“Characteristics of a coaching culture in leadership style: the leader’s impact on culture”

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SECTION 2. Management in firms and organizations

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Characteristics of a coaching culture in leadership style: the leader's impact on culture

Abstract

This article develops a theoretical framework for coaching-related issues, and two models are described. The first is the "Coaching Culture Characteristics in Leadership Style" model (3C model), which evaluates the characteristics of a coaching culture in the leadership style of organizations. The second model "Leader's Impact on Culture" (LIC model) describes how the impact of leaders, relationship orientation in teams and task/change orientation are interconnected. In order to study the characteristics of a coaching culture in leadership style and the leader's impact on culture, the authors conducted an empirical survey in 2015. Results indicate that most Estonian companies are in phase two of the 3C model. According to the survey results, the most important development areas for Estonian leaders are leader trustworthiness and behavior towards team members.

Keywords: coaching, coaching-based leadership, coaching culture, leaders' impact, Estonia.
JEL Classification: M140.

Introduction

Coaching has been one of the most significant developments in leadership and management practice in the last thirty years (Hawkins, 2012). Evered and Selman (1989) pointed out a paradigm in which 'the process of creating an organizational culture for coaching becomes the core managerial activity', and where coaching is viewed 'not as a subset of the field of management, but rather as the heart of management'. Increasingly, organizations are beginning to embrace a new management culture based on inclusion, involvement and participation, rather than on the traditional command, control and compliance paradigm (Hamlin et al., 2006).

According to research in 2014 by the International Coaching Federation (ICF) in collaboration with the Human Capital Institute (HCI), more and more organizations have recognized the value of building a culture of coaching that offers employees at all levels – not just executives and managers – the opportunity to grow their skills, enhance their value and reach their professional goals (Bawany, 2015). As more and more organizations use coaching as their way to lead people, it is important to study the characteristics of coaching culture in management styles more deeply.

This article provides a theoretical framework for coaching, coaching culture and coaching in management and describes two models: first, the "Coaching Culture Characteristics in Leadership Style" model (3C model) to evaluate the characteristics of the coaching culture in the leadership style of organizations. The model describes four phases for achieving a coaching culture. The second model "Leaders Impact on Culture" (LIC model) describes how the three levels – leader impact, relationship orientation in team and task/change orientation are interconnected.

In order to study the characteristics of a coaching culture in leadership styles and leader impact on culture in Estonian companies, an empirical survey was conducted in 2015 involving 183 respondents.

1. Theoretical framework

1.1. Coaching. In general, coaching is a discipline that is being constantly developed. There are different types of coaching ranging from external professional coaches and several forms coaching used as a development tool inside the organzation. Internal coaching is provided via in-house coaches or when managers use a coaching-based leadership style. Both the external and internal coaching may provide individual coaching, group coaching or team coaching. This article focuses on coaching provided by managers.

It has been stated that coaching is the process of challenging and supporting a person or a team in order to develop ways of thinking, ways of being and ways of learning. The purpose is to achieve personal and/or organizational goals (Berg, 2006).

Emphasizing action, accountability and personal responsibility, coaching support provides leaders with a safe environment for learning how to creatively manage change and conflict, improve communication, strengthen self-confidence, retool skills, and foster multicultural relationships in a positive and constructive way (Bennet et al., 2009).

Wujec (2013) analyzed literature concerning coaching from the last 40 years and identified the components

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that should be dominant in an intervention for it to be termed coaching. These include: attitude towards developing the potential of the person and the environment they develop in, striving for the achievement of goals, finding solutions, improvement in efficiency, support for the development of coachees that is consistent with the values they believe in, partnership relations between coach and coaches, emphasizing that this is a process of support, being based on the conversation of feedback to coachees, caring for coachees to find solutions by themselves; supporting coachees in overcoming internal limitations and emphasis on short-term interventions.

Coaching can be viewed as a partnership relation based on mutual trust between a properly prepared coach and coachee where, through conversation, the coach asking questions, receiving feedback and helping remove internal barriers, coachees are motivated to determine the goal they aim to achieve and to achieve the goal based on their own values and resources (Randak-Jezierska, 2015).

In conclusion, coaching is described as a process that emphasizes both relationship and task orientation and consists of the process of learning and transformation.

1.2. Coaching as a new paradigm for management. Managerial coaching is increasingly used in organizations; coaching is becoming a core skill for managers (CIPD, 2012). Several authors have pointed out the shift from a classical management style towards a management style using the coaching philosophy and approach.

Almost 20 years ago, Bartlett and Ghoshal described the envisioned evolution in organizational design involving a reconfiguration of the managerial role, a shift in the relationship between employee and manager, and extensive use of coaching to provide performance feedback to subordinates. They argue that, in a turbulent economic environment, middle managers have to change their goals and related behaviors to be more focused on coaching support rather than administrative control. They also suggest executive managers have to create a challenging environment, which facilitates the development of individual entrepreneurial initiatives (Bartlett, Ghoshal, 1997). The concept of coaching has emerged as a new paradigm or metaphor for management (Ellinger et al., 2003).

Hunt and Weintraub introduced the term 'coaching manager' which they identify with 'business leaders and managers who help their employees learn and develop through coaching, who create workplaces that make learning, growth and adaptation possible, and who also combine leadership with a genuine interest in helping those with whom they work' (Hunt, Weintraub, 2002).

Agarwal et al. (2009) suggested that an effective organizational response to the pressures of an increasingly dynamic and unpredictable environment demands that organizations abandon the classical authority-based hierarchy that dominated relationships between superiors and subordinates for decades. As individual initiative and entrepreneurship arguably become more important for organizational success than a prescriptive, control-oriented mode of operation. A new management paradigm calls for facilitative behaviors that focus on employee empowerment, learning and development, in other words, coaching (Agarwal et al., 2009).

