Employee coaching, which we consider to be a critical part of the performance management process, is coaching done by a manager or supervisor with his or her direct reports. The current article builds on recent research on the importance of the employee coaching relationship by investigating individual difference and contextual variables that contribute to the quality of employee coaching relationships. The study uses a multilevel modeling approach to test the effects of such variables as supervisor leadership style, emotional intelligence, empathy, implicit person theory, trust, and feedback environment on employees’ perceptions of the coaching relationships they share with their supervisors. Overall, supervisors’ individual consideration, empathy, trust, and the feedback environment all accounted for significant variance in employees’ evaluations of coaching relationships.

Keywords: coaching, employee coaching, coaching relationship, feedback, performance management

Employee coaching is an increasingly popular talent management and development tool. Like other authors (Hunt & Weintraub, 2002; London, 2002; Yukl, 2002), we conceptualize employee coaching as coaching that takes place between an employee and his or her direct manager, wherein the manager fills the coaching role. One element that has been identified as critical to effective employee coaching is the coaching-oriented relationship that exists between the supervisor and subordinate. Gregory and Levy (2010) defined this relationship as a working partnership between an employee and his or her direct supervisor that is focused on addressing the performance and development needs of that employee (p. 111). Although the literature has started to shed light on the importance of the employee coaching relationship, little research exists to indicate what factors contribute to a high-quality or effective employee coaching relationship.
Thus, in the current article we present and examine new theory regarding supervisor individual difference and contextual variables that are expected to contribute to or shape the employee coaching relationship. We provide a brief discussion of employee coaching before taking an empirical look at several variables expected to play critical roles in employee coaching relationships.

Employee Coaching

As noted earlier, we conceptualize employee coaching as that which takes place between an employee and his or her direct manager. Gregory and Levy (2010) defined employee coaching as “a developmental activity in which an employee works one-on-one with his or her direct manager to improve current job performance and enhance his or her capabilities for future roles and/or challenges, the success of which is based on the relationship between the employee and manager, as well as the use of objective information, such as feedback, performance data, or assessments” (p. 111).

When executed effectively, employee coaching can support the delivery and use of feedback, can facilitate goal setting, and may help employees work toward and gauge progress against those goals (London, Mone, & Scott, 2004). London and colleagues suggest that regular coaching exchanges and the feedback included therein “play key roles in determining whether goals will lead to performance . . . [and] allow an employee to assess progress toward a goal and make necessary shifts in strategy as appropriate” (p. 333). However, coaching involves more than simply providing positive and negative feedback about employee performance (London & Smither, 2002) and can have important implications for individual growth and development, as well as career progression.

The Employee Coaching Relationship

Many authors have discussed coaching relationships as the foundation or prerequisite for effective coaching (Gyllensten & Palmer, 2007; Hunt & Weintraub, 2002; Smither & Reilly, 2001; Ting & Riddle, 2006). While the importance of the coaching relationship has been alluded to with some frequency, little research has actually examined the role of the relationship in employee coaching, despite specific calls for research on coaching relationships (Bennett, 2006; Gyllensten & Palmer, 2007; Stober & Parry, 2005). The current article is a direct response to this call for research on the coaching relationship and variables that impact it: we present theory on individual difference and contextual variables expected to play roles in the quality of employee coaching relationships.

Several authors (Garman, Whiston, & Zlatoper, 2000; Ting & Riddle, 2006) have suggested that coaching relationships differ as a function of the individuals involved. Heslin, VandeWalle, and Latham (2006) discussed the importance of examining supervisor individual differences with regard to coaching, noting that the “stark reality is that managers often differ substantially in their inclination to coach their subordinates” (p. 1). London and Smither (2002) suggest that coaching may come naturally to some people, thereby lending support to our investigation of the role of individual differences. A supervisor who engages in coaching activity with two subordinates may find one working relationship to be highly effective, whereas the other fails to produce any positive outcomes. Under the supervision of a different manager, however, the latter subordinate may form a trusting and productive coaching relationship that leads to dramatic improvements in performance and personal development.

Based on this notion, we suggest that the attitudes and individual differences that both supervisor and subordinate bring to the coaching relationship have implications for the effectiveness of that relationship. Regarding context, several authors have touched on the importance of an environment that is conducive to effective coaching. Waldroop and Butler (1996) note that no behavior—coaching included—ever “takes place in a vacuum” (p. 111). Hunt and Weintraub (2002) suggest that the context for coaching is not entirely dependent on the organizational context, but also on the manager’s behavior, as a manager’s openness to feedback can help shape a “coaching-friendly” (p. 90) context. The current study focuses on four supervisor individual difference and contextual variables: transformational leadership, emotional intelligence, implicit
person theory (IPT), and the organizational feedback environment. In addition to these variables, subordinate-rated trust in one’s supervisor is also rated. These variables are discussed in light of existing theoretical development in the pages that follow.

In their recent development of a measure of employee coaching relationships (the Perceived Quality of the Employee Coaching Relationship scale, or PQECR), Gregory and Levy (2010) suggested that high-quality employee coaching relationships encompass four dimensions: genuineness of the relationship, effective communication, comfort with the relationship, and facilitating development. The current study will draw on this conceptualization of employee coaching relationships and ultimately use Gregory and Levy’s measure as the primary criterion variable.

**Variables That Influence Employee Coaching Relationships**

**Transformational leadership.** Transformational leadership style and individual consideration—a subfacet of transformational leadership—are related to devoting individualized attention to and developing subordinates. Bass (1985) conceptualizes transformational leaders as those who “motivate us to do more than we originally expected to” (p. 20) by adopting a developmental orientation toward leading their subordinates. It is important to distinguish this transformational leadership style from leading with a more transactional approach. Specifically, leaders who enact a transactional leadership style govern their subordinates with a traditional contingent reward approach in which rewards are provided for effort or good performance.

