Loyalty Tracker scores (SALT), revenue per available room (REV PAR) and revenue per available room index (REV PAR INDEX) were collected on all of the hotels at time 1 prior to coaching and time 2 after coaching. In addition to the quantitative metrics, we conducted interviews with study participants to gain deeper understanding of the outcomes of the study.

Results

It was hypothesized that participation in the coaching program would be associated with increased performance metrics for the participants' hotels. Multi-level analysis was done to take into account the differences between Study and Control in each performance quadrant. We found significant differences in several of the metrics and within different quadrants between Study and Control hotels. Our findings are discussed on the following pages.

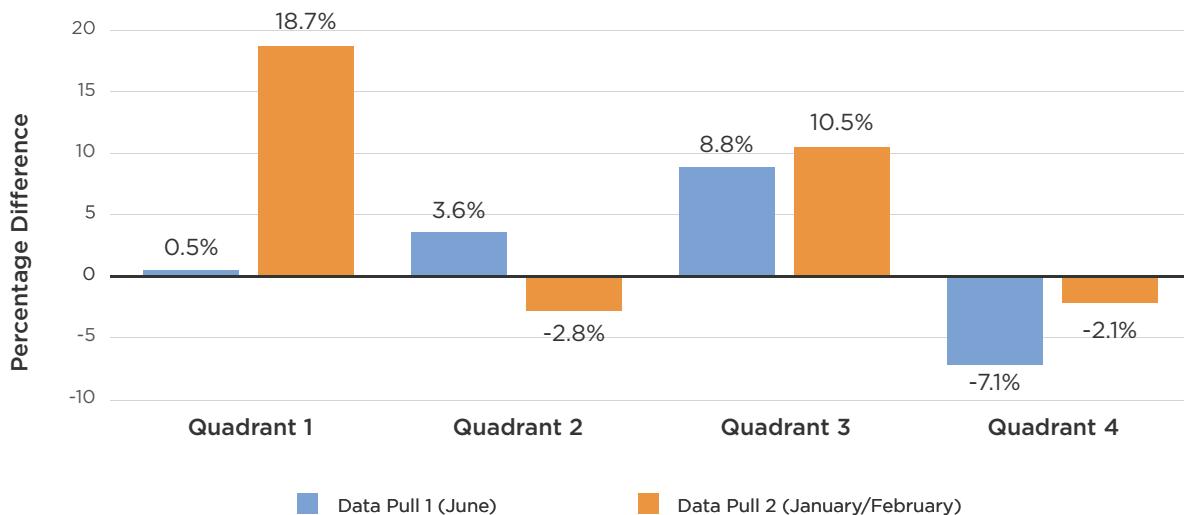
REVPAR Index

Market share is an important performance metric in the hospitality industry. Hampton measures this via the REVPAR Index, which is a combination of occupancy, average daily rate (ADR), and revenue per available room (REVPAR). We saw large gains in the difference between the Study and Control from time 1 to time 2.

At time 1, the REVPAR Index difference between Study and Control was very small —

approximately 1%. The relative percent change from time 1 to time 2 between Study and Control is 3,960%. Study group hotels within Quadrant 1 grew the most in market share compared to the Control group. In the bottom Quadrant, we see that the Control group was ahead of the Study group at time 1, but by time 2, the Study group had gained ground with a relative percent change of 70%.