Managers using the coaching style develop some beliefs and behaviors that help them to evaluate and stimulate others to think and act independently, and to encourage them to take responsibility for the effects of work (Randak-Jezierska, 2015). Coaching relationships require that executives in their roles as coaches surrender some of their control to the other person (employee/coachee) in the relationship. In this case, two different views regarding power inside an organization seem to be important: (a) the organizational hierarchy of leadership, responsibility and power, and (b) the feeling of empowerment or execution of power, which arises when people inside the organization are working and learning together. An optimal coaching process might, therefore, have the potential to empower the coachee, regardless of the organizational hierarchy (Moen et al., 2012).

In conclusion, organizations need to be aware of the concept of coaching, and also the advantages and limitations of managers using coaching inside organizations. Coaching as a tool can help leaders to create and implement change. Coaching consists of several techniques and mind-sets that support participation, consistency and responsibility from the employees. The managers need to develop a coaching philosophy and approach.

1.3. Coaching culture. Culture can be analyzed at three levels: artefacts, espoused values, and basic underlying assumptions (Schein, 1992). Several theorists have pointed out task-orientation and relationship-orientation of organizational culture: Kilmann and Saxton (1983) and Cooke and Lafferty (1986) focus on people versus task; Goffee and Jones (2001) separate sociability, which is similar to relationship-orientation and solidarity, similar to task-orientation; Harrison (1995) distinguishes between power culture, role culture, achievement culture and support culture. Roots (2002), in his monograph on the typologies of organizational culture, points out that from these four types two – achievement culture and support culture – are more relevant for today than the others. According to

these approaches to culture and the coaching process described above, it can be concluded that a coaching culture is a type of culture where a balance exists between support and achievement.

Denison and Mishra (1995) developed a model of organizational culture and effectiveness based on four traits of organizational culture: involvement, consistency, adaptability and mission. Two of the traits, involvement and adaptability, are indicators of flexibility, openness and responsiveness, and were strong predictors of growth. The other two traits, consistency and mission, are indicators of integration, direction and vision, and were better predictors of profitability. They suggest that specific culture traits may be useful predictors of performance and effectiveness.

According to the Denison culture model, the coaching culture predicts growth and profitability, as involvement and adaptability were strong predictors of growth, and consistency and mission were better predictors of profitability, and all these traits are familiar to coaching.

A coaching culture is described in the literature as a paradigm (Hart, 2005), a development model (Bawany, 2015) or a culture with certain characteristics (Jones et al., 2014; Hawkings, 2012; Ketz de Vries, 2008). A coaching culture is a paradigm for organizational cultures in which coaching takes place on a formal and informal basis, and has been ingrained in the fabric of organizational life (Hart, 2005). Hawkings (2012) draws out five different levels of an organizational coaching culture – artefacts, behaviors, mind-sets, emotional ground and motivational roots.

Artefacts: The organization espouses the importance of coaching in its key strategy and mission statements and coaching appears as a key competency and capability for all leaders and managers.

Behaviors: A coaching style of engaging is used in one-to-one, as well as team meetings, as a way of encouraging both problem solving and continuous team and personal development.

Mind-sets: It is important to help people to think through the choices and options; through inquiring together, we can arrive at better responses to new challenges than by thinking alone.

Emotional ground: High levels of personal engagement and responsibility.

Motivational roots: People are both committed to their own development, and the potential of others to learn continuously. People believe collective performance can improve through learning and development (Hawkings, 2012).

A coaching culture is an organizational development model that provides the structure that defines how the organization's members can best interact with their working environment, and how the best results are obtained and measured. A coaching culture needs the discipline of building a shared vision, learning and a desire for personal mastery to realize its potential. Openness is required by all to unearth shortcomings in current processes. Team learning develops the skills of groups of people to look for the larger picture that lies beyond individual perspectives (Bawany, 2015).

A coaching culture is described also as a culture where people are empowered and where coaching happens at every level. And, not only does it happen at every level, but also it adds to bottom line performance. It is recognized as a development tool that touches every part of the employee life cycle (Jones et al., 2014). A coaching culture contributes to a sense of mutual ownership, better networking, more effective leadership practices and higher commitment, creating better results across the organization. Not surprisingly, companies with a successful coaching culture report significantly reduced staff turnover, increased productivity, and greater job satisfaction (Kets de Vries, 2008).

1.4. Leaders impact. Leaders develop an organization's culture through their actions in creating the organization. Once the culture evolves, the culture has an increasingly important role in determining the context and the extent of the need for leadership. If the culture becomes dysfunctional, then, leadership has a responsibility to fix the culture. In organizational climates of perpetual change, culture is particularly difficult to manage. Consequently, the challenge is to create a culture in which learning, innovation, change and adaptation are the norms (Schein, 1992).

It is argued that, to promote a coaching culture within organizations, the managers need to use more of an approach of inquiry and questioning to help their subordinates learn to think for themselves rather than using a telling and directing approach (Mukherjee, 2012). Creating a coaching culture involves transitioning managers away from providing directive solutions and towards empowering others to find their own solutions. This moves the manager-subordinate relationship away from one of paternalism towards one of mutual respect and collaboration (Wood, 2012).

O'Connor et al. (2012) shared their logic model for success, which is related to leader trustworthiness. Leaders must act in a trustworthy way, so that the organization functions optimally; the social architecture must be created to enable two-way communication and organizational conversation, and, lastly, individual behavior and organizational

structures such as corporate policies and (customized) rewards must be aligned with those elements of a healthy culture (O'Connor et al., 2012).

Therefore, to create a coaching culture, the manager's main role is to change, firstly, themselves. So, there is a need to describe the coaching-based management style, which will help to clarify the development areas for managers.

1.5. Coaching culture characteristics in leadership style. The theoretical model "Coaching culture characteristics in leadership style" (3C model) (Vesso, 2014) describes how the characteristics of a coaching culture are expressed behaviorally in the leadership style of the organization (Figure 1).