The individual consideration dimension of transformational leadership corresponds specifically to coaching, mentoring, developing, and providing feedback to subordinates (Avolio & Bass, 1995). Eagly, Johannsen-Schmidt, and van Engen (2003) elaborate on the meaning of individual consideration, noting that it pertains specifically to a supervisor’s focus on employee development and careful attention to each subordinate’s individual needs. Several authors have pointed out the importance of attending to individual needs and genuinely caring about subordinates for a functional coaching relationship (Gegner, 1997).

Supervisors who adopt a transformational approach to leading and developing employees may not only be more inclined to coach subordinates, but more effective at coaching, as well. Extending what we know about transformational leadership, we predict that supervisor transformational leadership style overall, and individual consideration, specifically, will be positively related to subordinate perceptions of the coaching relationship.

*Hypothesis 1a:* Supervisor self-reported transformational leadership style will be positively related to subordinate perceptions of the quality of the coaching relationship.

*Hypothesis 1b:* Supervisor self-reported individual consideration will be positively related to subordinate perceptions of the quality of the coaching relationship.

**Emotional intelligence.** Emotional intelligence is another individual difference that has been alluded to in coaching research. Drawing on the executive coaching literature, Passmore (2007) suggests that a coach’s emotional intelligence adds value to the coaching relationship, which facilitates the coaching process. He suggests that coaches need to attend to three aspects of emotions in the coaching relationship: (a) attending to their own emotions and behaviors, (b) attending to the emotions and behaviors of the coachee, and (c) managing their own emotions and behavior in such a way that they can maintain “professional detachment while offering personal intimacy” (p. 71). Emotional intelligence includes the ability to not only attend to and monitor one’s own emotions, but also detect and interpret the emotions of others.

Though several definitions and conceptualizations of emotional intelligence have been established in recent years (Zeidner, Matthews, & Roberts, 2004), the current article adopts Mayer and Salovey’s (1997) concept of emotional intelligence as our working definition. They define emotional intelligence as follows: “Emotional intelligence involves the ability to perceive accurately, appraise, and express emotion; the ability to access and/or generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; and the ability to regulate emotions to promote emotional and intellectual growth” (p. 10).
Previous research has explored the value of emotional intelligence for effective leadership. For example, George (2000) contends leaders who can accurately identify, appraise, and influence their subordinates’ emotions garner more support from those subordinates. She also suggests that leaders high in emotional intelligence can better predict subordinates’ reactions to particular situations or changes within the organization. Focal issues of coaching can be sensitive in nature, such as identifying and improving upon subordinates’ weaknesses (both performance-related and personal) or confronting career challenges (missed promotions, stagnant career paths; Giglio, Diamante, & Urban, 1998; Gregory, Levy, & Jeffers, 2008; London & Smither, 2002). Because these focal issues can provoke affective reactions from both the supervisor and subordinate (Giglio et al., 1998; Gregory et al., 2008), the ability to control and detect emotions should be critical for supervisors, who are responsible for “driving” the coaching relationship.

While the role of emotional intelligence in coaching has been discussed, little empirical work exists. David (2005) mentions the need for both a coach and coachee to “recognize, understand, and assess” (p. 57) the impact of emotions on the coaching relationship, and goals and outcomes included therein. Similarly, Grant (2007) boldly states that coaching skills are “inextricably related” (p. 258) to emotional intelligence, and that coaching behaviors are largely “a manifestation of the individual’s emotional intelligence” (p. 259). Finally, both Hunt and Weintraub (2002) and Kram and Ting (2006) discuss the need for coaching managers to have high emotional intelligence or competence. Specifically, Hunt and Weintraub emphasize the importance of empathy in coaching subordinates, whereas Kram and Ting suggest that coaching managers must have a “baseline of emotional competence” (p. 198) to be able to help others develop and grow.

The general takeaway from this existing work is that the ability to predict, identify, and influence subordinates’ emotions, as well as manage and understand one’s own emotions, is essential to building an effective coaching relationship. Based on this existing work and the overarching theory that emotional intelligence is necessary to be an effective coach, we predict that a supervisor’s level of emotional intelligence will be positively related to subordinate perceptions of the quality of the coaching relationship.

**Hypothesis 2:** Supervisor self-reported emotional intelligence will be positively related to subordinate perceptions of the quality of the coaching relationship.

**Implicit Person Theory.** Another construct that has recently received attention in the domain of performance management is IPT. This individual difference construct pertains to beliefs about whether or not people can change. People who possess an entity theory are more likely to believe that individuals’ abilities are concrete or unchangeable (Heslin et al., 2006), whereas those who hold an incremental IPT believe that abilities and attributes are malleable and that people can change. Supervisor IPT is relevant to the current study because it impacts one’s propensity to coach and develop their subordinates. Specifically, Heslin et al. found that supervisors with an incremental IPT (those who believe that people can change) were more likely to see their subordinates as “coachable.” These supervisors were more likely to believe their subordinates’ abilities and performance could be enhanced and improved through development activity. Supervisors with an entity IPT are more inclined to believe that abilities are set, that performance will not be enhanced through coaching and development.

As evidenced by Heslin and colleagues’ (2006) work, having an incremental IPT is essential for effective employee coaching. Nearly a decade earlier, Gegner (1997) noted that adopting a coaching management style requires supervisors to believe that “individuals are capable and willing to perform at higher levels” (p. 5). In other words, to be an effective coach, supervisors must be of the mindset that their subordinates are able to perform better than they currently do, to improve, and to change.

Heslin and colleagues (2006) provided substantial support for the role of IPT in coaching activity with their two studies, one of which yielded a correlation of $r = .46$ between incrementalism and extent of coaching engagements. We aim to expand upon Heslin and colleagues’ findings concerning the role of IPT in coaching by examining the effect of supervisor IPT on the coaching
relationship. We anticipate that supervisor incrementalism will be positively related to subordinate perceptions of the quality of the coaching relationship.

**Hypothesis 3:** Supervisor self-reported incremental IPT will be positively related to subordinate perceptions of the quality of the coaching relationship.