Graph 1: REVPAR Index — Differences between Study and Control Hotels by Quadrant



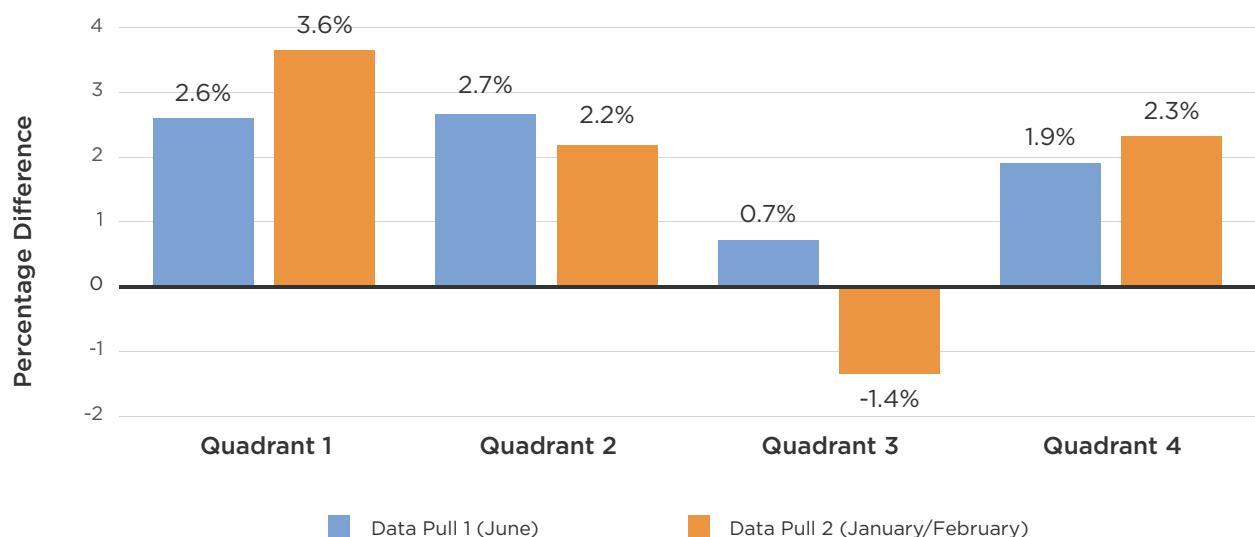


Total Quality Score

Total Quality Score (TQS) is Hampton's measure of a hotel's overall quality as determined by customer-driven SALT Scores and by brand Quality Assurance Inspectors. This metric was examined for each group as seen in Graph 2. There were differences seen in Quadrant 1 (+ 40%) and Quadrant 4 (+24%), with mixed results in Quadrants 2 and 3.

Strengths-based coaching is closely related to Positive Psychology, which is grounded on the assumption that individuals strive to live meaningful and fulfilling lives.

Graph 2: Total Quality Score (TQS) — Differences between Study and Control Hotels by Quadrant