The phases of the development of a coaching culture have been dealt with following a multi-stage principle moving from less developed forms and simpler tasks to more developed forms and ambitious tasks. The model describes the behavior of the team leader and the team members moving from the initial phase to the mature phase of the development.

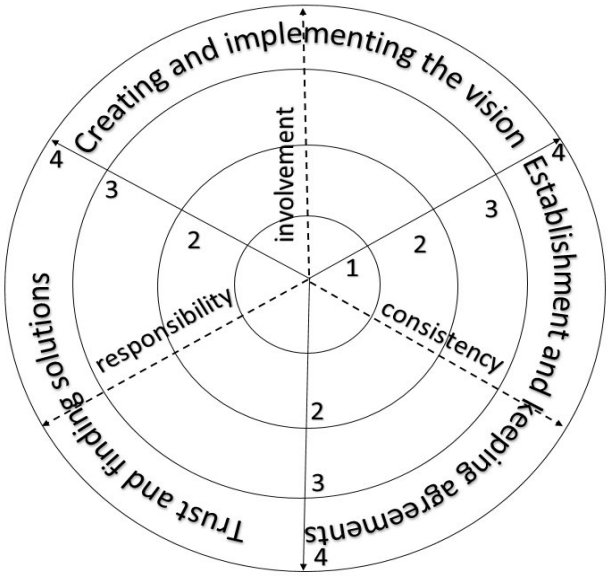

Fig. 1. 3C model "Coaching Culture Characteristics in Leadership Style"

The model is divided into four phases according to the level of maturity of the coaching culture in the organzation. Phase 1 describes behaviors where the characteristics of a coaching culture are missing in the leadership style. In phase 2, some characteristics of a coaching culture are present in the leadership style. In phase 3, moderate characteristics of a coaching culture are present throughout the leadership style and, in phase 4, the characteristics of a coaching culture are strong throughout the leadership style.

Each phase of the model is described through 3 aspects:

1. Trust and finding solutions that describe the existence of trust in finding solutions to everyday problems and sharing responsibilities and decision-making power.
2. Establishing agreements and maintaining them describe relationship orientation in the team – how cooperation agreements are arranged.
3. Creating and implementing a vision describe task and change orientation in the team – how vision is created and implemented.

The model describes the extent to which the practice of involvement, consistency and taking responsibility exists in all three aspects.

In the first phase, the practice of involvement, consistency, responsibility is the weakest and, in the fourth phase, the strongest. When the practice of involvement, consistency, responsibility is weak, it does not support the implementation of a coaching culture, because a coaching culture requires strong involvement, consistency, responsibility.

1.6. Leaders' impact on culture. The leader has the greatest impact on culture. Leadership scholars frequently define leadership in terms of the leaders 'role in bringing about change (Bass et al., 2008). Therefore, the author has studied the leaders' impact on the characteristics of a coaching culture in their leadership style. The theoretical model for the study "Leaders impact on culture" (LIC) (Vesso, 2015) consists of three parts: Leader (L), Team – Relationship Orientation (RO), and Task and Change Orientation in Team (TO) (Figure 2).

Yukl et al. (2002) point out that studies of leadership behavior have previously focused on two categories, task and relationship oriented behaviors, and change-oriented behaviors have been ignored. Their solution is a hierarchical taxonomy with three meta-categories (task, relationship and change oriented behavior). These meta-categories are included in the LIC model. In addition, the model consists of the leader and the team levels, and their interactions.

At the heart of most business literature is the assumption that trust must exist, and information must flow freely in multiple directions for solutions to work consistently (O'Connor et al., 2013). All three parts of the LIC model are divided into two sub-levels. The Leader (L) consists of the leader's trustworthiness (LT) and the leader's behavior (LB). The Team-Relationship Orientation (RO) is divided into the team members' attitude towards each other (ROA) and the team members' behavior towards each other (ROB). Task and Change Orientation in Team (TO) consists of individual and team goals (TOG) and the achievement of goals (TOA) The sub-levels

"Leader" and "Team-Relationship Orientation" are developed based on the principle that attitudes impact behavior. The leader's trustworthiness (LT) impacts the leader's behavior (LB), and the team members' attitude towards each other (ROA) impacts the team members' behavior towards each other (ROB). The sub-levels "Task and Change Orientation" are developed according to the principle that individual and team goals (TOG) are essential for the achievement of goals (TOA).

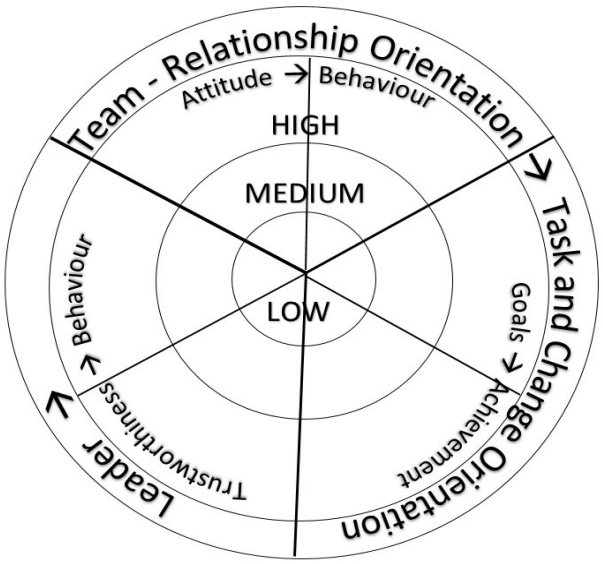

Fig. 2. LIC Model "Leaders' impact on culture"

All parts of the LIC model are interconnected and influence the leaders' ability to manage change. The leader has the most influence on the implementation of organizational change. Two aspects have been highlighted from leadership in this model: the leader's trustworthiness and the leader's behavior. The first aspect explores questions such as: Does the leader create trust? How easy is it to communicate with the leader? Can these people dare to be honest with the leader? Can the leader create the necessary positive energy through his/her behavior for successful change initiation and implementation? The second aspect explores questions such as: Is the leader instructing and coaching team members? Is the leader meeting the top management? Does the leader notice everyday successes? In regard to these two aspects, the leader has the strongest influence through trustworthiness.