**Feedback environment.** The organizational feedback environment is a contextual variable that is expected to have implications for employee coaching. Steelman, Levy, and Snell (2004) define an organization’s feedback environment as “the contextual aspects of day-to-day supervisor-subordinate and coworker-coworker feedback processes” (p. 166). Similarly, London and Smither (2002) conceptualize a positive feedback culture as one in which “individuals continuously receive, solicit, and use formal and informal feedback to improve their job performance” (p. 84). Both authors’ conceptualizations emphasize the supervisor’s role in shaping and contributing to this context. With regard to coaching, London and Smither note that “widespread availability of coaching” is “likely to be a hallmark” (p. 68) of organizations that have a strong, positive feedback environment. We have identified the organizational feedback environment as the focal contextual variable for influencing the coaching relationship.

As noted previously, Hunt and Weintraub (2002) suggest that a manager’s openness to feedback directly affects the context for coaching. Consequently, the feedback environment specifically entails the contextual characteristics of the feedback process (Steelman et al., 2004). A feedback environment is created by employees’ direct supervisors and includes the quality and frequency of coaching and informal feedback delivery (London & Smither, 2002). By shaping this context, supervisors influence subordinates’ attitudes toward feedback and the extent to which they rely on feedback to improve performance. Thus, the feedback environment provides the background for effective coaching and feedback exchanges. The current article posits that subordinates’ perceptions of the feedback environment created by their supervisors will be positively related to their perceptions of their coaching relationships.

**Hypothesis 4:** Subordinate perceptions of the feedback environment will be positively related to perceptions of the quality of the coaching relationship.

**Trust.** A number of authors have cited the essential role of trust in the success of coaching relationships (Graham, Wedman, & Garvin-Kester, 1994; Gyllensten & Palmer, 2007; Hunt & Weintraub, 2002; Ting & Riddle, 2006). Gyllensten and Palmer (2007) identified a supervisor’s ability to imbue trust into the coaching relationship as one of the main factors for predicting coaching success. Phillips (1998) notes that establishing mutual trust is one of the primary steps involved in the coaching process. Similarly, Hunt and Weintraub (2002) note that trust in the supervisor/subordinate relationship is “probably the most important element” of a context for coaching. In other words, a trusting relationship between the supervisor and subordinate is an important foundation or precursor for effective coaching.

The current article adopts McAllister’s (1995) conceptualization of trust—one that includes both cognitive and affective components. The development of trust in a coaching supervisor appears to be a critical precondition for an effective coaching relationship. Smither and Reilly (2001) suggest that the coaching relationship provides the foundation for subsequent coaching activity. They note that in addition to being seen as likable and competent, supervisors must also be seen as trustworthy by subordinates in order to establish an effective coaching relationship. Likewise, Ting and Riddle (2006) note that a trusting relationship is “a precursor to effective coaching” (p. 36) and that the success of coaching is contingent on the development of trust between the coaching supervisor and subordinate. The current article seeks to build on this notion of trust as a precondition to an effective coaching relationship. We predict that trust in one’s supervisor, as indicated by a subordinate, will be directly related to perceptions of coaching.

**Hypothesis 5:** Subordinate trust in supervisor will be positively related to perceptions of the quality of the coaching relationship.
While Smither and Reilly (2001) discuss the importance of trust to an effective coaching relationship, they also raise the question of how effective coaching managers establish trust. Research has consistently demonstrated the influence of one previously discussed construct on subordinate trust: transformational leadership. Dirks and Ferrin’s (2002) meta-analysis yielded a corrected correlation of $r = .79$ ($p < .01$) for transformational leadership and trust in one’s supervisor. Both these authors and Burke and colleagues (Burke, Sims, Lazzara, & Salas, 2007) conceptualize this relationship as causal, such that transformational leadership is an important antecedent to the development of supervisor trust. In addition, Jung and Avolio (2000) found that supervisor trust partially mediated the relationship between transformational leadership and outcomes such as quality and quantity of subordinate job performance and subordinate satisfaction. They cite Podsakoff and colleagues’ (Podsakoff, Mackenzie, Moorman, & Fetter, 1990) contention that followers’ trust in their leaders has been considered “one of the most important variables that can mediate the effectiveness of transformational leadership” (Jung & Avolio, 2000, p. 951).

Thus, we expand on Hypotheses 1a and 5, by drawing on the theory that transformational leadership can be an important antecedent to trust. In doing so, we propose that the effect of transformational leadership on the coaching relationship is partially mediated by subordinates’ trust in their supervisors. Previous research (Jung & Avolio, 2000) has demonstrated that the mediating role of trust on the relationship between transformational leadership and outcome variables (e.g., satisfaction, performance) is only partial. In other words, transformational leadership still has a direct effect on outcomes above and beyond the indirect effect via trust. Following from this theory, Hypothesis 6 proposes that subordinates’ trust in their supervisors partially mediates the effect of transformational leadership on subordinate perceptions of the coaching relationship.

**Hypothesis 6:** Subordinate trust partially mediates the effect of supervisor self-reported transformational leadership on subordinate perceptions of the quality of the coaching relationship.

### Interactive empathy

Another subordinate-rated variable—interactive empathy—is expected to partially mediate the effect of supervisor emotional intelligence on subordinate perceptions of the coaching relationship. Recent research has begun to explore a “darker” side of emotional intelligence, one characterized by manipulative tendencies, cunning, and cleverness (Austin, Farrelly, Black, & Moore, 2007; Carr, 2000). Although Austin and colleagues (2007) did not find a relationship between Machiavellianism and emotional intelligence, they contend that high emotional intelligence could be wielded in devious or antisocial ways, such as emotional manipulation. Kellet, Humphrey, and Sleeth (2006) found that interactive empathy mediated the effect of emotional intelligence on leadership ratings. They not only emphasize the importance of a leader’s ability to understand and influence a follower’s emotions, but also suggest that a lack of empathy may lead to subordinate perceptions of the leader as “keen” and “Machiavellian” (Kellet et al., p. 151). In other words, if subordinates do not feel as though their supervisors are empathic and concerned with their emotional well-being, highly emotional intelligent supervisors may come across as cunning or manipulative.