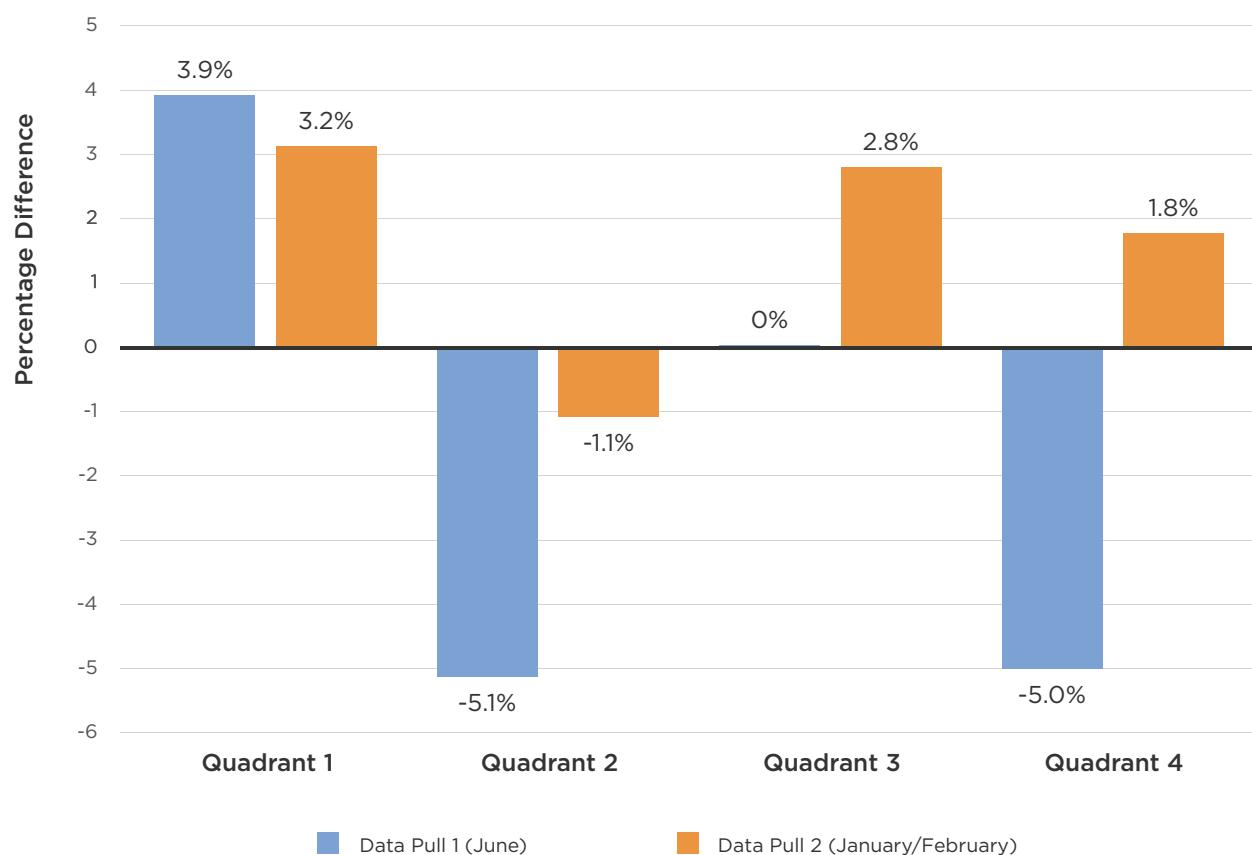


Brand Promise

Another finding of note is the impact on Brand Promise, which is the measure of brand hospitality within Hampton. Specifically, Brand Promise tracks (through the eyes of hotel guests) whether a hotel is living up to Hampton's brand hospitality promise of friendly, authentic, caring, and thoughtful service. We saw positive gains in 3 of the 4 Quadrants. In Quadrant 4, the Study group began below the Control Group, but by time 2 the differences had switched, with a relative percentage increase of 136%.

Coaching had a significant impact on hotel performance as measured both by guest satisfaction and revenue generated.

Graph 3: Brand Promise — Differences between Study and Control Hotels by Quadrant





Beyond the Numbers: Qualitative Study

The present study was a small-scale pilot to investigate the effect of a strengths-based coaching program within a hospitality organization. This program correlated with significant increases in the hotel SALT and market share metrics (REVPAR Index), indicating that coaching had a significant impact on hotel performance as measured both by guest satisfaction and revenue generated. Care was taken in the design of the study to be able to differentiate levels of performance and changes that occurred between the Study and Control groups. While there can be plausible alternative explanations for rises in scores, the correlation between coaching and positive results in a number of metrics is greatly promising. In addition, the quantitative data was reinforced by the qualitative feedback participants gave on the coaching program.

Follow-up interviews with study participants helped us to understand how the personal impact of coaching on General Managers helped to fuel changes in the key metrics. Interviewers sought to understand how the coaching sessions had impacted the leadership style of the Study group participants. Some of their responses are included here as examples.

"I am a better manager. I have delegated sales work to two other people and we are having more success with sales."

"It helped me get out of my own way."

"I learned about myself and my team. I got much more out of the coaching than I ever thought I would."

In addition to the impact of coaching on participants, we sought to understand the cascading effect of strengths-based coaching on the General Managers' teams. The impact of their coaching filtered down to their teams in meaningful ways.

"I am showing more confidence in others by providing more empowerment. I realized that I didn't have to do everything myself."

"I look at one-on-ones differently. I have begun drawing out team members' thoughts and feelings more."

"I think it helped me with my Assistant GM. I have been able to give him more responsibility and he has had more personal growth because of it. He has become more of a leader. He started being more attentive and rising to the occasion."

Conclusion

This pilot study has examined the impact of a strengths-based coaching program on key business indicators within the hospitality industry. It provides preliminary evidence that strengths-based coaching drives meaningful productivity improvements in a hospitality industry setting, even over a relatively short period of time. This study also illustrates that coaching has positive differential effects for all levels of performance, and it should be considered a potentially powerful tool that can be integrated into organizations' performance and development programs.

SUMMARY OF RESULTS

Strengths-Based Coaching Showed:

- A measurable positive impact overall on every one of Hampton's performance quadrants.
- Positive impact on hotel performance as measured through market share, guest opinion, and quality assurance.
- Equally positive impact in qualitative analysis, where study participant interviews reflected improvements in the metrics with comments on the benefits of coaching.



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