The Team-Relationship Orientation describes two aspects. The first is the team members' attitude towards each other and explores questions such as: How well do the team members know each other? Do they have fun together? How open are they to helping each other? The readiness to contribute to achieving common goals depends on these elements. The second aspect is the team members' behavior towards each other and explores questions such as: How much do people encourage and acknowledge each other and give supportive feedback to improve results? These demeanors can help to achieve goals.

The third part of the model is Task and Change Orientation in the team, which has two components. The first is setting individual and team goals, and explores questions such as: Does everyone have clear and measurable personal goals? Does the team have a goal to achieve at the team level? Is the team focused on finding solutions? Are there team "game rules"? This forms the prerequisite for implementation. The second component is the achievement of goals, and explores such questions as: How well is the team informed about how close they are to achieving their goals? Do they take time to analyse together? Are they doing the right things and are they doing them right? How persistent are they and is success celebrated?

1.7. Interrelations between the LIC model "Leaders Impact on Culture" and the 3C model "Coaching culture characteristics in leadership style". The LIC and 3C models are interrelated. Both models consist of the 3 parts shown in Figure 3.

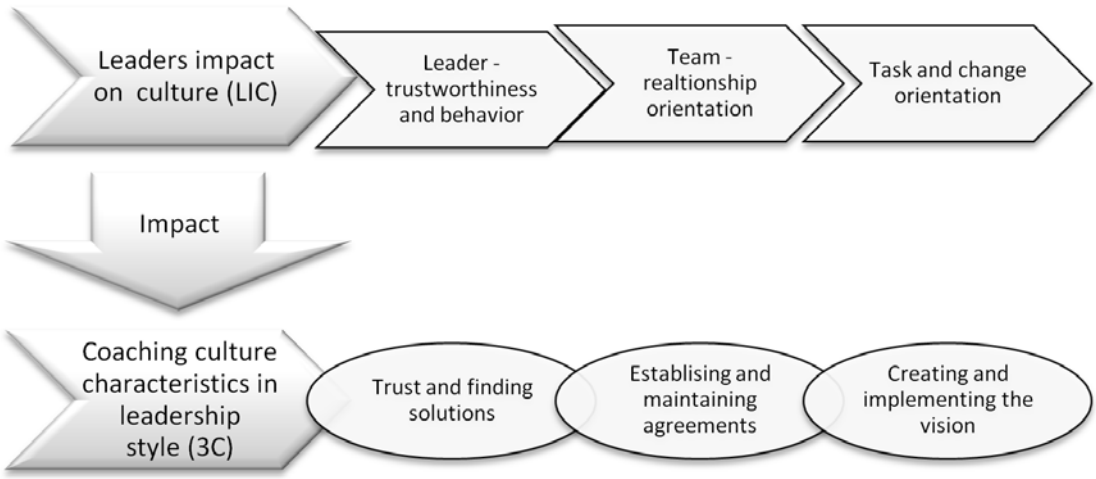

Fig. 3. The interrelations between the 3C and LIC models

First parts of the LIC and 3C models are connected with trust, second parts are connected with relationships agreements on the team and third parts are connected with achievement-task and change orientation.

The LIC model focuses on these issues through the leaders impact – what is the leader's impact on relationship and task or change orientation, and what kinds of interrelations exist.

The 3C model focuses on concrete leader behaviors related to the style of coaching leadership to evaluate the level of the characteristics of the coaching culture.

The first common category "Trust" is presented in the LIC model as part of "Leader – trustworthiness and behavior", and in the 3C model it is part of "Trust and finding solutions". A high level of trustworthiness makes it possible to share responsibilities and move towards a higher level of coaching culture.

The second common category "Relationship orientation" is presented in the LIC model as "Team-relationship orientation", and in the 3C model as "Establishing and maintaining agreements". A strong positive attitude and positive behavior towards each other makes functioning agreements possible, which are an essential condition for moving towards higher levels of coaching culture.

The third common category "Task and change orientation" is presented in the LIC model as "Task and change orientation", and in the 3C model as "Creating and implementing the vision". A strong focus on solutions, ambitiousness, persistence and reflection in the team enables the implementation of a common vision within the coaching culture mind-set.

There are three common categories in both models (Table 1).

Table 1. Common categories in the 3C and LIC models

Common category "Trust"	Part 1	A high level of trustworthiness facilitates sharing responsibilities
LIC	Leader trustworthiness and behavior	
3 C	Trust and finding solutions	
Common category "Relationship orientation"	Part 2	A strong positive attitude and strong behavior towards each other facilitates functioning agreements
LIC	Team-relationship orientation	
3 C	Establishing and maintaining agreements	
Common category "Task and change orientation"	Part 3	A strong focus on solutions, ambition, persistence and reflection in the team facilitates implementing a common vision.
LIC	Task and change orientation	
3 C	Creating and implementing a vision	

2. Empirical study

2.1. Research questions. The research task for the empirical study was to have an overview of the state of the characteristics of coaching culture in the leadership style of Estonian organizations and to increase our understanding of the team leaders' impact on culture. The author developed six research questions based on the proposed theoretical models "Coaching Culture Characteristics in Leadership Style" (3C) and "Leaders impact on culture" (LIC).

Based on the 3C theoretical model three research questions were formulated:

RQ 1. How are the characteristics of a coaching culture in the leadership style manifested in Estonian organizations?