Thus, if high emotional intelligence has potentially negative implications, it is possible that a subordinate’s perceptions of empathy in his or her supervisor are critical for supervisor emotional intelligence to have positive effects on subordinates’ perceptions. Drawing from these pieces of research, we suggest that the effect of supervisor emotional intelligence on subordinate perceptions of the coaching relationship occurs via subordinate perceptions of supervisor empathy, where higher perceptions of empathy relate positively to subordinate perceptions of the coaching relationship.

**Hypothesis 7:** Subordinate perceptions of supervisor empathy will mediate the relationship between supervisor self-reported emotional intelligence and subordinate perceptions of the quality of the coaching relationship.
In sum, the purpose of the current study is to develop and test a model of the antecedents to effective employee coaching relationships, with particular emphasis on supervisor individual differences. Figure 1 illustrates these seven hypotheses.

Method

Participants

Participants were recruited from a large Fortune 500 global manufacturing organization. A total of 221 supervisors and 1,290 of their direct reports were selected to participate in the current study. Only supervisors who had “front-line” management responsibility and whose subordinates were considered to be “individual contributors” (e.g., do not supervise others) were included. In addition, only those direct reports who were classified in “professional grade” positions were included in the sample (e.g., no hourly, contingent, or temporary associates). Only individuals working in the United States were included in the participant pool to assuage the effects of cultural differences. A total of 155 supervisors and 729 direct reports completed the survey, for response rates of 73% and 56%, respectively. Some supervisor and direct report data were discarded from the sample because their direct reports or supervisor failed to respond, resulting in a final sample of 146 supervisors and 556 of their direct reports. The total number of direct reports per supervisor varied widely, from as few as two to as many as 20, with an average of three subordinates per supervisor.

Eighty-one percent of the 146 supervisors were male. Ninety-five percent identified themselves as white or Caucasian. The average age of supervisors was 47.2 years ($SD = 7.8$). Eighty-nine percent of supervisors had completed college or graduate degrees. Supervisors’ average tenure with the organization was 18.7 years ($SD = 10.8$), and average tenure in their current jobs was 4.0 years ($SD = 3.9$). Similarly, 72% of the 556 subordinates were male. Ninety percent of subordinates

![Figure 1. Variables expected to impact employee coaching relationships.](image-url)
identified themselves as white or Caucasian. The average age of subordinates was 45.2 (SD = 10.0). Sixty-eight percent of subordinates indicated that they had completed a college or graduate degree as their highest level of education; the remaining 32% had completed high school or an associate’s degree. Subordinates’ average tenure with the organization was 15.5 years (SD = 11.6), average tenure in their current jobs was 6.0 years (SD = 6.1), and average tenure with their current supervisors was 2.8 years (SD = 3.3). When reporting their demographics and work data, subordinates were also asked to report the extent to which they interacted with their supervisors in an average week.

All participants completed survey measures online at their convenience during working hours. The measures included in the surveys are listed in the section that follows. Participants were given 2 weeks to complete the survey.

**Measures**

**Transformational leadership.** Supervisor transformational leadership was assessed using the Multifactor Leadership Questionnaire short form (MLQ-5X; Bass & Avolio, 1995). Permission for use was purchased by the authors in April 2009. The current study used the five subscales of transformational leadership, including idealized influence-attributed, idealized influence-behavior, inspirational motivation, intellectual stimulation, and individualized consideration. Each subscale in the short form is comprised of four items. Overall, transformational leadership scores were calculated by summing scores on each subscale. This measure was completed by supervisors only. A sample item includes, “I treat others as individuals rather than just as a member of a group” (individual consideration). Internal consistency reliability in the current study was acceptable, with an alpha of $\alpha = .86$ for the entire scale, and an alpha of $\alpha = .72$ for the individual consideration dimension, which is the only individual dimension that is examined in the current study.

**Emotional intelligence.** Emotional intelligence was measured with Wong and Law’s (2002) 16-item self-report measure. This measure aligns with Mayer and Salovey’s (1997) conceptualization of emotional intelligence, with items mapping onto their four dimensions: self-emotion appraisal, others’ emotion appraisal, regulation of emotion, and use of emotion. Sample items include “I have a good sense of why I have certain feelings” (self-emotion appraisal), “I always know my friends’ emotions from their behavior” (others’ emotion appraisal), “I am able to control my temper and handle difficulties rationally” (regulation of emotion), and “I would always encourage myself to try my best” (use of emotion). Internal consistency reliability for the overall scale was acceptable, with an alpha of $\alpha = .85$. The emotional intelligence measure was completed by supervisors only.

**IPT.** IPT was assessed using Chiu, Hong, and Dweck’s (1997) 8-item measure. This measure was completed by supervisors only. Internal consistency reliability for this measure was acceptable, with an alpha of $\alpha = .90$. The scale contains items phrased in terms of both entity and incremental IPT. A sample item includes, “Everyone is a certain kind of person and there is not much that can be done to really change that.” Responses to entity items were reverse scored and total IPT score calculated for each participant, where lower scores correspond to lower incremental beliefs. While some authors advocate classifying participants as either “entity” or “incremental” based on their scores, IPT was used as a continuous variable in the current study, as it has been in Heslin et al.’s work.

**Feedback environment.** A 21-item shortened version of Steelman et al.’s (2004) Feedback Environment Scale was used to assess subordinates’ perceptions of the feedback environment (Rosen, 2006). This short-form version includes three items for each of the seven facets of the feedback environment, including supervisor credibility, frequency of favorable feedback, frequency of unfavorable feedback, supervisor availability, quality of feedback, feedback delivery, and promotion of feedback seeking. This scale can be completed with respect to either a supervisor or coworkers. In the current study, participants completed the scale with their supervisors in mind. A sample item includes, “My supervisor gives me useful feedback about my job performance.” Internal consistency reliability was acceptable, with an alpha of $\alpha = .95$ for the full scale.