RQ 2. How do team leaders and team members perceive the characteristics of a coaching culture in the leadership style in Estonian organizations?

RQ 3. How are the characteristics of a coaching culture in the leadership style represented in different types of organizations?

Based on the LIC theoretical model, the following three research questions were formulated:

RQ 4. How do respondents in Estonian organizations perceive the impact of leader trustworthiness and behavior, and relationship, task and change orientation based on the LIC model?

RQ 5. What is the difference between the high, medium and low evaluated leaders, according to the LIC model?

RQ 6. Are there interconnections between the characteristics of a coaching culture in leadership styles and the leaders' impact based on the 3C and LIC models?

2.2. Sample and method. In order to study the characteristics of the coaching culture in the leadership style and the leaders' impact on culture in Estonian companies, the authors conducted an empirical survey in 2015. The total number of respondents was 183: 80 were team leaders and 103 team members from Estonian organizations; 42 participants were representatives of large enterprises, 41 from middle-sized enterprises, 33 were from small businesses and 67 were from state-owned companies.

Two questionnaires were used in empirical survey corresponding to the "Coaching culture characteristics in leadership style" (3C model) (Vesso, 2014) and the "Leaders' impact on culture" (LIC model) (Vesso, 2015).

2.2.1. The first questionnaire was developed using 3 scales based on existing literature and theoretical model "Coaching culture characteristics in leadership style" (3C).

The first scale – "Creating and implementing the vision" – which is characterized by a task and change of orientation was drawn up from 7 statements that describe seven different situations, where, in the first situation, there are no signs of a coaching culture in the leadership style, in the second, there are very minor signs of a coaching culture in the leadership style, etc., up to the seventh, where there are strong signs of a coaching culture in the leadership style.

The second scale – "Establishing and maintaining agreements" – which is characterized by relationship orientation was drawn up from 6 statements that describe six different situations, where, in the first situation, there are no signs of a coaching culture in the leadership style, in the second, there are very minor signs of a coaching culture in the leadership style, etc., up to the sixth, where there are strong signs of a coaching culture in the leadership style.

The third scale – "Trust and finding solutions" – which characterizes how power, responsibility and trust is distributed in problem-solving was drawn up from 9 statements that describe nine different situations, where, in the first situation, there are no signs of a coaching culture in the leadership style, in the second, there are very minor signs of a coaching culture in the leadership style, etc., up to the ninth, where there are strong signs of a coaching culture in the leadership style.

The statements set out in the scales, in turn, are divided into four phases, according to the strength of the coaching culture in leadership style: Phase 1 (characteristics of a coaching culture in the leadership style are missing), Phase 2 (limited characteristics of a coaching culture in the leadership style are present), Phase 3 (moderate characteristics of a coaching culture in the leadership style are present) and Phase 4 (the characteristics of a coaching culture in the leadership style are strong).

In order to find answers to the research questions, groups of respondents were compared using ANOVA and T-tests.

2.2.2. The second questionnaire was developed using 3 scales based on existing literature and the theoretical model "Leaders impact on culture" (LIC).

The first scale Leader (L) was composed of 6 questions – 3 questions about the leader's trustworthiness (LT) and 3 questions about the leader's behavior (LB). The second scale Team-Relationship Orientation (RO) was composed of 6 questions – 3 questions about the team members' attitudes toward each other (ROA) and 3 questions about the team members' behavior toward each other (ROB). The third scale Task and Change Orientation in teams (TO) was composed of 8 questions – 4 questions about setting individual and team goals (TOG) and 4 questions about achieving goals (TOA).

The respondents were asked to evaluate 20 questions on a 10-point Likert scale. The questions were grouped using the SPSS program.

The internal consistency, or Cronbach's Alpha coefficient, is between .848 and .923 for all scales. To compare different groups of respondents, an ANOVA test and a T-test were completed.

To identify what kinds of connections characterize the elements of the LIC model, the whole sample was divided into three equal groups according to how respondents rated Leader's Trustworthiness. The result was three groups: groups with low, medium and high evaluations of leader trustworthiness. The average indicators for the rest of the 5 scales have been calculated for those groups. According to the Anova test, in all five scales the averages were statistically significantly different.

Linear regression analyses and correlation analyses were used to discover the structure of the connections.

3. Results

Based on the 3C and LIC models, the authors posed six research questions (RQ).

RQ 1. How are the characteristics of a coaching culture in the leadership style manifested in Estonian organzations?

In 2015, 23% of companies are in phase 1, 29% are in phase 2, 28% are in phase 3 and 19% are in phase 4 (Table 2). The characteristics of a coaching culture in the leadership style were missing or were only present, to some extent, in 52% of companies and were moderate or strong in 47% of companies.

Table 2. Characteristics of a coaching culture in the leadership style in 2015 (based on the 3C model) – % of firms in each phase

	Phase 1	Phase 2	Phase 3	Phase 4
Creating and implementing a vision	32	30	12	24
Establishing and maintaining agreements	14	40	30	15
Trust and finding solutions	22	17	41	18
Total: characteristics of a coaching culture in the management style	23	29	28	19

RQ 2. How do team leaders and team members perceive the characteristics of a coaching culture in the leadership style in Estonian organizations? According to the T-test, all indicators of team-leaders were statistically significantly higher than subordinates; team-leaders perceive the parts of the 3C model higher than team-members on all scales (Table 3).

Table 3. Comparison of the characteristics of a coaching culture in the leadership style perceived by team-leaders and team-members in 2015 based on the 3C model

	Creating and implementing the vision		Establishing and maintaining agreements		Trust and finding solutions	
	Mean	SD	Mean	SD	Mean	SD
Team-leaders N=80, 2015	2.45	1.221	2.48	0.875	2.73	0.967
Team-members N=103, 2015	2.08	1.273	2.37	1.013	2.35	1.160
Total N=183, 2015	2.27	1.247	2.43	0.944	2.54	1.063
T -test, p	0.000		0.000		0.000	

RQ 3. How are the characteristics of a coaching culture in the leadership style represented in different types of organizations?

The large companies (2.39) and medium-sized companies (2.39) presented the highest results after state companies (2.42) (Table 4).

In "Creating and implementing the vision" the large companies' results (2.45) were higher than those from the state companies (2.34). Similarly, the lowest results were in small companies (1.79). In "Establishing and maintaining agreements", the highest results were in small companies (2.68) and the lowest results in large companies (2.19). In "Trust and finding solutions", the highest results were in small companies (2.8) and the lowest in state companies (2.46).

In conclusion, there are no great differences in the characteristics of coaching culture in the leadership style (according to the 3C model) in large, medium-sized and state companies (Table 4). In small companies, the biggest difference is in respect to "Creating and implementing the vision".

Table 4. Characteristics of a coaching culture in the leadership style in different types of organizations in 2015 based on the 3C model

	Creating and implementing the vision		Establishing and maintaining agreements		Trust and finding solutions		Total	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
State companies 2015, N=67	2.34	1.398	2.45	1.004	2.46	1.034	2.42	1.145
Large companies 2015, N=42	2.45	1.347	2.19	0.862	2.54	1.163	2.39	1.134
Medium-sized companies 2015, N=41	2.22	1.060	2.42	0.948	2.54	1.164	2.39	1.0572
Small companies 2015, N=33	1.79	0.992	2.68	0.944	2.58	1.031	2.35	0.989
2015, Total N=187	2.24	1.260	2.43	0.961	2.52	1.086	2.40	1.100
Anova-test, p	0.000		0.000		0.000			

RQ 4. How do respondents in Estonian organizations perceive the impact of leader trustworthiness and behavior, and relationship, task and change orientation based on the LIC model? According to the T-test, teamleaders perceive the elements of LIC higher than team members in all scales (Table 5). In the Leader scale, the difference in ratings was 1.15. In the Team scale, the difference in ratings was 0.33. In the Task and Change Orientation scale, the difference in ratings was 0.02.

Table 5. The perception of team leaders and team members of elements of LIC (impact of leader trustworthiness and behavior, and relationship, task and change orientation) in Estonian organzations in 2015

	Leader (L)		Team - Relationship Orientation (RO)		Task and Change Orientation in team (TO)	
	Mean	SD	Mean	SD	Mean	SD
Team-leaders 2015 N=80	7.25	2.0	7.04	1.85	6.56	1.93
Team-members 2015 N=103	6.1	2.67	6.74	2.29	6.54	2.29
T-test, p	0.000		0.000		0.000	

Note: Bold indicates statistically significant differences according to T-test.

VAovam-size Companies, esis found oartratings was in Survey 1 1.36 and in Survey 5 1.15. In the scale According to Table 6, the results for small companies in all scales are higher than other types of companies. At the same time, the results in different types of companies are quite similar: for Leader between 6.43-7.22, for Team between 6.65-7.24 and for Task and Change orientation between 5.98-6.42.

Table 6. The perception of elements of LIC (impact of leader trustworthiness and behavior, and relationship, task and change orientation) in different types of Estonian organzations in 2015

	Leader (L) Mean, SD	Team - Relationship Orientation (RO) Mean, SD	Task and Change Orientation in team (TO) Mean, SD
Large companies N =42	6.48 2.67	6.65 2.24	6.24 2.46
Middle companies N= 41	6.51 2.44	6.72 2.06	5.98 2.14
Small companies N= 33	7.22 1.77	7.24 1.77	6.42 1.67
State companies N=67	6.43 2.63	6.91 2.01	6.07 2.21
Total N=183	6.67 2.39	6.83 2.16	6.31 2.25
ANOVA test, p	0.000	0.000	0.000

RQ 5. What is the difference between the high, medium and low evaluated leaders, according to the LIC model?

To find answers to research question the whole sample was divided into three equal groups according to how the respondents rated Leader Trustworthiness. The result was three groups: low, medium and high evaluations of the leader's personality. The average indicators for the rest of the 5 scales have been calculated for those groups. According to the ANOVA test, the averages were statistically significantly different in both surveys for all five scales.

A Linear Regression analysis was also conducted.

According to the results in Table 7, the higher group has high L and also high RO and TO. The higher group is characterized by the following order of LIC elements: L (8.52), RO (8.14) and TO (7.48). The medium group is characterized by the following order of LIC elements: L (6.9), RO (6.9) and TO (6.4).

The lower group is characterized by the fact that L was lower than RO and TO. The lower group is characterized by the following order of LIC elements: R (5.18), TO (4.21) and L (3.78). In the High group, the LIC pattern is L – RO – TO. In the Medium group the LIC pattern is L = RO – TO. In the Low group the LIC pattern is RO – TO – L. In all types of companies, the team-relationship orientation (RO) is evaluated the highest. Only in small companies is RO almost same as leader (L).

The next is team-relationship orientation (RO). The task and change orientation (TO) is the lowest.