**Trust.** Trust in supervisor was assessed using McAllister’s (1995) 11-item measure. Items are intended to capture both the cognitive and affective components of trust. A sample item includes,
“Most people, even those who aren’t close friends of my supervisor, trust and respect him/her as a coworker.” The measure yielded acceptable internal consistency reliability, with an alpha of $\alpha = .92$. This measure was completed by subordinates.

**Interactive empathy.** Interactive empathy was assessed using an adaptation of Kellet et al.’s (2006) 5-item measure. The original measure was intended to assess interactive empathy among peers; the measure was adapted to be in reference to one’s supervisor for the current study. A sample item includes, “My supervisor feels emotions that I experience.” The measure had acceptable internal consistency reliability, with an alpha of $\alpha = .87$. Only subordinates completed the interactive empathy measure.

**Perceived quality of the employee coaching relationship.** Subordinates also completed Gregory and Levy’s (2010) PQECR scale. The measure serves as the primary dependent variable for the current study. The measure consists of 12 items, with three items for each of four dimensions: genuineness of the relationship, effective communication, comfort with the relationship, and facilitating development. A sample item includes, “I feel at ease talking with my supervisor about my job performance” (comfort with the relationship). The full measure can be found in the appendix at the end of the manuscript. The measure demonstrated acceptable internal consistency reliability with an alpha of $\alpha = .96$.

**Liking.** The “affect” subscale of Liden and Maslyn’s (1998) measure of LMX, which is commonly used to assess liking, was also included. Brown and Keeping (2005) have demonstrated that ratings on the MLQ (transformational leadership) are highly correlated with liking one’s supervisor and suggest controlling for liking in analyses using transformational leadership as a predictor. A sample item includes, “I like my supervisor very much as a person.” The measure demonstrated acceptable internal consistency reliability, with an alpha of $\alpha = .90$. This measure was completed by subordinates.

Correlations can be found in Tables 1 and 2. Because of the nested nature of the data, supervisor- and subordinate-rated variables cannot be combined, because the data violate many key assumptions of regression-type analyses, such as homoscedasticity and independence of observations (Hoffman, 1997).

**Data Analytic Strategy**

Data were analyzed in SPSS version 15 using multilevel linear modeling (MLM), which allows for an examination of effects at both the group/supervisor and individual/subordinate level. Specifically, in the current study, individual-level, or level one variables are those reported by subordinates, whereas level two variables are those reported by supervisors. Subordinates are grouped or “nested” according to their supervisors. The goal of hypothesis testing in MLM is to explain significant within-group and between-group variance on the dependent variable. In the current study, within-group variance represents differences among subordinates who report to the same supervisor, whereas between-group variance represents differences in average scores across groups and supervisors.

<table>
<thead>
<tr>
<th>Table 1</th>
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<tbody>
<tr>
<td><strong>Means, SDs, and Correlations for Key Subordinate-Rated Variables</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1. Frequency of interaction</td>
</tr>
<tr>
<td>2. Liking</td>
</tr>
<tr>
<td>3. Trust</td>
</tr>
<tr>
<td>4. Feedback environment</td>
</tr>
<tr>
<td>5. Empathy</td>
</tr>
<tr>
<td>6. PQECR</td>
</tr>
</tbody>
</table>

*Note.* PQECR = perceived quality of the employee coaching relationship. Only variables included in hypotheses are included. All correlations significant at $p < .01$. 
A few points regarding MLM. To facilitate the reader's understanding of the MLM results that are presented in the pages that follow, a few points regarding MLM analyses are worth noting. First, effects in MLM can be specified as either “fixed” or “random” (Kreft & DeLeeuw, 1998). These terms apply to potential differences in the expected relationship between an independent variable (IV) and dependent variable (DV). In other words, a fixed effect implies that the slope of the relationship between the IV and DV is consistent across groups, whereas a random effect implies that slope varies across groups. The current study is interested solely in fixed effects.

A second key point regarding MLM analyses is the precursor for all hypothesis tests: the intercepts-only model, which demonstrates whether or not significant group differences on the dependent variable exist (Kreft & de Leeuw, 1998) and is a critical prerequisite to any hypothesis testing. If no group differences exist, then there is nothing to predict, as the goal of MLM is to reduce or explain group differences on the dependent variable with predictor variables. If the between-group variance is not significant, then there is nothing to predict and hypothesis testing cannot be done for between-group differences. It is likely that the intercepts-only model will always show within-group differences, however, because within-group variance is difficult to reduce to a point of nonsignificance because innumerable individual differences (e.g., personality, mood, past life experiences, etc.) could be contributing to within-group differences.

A third point regarding MLM analysis pertains to effect sizes, which are not as clear-cut as those in, for example, regression models. Some authors advise against examining individual coefficients and simply focusing on overall model fit (Kreft & de Leeuw, 1998). The two aspects of MLM output that are of the greatest interest are 1) the log likelihood and 2) the variances of the residual and intercept. The log likelihood is an index of model fit, wherein the smaller the log likelihood, the better the model fit. The goal of hypothesis testing in MLM is to reduce the value of the log likelihood compared with the intercepts-only model. The significance of the difference in log likelihood between two models can be determined with a chi-square table, using the change in estimated parameters between the two models as the degrees of freedom. A significant change in log likelihood across two models indicates that the second model is a significantly better fit to the data. A nonsignificant variance term for the intercept indicates that group differences on the dependent variable no longer exist, that all group differences have been accounted for by predictor variables. Likewise, a nonsignificant residual variance indicates that all within-group differences have been explained or that differences among group members no longer exist. In other words, whatever predictor variables have been included in a model that yields nonsignificant residual and intercept variance terms have accounted for all of the within-group or between-group differences, respectively, on the dependent variable.