Table 7. Comparison of companies according to lower, medium and higher group of LIC characteristics in 2015

Leader's trustworthiness		Leader's trustworthiness (LT)	Leader's behavior (LB)	Leader (L)	Team-members' attitude towards each other (ROA)	Team-members' behavior towards each other (ROB)	Relationship Orientation in Team (RO)	Individual and team goals (TOG)	Achievement of goals (TOA)	Task Orientation in team (TO)	Total 6 scales
Lower group	Mean	3.83	3.73	3.78	5.68	4.68	5.18	4.53	3.87	4.21	4.39
N=57	SD	1.73	1.76	1.75	1.91	1.78	1.85	1.87	1.72	1.80	1.80
Medium group	Mean	7.46	6.40	6.91	7.14	6.66	6.90	6.43	6.37	6.40	6.74
N=51	SD	0.71	1.74	1.23	1.57	1.55	1.56	1.42	2.18	1.80	1.53
Higher group	Mean	9.27	7.78	8.53	8.43	7.86	8.15	7.51	7.46	7.48	8.05
N=75	SD	0.50	1.50	1.00	1.29	1.47	1.38	1.58	1.72	1.65	1.34
Total	Mean	7.07	6.12	6.60	7.21	6.53	6.87	6.28	6.03	6.15	6.54
N=336	SD	2.55	2.38	2.47	1.96	2.08	2.02	2.06	2.27	2.17	2.22
ANOVA test, p		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Note: Bold indicates statistically significant differences, according to ANOVA test.

RQ 6. Are there interconnections between the characteristics of a coaching culture in leadership styles and the leaders' impact based on the 3C and LIC models? According to the LIC model, the highest characteristics of a coaching culture in the leadership style are in the High group (Table 8). The lowest characteristics of a coaching culture in the leadership style are in the Low group.

Table 8. Characteristics of a coaching culture in the leadership style (based on the 3C model) in high, medium and low groups, according to the LIC model, in 2015

The high, medium and lower groups according to LIC model	Creating and implementing the vision	Trust and finding solutions	Establishing and maintaining agreements	Total: characteristics of a coaching culture in the leadership style
High N = 75	2.7	2.9	2.8	2.8
Medium N = 51	2.2	2.7	2.5	2.5
Low N = 57	1.7	1.9	1.9	1.8

Table 8 (cont.). Characteristics of a coaching culture in the leadership style (based on the 3C model) in high, medium and low groups, according to the LIC model, in 2015

The high, medium and lower groups according to LIC model	Creating and implementing the vision	Trust and finding solutions	Establishing and maintaining agreements	Total: characteristics of a coaching culture in the leadership style
Total N =183	2.2	2.5	2.4	2,4
ANOVA test, p,	0.000	0.000	0.000	0.000

All results are statistically significant differences according to the ANOVA test.

Conclusions

As more and more organizations use coaching to lead people, it is important to study the characteristics of a coaching culture in leadership style more deeply.

According to the results of the author's empirical survey in 2015, the largest share of Estonian companies is in phase two of coaching culture, according to the 3C model. Comparatively speaking, 23% of companies were in phase one, 29% were in phase two, 28% were in phase three and 19% of companies were in phase four in 2015.

The poorest aspect was "Creating and implementing the vision". Team leaders perceive the elements of the 3C model higher than team members. There are no great differences in the characteristics of the coaching culture in large, medium-sized and state companies. In small companies, the aspect "Creating and implementing the vision" was lower than in all other types of companies.

These results correspond to the survey by Zernand (2014) about management ideas in Estonia for 1996 until 2011 when no coaching was mentioned.

The Estonian Management Practices survey (2015) also showed that 7.3% of respondents to the survey have used coaching as a leadership tool.

Team leaders perceived all elements of LIC higher than team members. The highest difference was in evaluations about the leadership: leaders rated leader trustworthiness and behavior higher than employees. Therefore, the leaders and team members see the situation differently and also react differently.

It seems that the representation of LIC elements does not depend so much on company type. The differences are very small in different companies types.

Leader trustworthiness influences the other elements of the LIC model. In the group with lower evaluations of leader trustworthiness, team relationship orientation and task and change orientation were also lower than in groups with high evaluations of leader trustworthiness.

As the high group evaluations (LIC model) were characterized by high leader trustworthiness, it is possible to conclude that leader trustworthiness is a prerequisite for developing a coaching culture.

According to the survey results, the most important coaching areas for Estonian leaders are awareness of the impact the leaders' trustworthiness and behavior on team members. The other important development areas are the goal setting on individual and team level and achievement of these goals.

To conclude, in order to develop a coaching culture in Estonian organizations, the most important development areas for Estonian leaders are the awareness of the impact leader trustworthiness and behavior on team members.

Implications

1. Implications for organizations in relation to implementing a coaching culture in the leadership style.

The main strategy in starting to develop a coaching culture described in the literature is through executive coaching or coaching skill training. For phase 4, this can be a good solution, according to the 3C model (Figure 4) (Vesso, 2014). But, for phases 1 and 2, according to the 3C model, this may not lead to success, because, inside the company, there is a lack of practice with involvement, consistency, responsibility, collaboration and positive team norms. All, too often, organizations invest time, effort and money in developing the coaching skills of their leaders and managers only to find that, despite initial high levels of enthusiasm, they fail to adopt the taught coaching skills in the workplace and end up slipping back into old command-and-control leadership behavior patterns (Grant et al., 2013). This is because ingrained behaviors are difficult to change (Prochaska, Velicier, Rossi & Goldstein, 1994).

Therefore, the strategy for starting with group coaching or team coaching is much more efficient for developing a coaching culture. First, group coaching or team coaching helps to develop the practice of involvement, consistency, responsibility, collaboration and positive team norms inside the team. Secondly, a parallel learning process is taking place in the organization. The participants learn coaching attitudes and skills through their own

experiences. When the characteristics of the coaching culture in a company's leadership style are in phase 1, it is useful to add the learning process designed to help the reflection process. This is because there might be a low level of reflection competence in the team due to the lack of habit. Team learning entails shared cognition in terms of the integration of knowledge, experiences and perspectives, and a social context that nourishes the willingness to engage in these knowledge building practices (Van den Bossche et al., 2006). Team learning refers to a continuous process of reflection and action directed toward obtaining and processing information to detect, understand and adapt to changes in an environment, and to improve the performance of a team (Edmondson, 1999).