The difference in variance terms from one model to the next can be used to calculate the proportion reduction (PR) in those variance terms (Raudenbush & Bryk, 2002; Singer & Willett,

### Table 2

**Means, SDs, and Correlations for Key Supervisor-Rated Variables**

<table>
<thead>
<tr>
<th>Variable</th>
<th>M (SD)</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Organizational tenure</td>
<td>17.35 (10.36)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>2. Number of subordinates</td>
<td>10.89 (8.60)</td>
<td>0.01</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>3. Transformational leadership</td>
<td>82.04 (7.97)</td>
<td>-0.20**</td>
<td>-0.01</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>4. Individual consideration</td>
<td>17.13 (2.15)</td>
<td>-0.15</td>
<td>0.06</td>
<td>0.68**</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>5. Emotional intelligence</td>
<td>65.90 (5.84)</td>
<td>-0.22**</td>
<td>-0.05</td>
<td>0.57**</td>
<td>0.36**</td>
<td>—</td>
</tr>
<tr>
<td>6. Implicit person theory</td>
<td>28.25 (4.93)</td>
<td>0.07</td>
<td>0.18</td>
<td>0.16</td>
<td>0.10</td>
<td>0.04</td>
</tr>
</tbody>
</table>

*Note.* Only variables included in hypotheses are included.

* Significant at $p < .05$. ** Significant at $p < .01$. 

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When using fixed effects the PR can be interpreted as an effect size, the significance of which is determined by demonstrating that the change in variance is greater than twice the change in estimated parameters from one model to the next (e.g., from the intercepts-only or baseline model to a hypothesized model; Kreft & de Leeuw, 1998). The PR is calculated by dividing this difference in variances by the baseline variance (e.g., from the intercepts-only model). The PR can then be interpreted as the percent of variance accounted for or a “pseudo” $R^2$ (Singer & Willett, 2003). This equation is presented in Figure 2.

These two pieces of information—log likelihood values and variance terms—will be presented for each hypothesis test. It is important to note that—based on the recommendation of MLM researchers (Kreft & de Leeuw, 1998)—hypotheses will be tested one at a time, as opposed to testing the full model presented in Figure 1. These authors recommend focusing on the results of each individual hypothesized model as a whole (wherein a “hypothesized model” includes the variables outlined in one specific hypothesis), as opposed to the effects of individual predictors included in each model. Effects of whole models (where a model corresponds to a single hypothesis), as opposed to individual effects of variables (such as $B$ weights in regression), are presented in both the text and tables.

**Results**

The first step in hypothesis testing was to examine the intercepts-only model for PQECR, which is the primary dependent variable. To review, the intercepts-only model does not include any predictor variables, but simply demonstrates that significant between-group and within-group differences exist for the dependent variable. A test of the intercepts-only model for PQECR revealed that significant between-group differences do, in fact, exist. This was evidenced by the significant variance of the intercept. As expected, there were also significant within-group differences, as evidenced by the significant residual variance. The results of this intercepts-only model are presented in Table 3.

**Covariates**

Based on correlations with independent and dependent variables, one variable was identified as an important covariate: the frequency with which supervisors and subordinates interacted. As noted in the description of our sample, subordinates were asked to rate the extent to which their supervisors interacted with them in an average week. This variable, which will be hereafter referred to as “frequency of interaction,” proved to be a significant predictor of PQECR. Frequency of interaction was also correlated with all of the level-one predictor variables. Therefore, frequency of interaction was included as a covariate in every hypothesis test. The effects of hypothesized independent variables, therefore, should be considered effects “above and beyond” the extent of supervisor/subordinate interactions.

**Tests of Hypotheses**

Hypothesis 1a posited that supervisors’ self-reported transformational leadership would predict subordinates’ ratings of PQECR. In addition to controlling for frequency of interaction, two other variables were identified (a priori) as important covariates. Past research has shown that both liking (e.g., subordinates’ reported liking of the manager) and manager gender are strongly related to

$$\text{Proportion Reduction (PR)} = \frac{\sigma^2(\text{intercepts-only model}) - \sigma^2(\text{hypothesized model})}{\sigma^2(\text{intercepts-only model})}$$

*Figure 2.* Equation for calculating the proportion reduction in variance. *Note:* The same equation is used for both residual and intercept variances.
transformational leadership. The test of Hypothesis 1a indicated that this model, which included three covariates and transformational leadership, was significantly better than the intercepts-only model (Δ in log likelihood = 437.16, p < .001). However, transformational leadership specifically was not significant above and beyond the three covariates, F = 2.52, p > .05. Thus, although the model overall showed significantly better fit, Hypothesis 1a was not supported. In addition, significant between-group variance remained, indicating that this model does not explain all of the between-group differences in PQECR. The results of Hypotheses 1a compared with the intercepts-only model can be found in Table 3.

Hypothesis 1b expands on Hypothesis 1a by stating that the individual consideration dimension of transformational leadership would predict subordinates’ ratings of PQECR. This model also included the three covariates included in the test of Hypothesis 1a. This model (Table 3) was significantly better than the baseline model for PQECR (Δ in log likelihood = 443.59, p < .001). In addition, individual consideration proved to be a significant predictor above and beyond the effects of the three covariates, thereby providing full support to Hypothesis 1b. The proportion reduction in variance (PR) calculation showed that this model accounted for 69% of the between-group variance in ratings of PQECR. In other words, when individual consideration and its corresponding covariates are taken into account, over two-thirds of the differences across groups disappear. Comparing this finding with the results of Hypothesis 1a suggests that leading with individual consideration is more important in forming high-quality coaching relationships than having an overall transformational leadership style.

Although individual consideration significantly predicted average group ratings of PQECR, it did not explain all between-group variability, because significant between-group differences in

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Note. PR = proportion reduction in variance; significant PRs are in bold; significance of PR based on a significant decrease in variance across models; intercept variance corresponds to between-group differences; residual variance corresponds to within-group differences. Δ in Log Likelihood is change compared with the intercepts-only model; Δ in variance is the change in the variance compared to the intercepts-only model.

1 Brown and Keeping (2005) demonstrated a strong correlation between scores on the MLQ and liking. Eagly and colleagues (2003) also demonstrated a strong effect for manager gender and transformational leadership, such that female leaders tend to be higher on transformational leadership.
2 To review, the significance of the change in log likelihood is determined using a chi-square distribution, wherein the difference in number of parameters estimated provides the degrees of freedom (df). Degrees of freedom for the hypothesis was 4, as seven parameters were estimated for Hypothesis 1a and three parameters were estimated for the baseline model. Only significance (p) values will be reported for tests of subsequent hypotheses, as the change in degrees of freedom never exceeds 4 in these analyses. Changes in log likelihoods in these model tests far exceed changes in estimated parameters or degrees of freedom.
PQECR still remained (as evidenced by significant variance in the intercept). The within-group variance in PQECR (that is, differences in PQECR among subordinates who report to the same supervisor) was reduced in the models for Hypotheses 1a and 1b. However, this reduction in variance is attributable to the two level-one covariates included in these models: liking and frequency of interaction, not transformational leadership or individual consideration.

Hypothesis 2 stated that supervisor emotional intelligence would explain significant group differences in PQECR. This model showed an improvement over the baseline model ($\Delta$ in log likelihood = 97.23, $p < .001$), including a significant reduction in between-group variance (Table 3). However, examination of individual effects showed that emotional intelligence was nonsignificant, $F = .081, p > .05$, indicating that the improvement in model fit is solely attributable to the effect of the covariate frequency of interaction. Thus, Hypothesis 2 was not supported.

Hypothesis 3 posited that supervisor IPT would explain significant group differences in PQECR. Like Hypothesis 2, this model was an improvement over the baseline model ($\Delta$ in log likelihood = 97.50, $p < .001$), including a reduction in between-group variance. However, like Hypothesis 2, this effect was attributable solely to frequency of interaction, as supervisor IPT did not have a significant effect, $F = .05, p > .05$. Hypothesis 3 was not supported, because supervisor IPT did not predict PQECR.

Hypothesis 4 examined the predictive relationship between subordinate perceptions of the feedback environment and their ratings of PQECR. This model was a vast improvement over the baseline model ($\Delta$ in log likelihood = 623.25, $p < .001$), accounting for approximately 75% of between-group variance. Despite this strong effect, however, significant between-group differences still remained; perceptions of the feedback environment did not explain all between-group variability in PQECR. In addition, the feedback environment was such a strong predictor of PQECR that it cancelled out the effect of frequency of interaction, making it nonsignificant (in other words, frequency of interaction did not account for any unique variance when included in a model with feedback environment). Results also revealed a significant reduction in within-group variance, with individuals’ perceptions of the feedback environment accounting for 65% of within-group differences in PQECR. This suggests that although several subordinates work in the same feedback environment created by their shared supervisor, they have different perceptions of that feedback environment, which contribute to their varying perceptions of their coaching relationships. Overall, strong support was found for Hypothesis 4.

Hypothesis 5 states that subordinate perceptions of trust will predict their ratings of PQECR. A test of this model (which also included the covariate, frequency of interaction) revealed the biggest improvement over the baseline model yet ($\Delta$ in log likelihood = 846.25, $p < .001$). Subordinate trust significantly predicted PQECR above and beyond frequency of interaction. More important, no between-group variance on PQECR remained after taking frequency of interaction and trust into consideration, as the model accounted for 98% of between-group differences in PQECR. When trust is taken into account, groups have essentially equal perceptions of the coaching relationship.

Trust also accounted for 74% of within-group variance. This indicates that subordinates working for the same supervisor vary widely in the extent to which they trust that supervisor and that within-group differences in PQECR are dramatically reduced when trust is accounted for. However, significant within-group differences in PQECR still existed, indicating that other factors above and beyond trust play important roles in subordinates’ perceptions of the coaching relationship. The results of Hypothesis 5 can be seen in Table 4. Overall, Hypothesis 5 was strongly supported.

Hypothesis 6 posited a meditational model in which the effect of supervisor transformational leadership on PQECR works through subordinate trust. Thus, this hypothesis draws on the relationships that were tested in Hypotheses 1a (transformational leadership predicting PQECR) and 5

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3 Significant within-group differences still existed, as well, but within-group differences are far more difficult to explain to the point of nonsignificance than are between-group differences. Innumerable individual difference variables could be impacting within-group differences—an investigation that is far beyond the scope of the current article. In addition, the focus of the current article is on explaining the between-group differences in PQECR, therefore less time will be devoted to within-group differences.
(trust predicting PQECR). While Hypothesis 5 received strong support, Hypothesis 1a was not supported. In addition, a test of the relationship between transformational leadership and trust showed that these two variables were unrelated, thereby negating the predicted meditational chain. Drawing on Baron and Kenny’s (1986) steps, two key steps for mediation were unsupported: the relationship between the IV (transformational leadership) and the mediator (trust) and the relationship between the IV (transformational leadership) and the DV (PQECR). Thus, Hypothesis 6 was not supported.

Like Hypothesis 6, Hypothesis 7 also builds on earlier hypotheses to create a meditational chain. Specifically, Hypothesis 7 predicts that the effect of emotional intelligence on PQECR is mediated by subordinates’ perceptions of empathy in their supervisors. Hypothesis 2, which posited that supervisor emotional intelligence predicts PQECR, was unsupported, thereby negating the meditational model before even considering the role of empathy. Supervisor emotional intelligence and subordinate perceptions of empathy were also unrelated. Thus, given that the data fail to conform to Baron and Kenny’s (1986) requirements that the IV predict both the mediator and DV, the predicted meditational relationship was not supported. Although Hypothesis 7 was not supported, one meaningful effect did arise from this meditational model. Subordinate perceptions of supervisor empathy explained significant between-group and within-group variability in PQECR. A model that included only empathy (and the covariate frequency of interaction) resulted in improved model fit compared with the baseline model of PQECR ($\Delta$ in log likelihood = 543.55, $p < .001$). This model also accounted for 73% of between-group differences and 60% of within-group differences in PQECR. This unexpected result suggests that what subordinates perceive about supervisor emotional abilities may be more predictive of their coaching relationships than supervisors’ own perceptions of their emotional abilities.