The transformation from phase three to phase four, according to the 3C model, is most fluent through team coaching. Executive group coaching can also be a suitable strategy to use. However, Clutterbuck stated that, in recent years, practical experience and interviews with hundreds of HR practitioners have convinced him that the fulcrum for achieving a coaching culture is, in reality, at the level of the team (Clutterbuck, 2013).

To support coaching based activities, leaders need to learn how to create an environment of involvement, consistency, responsibility, collaboration and positive team norms. The authors do not recommend training in coaching skills for companies in phase one and two, because the skills are rooted in beliefs and attitudes. Beliefs and attitudes are very hard to change, and learning by experimenting is more effective. Therefore, it is important to enable leaders via the positive personal experience of coaching.

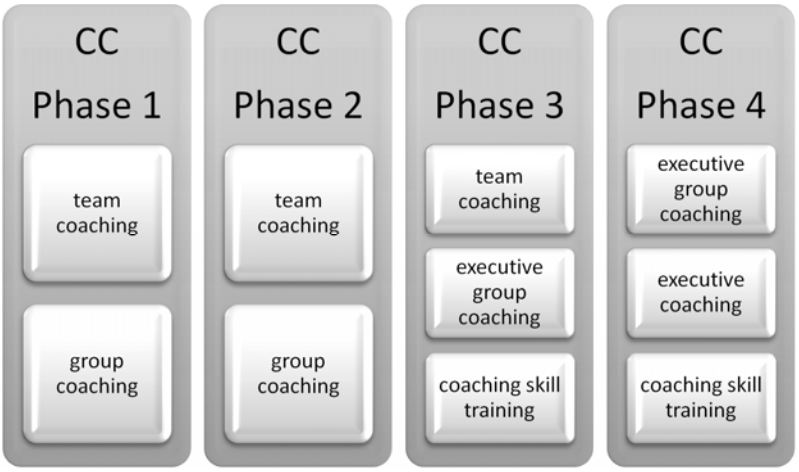

Fig. 4. Implications for organizations regarding developing coaching culture: what kind of outside support to use?

Notes: team coaching – participants are the team-leader and team-members; group coaching – participants are the members of the organization (e.g., group of team-leaders, group of specialists etc.).

2. Implications for team leaders in relation to implementing a coaching culture in the leadership style.

For teams in phase one, according to the 3C model (Vesso, 2014), to start moving towards a coaching culture there are some important initial steps (Figure 5):

1. The team leader and team members need to discuss their common vision about the future and to write it down.
2. The team leader and team members need to set the goals to reach this vision.
3. Even when the team leader has his/her own solutions to problems, he/she must also ask for other opinions at the meeting and take them into account.
4. The team leader and team members need to discuss the norms of the team culture and to make agreements.

For teams in phase two, according to the 3C model, to start moving towards higher phases in a coaching culture there are several important steps:

1. Team members have set challenging individual goals in accordance with the common goal and vision.
2. According to decision-making and problem-solving, the team leader and team start to find out solutions together and decide on the best solution together.
3. The team regularly analyzes the agreed team norms.

For teams in phase three, according to the 3C model, to move to phase four of a coaching culture, the following steps are necessary:

1. Action plans are made to implement challenging individual goals in accordance with the common goal and vision. Follow ups are carried out.

2. Team finds themselves solutions to problems and reports to the team leader or implements solutions and reports afterwards.
3. Team regularly analyzes agreed team-norms, focuses on success and appreciation by giving concrete examples.

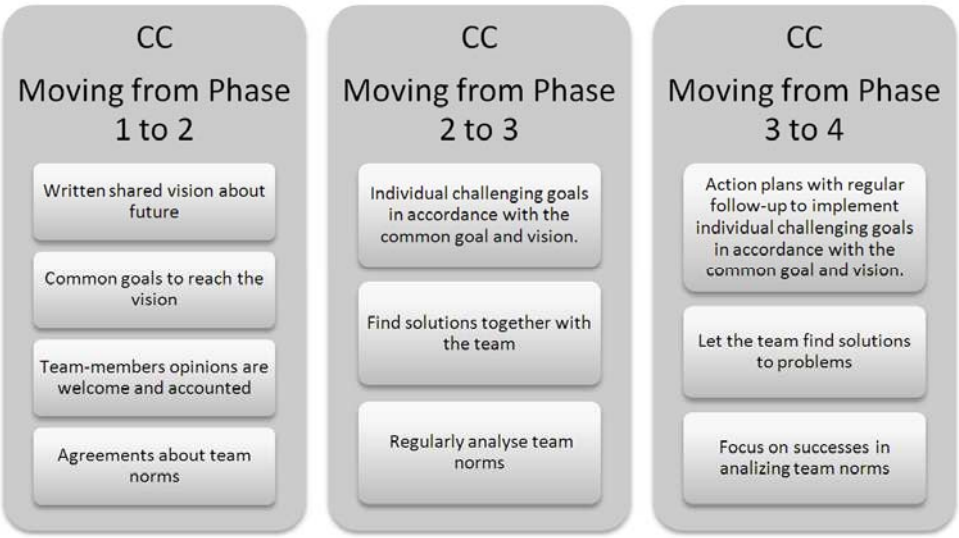

Fig. 5. Implications for team leaders regarding implementing a coaching culture in the leadership style based on the 3C model

3. Implications for team leaders and HR specialists

Organizations need to ensure feedback for leaders to develop their self-awareness in terms of what is essential for self-leading. To implement the coaching principles, the team needs to have a common vision of the reality and the future. Therefore, dialogue about the common reality is essential. Until trust is established, it is difficult to enter the 'manager as coach' role in the performance management context (Ladyshewsky, 2010). It is worth investing in developing leader trustworthiness. The leader's trustworthiness influences the coaching outcomes. In groups with lower evaluations of leader trustworthiness, the relationship and task orientation of the team were also lower than in groups with high evaluations of leader trustworthiness.

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