### Discussion

Overall, the results of the current study indicate that supervisors can help nurture high quality coaching relationships by leading with individual consideration, creating a positive feedback environment, building trust, and demonstrating empathy.

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4 The correlation between supervisor self-reported transformational leadership and trust as reported by one randomly selected subordinate per supervisor was $r = .05$, $p > .05$. However, we wish to note that this relationship between the individual consideration dimension of transformational leadership and trust was significant: $r = .23$, $p < .05$. 

---

Table 4

<table>
<thead>
<tr>
<th>Model</th>
<th>Log likelihood</th>
<th>$\Delta$ in log likelihood</th>
<th>Intercept Variance</th>
<th>$\Delta$ in variance</th>
<th>PR</th>
<th>Residual Variance</th>
<th>$\Delta$ in variance</th>
<th>PR</th>
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<td>—</td>
<td>15.24**</td>
<td>—</td>
<td>—</td>
<td>70.36**</td>
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</tr>
<tr>
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<td>100.28**</td>
<td>14.12**</td>
<td>1.12</td>
<td>.08</td>
<td>60.67**</td>
<td>9.69**</td>
<td>.14</td>
</tr>
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<td>846.25**</td>
<td>.18</td>
<td>15.06**</td>
<td>.98</td>
<td>18.03**</td>
<td>52.33**</td>
<td>.74</td>
</tr>
</tbody>
</table>

Note. PR = proportion reduction in variance; significant PRs are in bold; significance of PR based on significant reductions in variance across models; intercept variance corresponds to between-group differences; residual variance corresponds to within-group differences. $\Delta$ in Log likelihood is change compared with the intercepts-only model; $\Delta$ in variance is the change in the variance compared with the intercepts-only model. * $p < .05$. ** $p < .01$. 

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Hypotheses 1a and 1b examined the role of supervisor transformational leadership and individual consideration on subordinates’ perceptions of the coaching relationship. Hypothesis 1a was not supported, but Hypothesis 1b received strong support. Individual consideration pertains specifically to developing, mentoring, and coaching subordinates, as well as generally focusing on their unique needs, as opposed to taking a “one size fits all” approach to leadership (Avolio & Bass, 1995; Eagly et al., 2003). The results of Hypothesis 1b suggest that supervisors who adopt an individual consideration approach will foster more effective coaching relationships in the eyes of their subordinates. Supervisors can do this by taking time to understand subordinates’ unique needs, focusing on these unique needs through coaching, and showing genuine interest in and concern for individual subordinates’ needs, goals, and challenges, among other things (Avolio & Bass, 1995).

Because leadership style can change (Jung & Avolio, 2000), organizations can use this information to train and encourage supervisors to adopt an individual consideration approach to working with their subordinates. It is the general contention of this article that a good coaching relationship sets the stage for effective coaching and that, ideally, good coaching leads to improved performance. Supervisors who are able to tailor their interactions with subordinates to the subordinates’ unique needs should be more effective in coaching their subordinates to a higher level of performance. Future research should seek to replicate this effect, and also to revisit the nonsignificant effect of transformational leadership.

Hypothesis 2 posited that supervisor emotional intelligence would impact subordinate ratings of PQECR. This hypothesis was unsupported. There are a number of potential reasons why this relationship was nonsignificant. First and foremost is the possibility that there truly is no link between supervisor emotional intelligence and employee coaching relationships. However, the strong relationship between perceptions of supervisor empathy and PQECR (as demonstrated in Hypothesis 8) suggests that this is likely not the case. Specifically, subordinate ratings of the extent to which their supervisors understand and experience their emotions were influential in their perceptions of the coaching relationship. This finding suggests that perhaps the failure to support Hypothesis 2 rests in either the measurement of emotional intelligence or low supervisor self-awareness. Self-report measures of emotional intelligence may be susceptible to “faking” and socially desirable responding (Brackett, Rivers, Shiffman, Lerner, & Salovey, 2006). In other words, supervisors may indicate through their responses that they understand and care about their own and others’ emotions because it seems appropriate, when in fact, they have low emotional abilities.

Past research has demonstrated the inferiority of self-report measures of emotional intelligence compared with other performance-based measures. Brackett and colleagues (2006) demonstrated that performance-based and self-report approaches to assessing emotional intelligence are not strongly related ($r = .19$), and interpret this discrepancy as stemming from problems with self-report measures. For example, self-report measures have the potential to be somewhat inflated by positive illusions or skewed by low self-awareness regarding emotional abilities. Supervisors with low self-awareness may not actually realize that they have low emotional abilities, thereby leading them to overestimate their emotional intelligence on a self-report measure. Jumping ahead to Hypothesis 7, the strong effect for empathy (which was rated by subordinates rather than supervisors) and lack of relationship between empathy and emotional intelligence suggest that supervisors may not be effective in perceiving and rating their own emotional abilities. The empathy–PQECR relationship indicates that when subordinates believe that their supervisors truly care about and even experience their own emotions, they are likely to have a higher-quality coaching relationship.

This role of perceived empathy was not expected to be particularly important—simply a step along the way in the tie between emotional intelligence and PQECR. However, the results of the current study suggest that perceived empathy may be an important component in subordinates’ perceptions and experience of coaching relationships and that subordinate perceptions may be more important than supervisors’ self-reported behaviors. In other words, a supervisor may think that he or she is effective in understanding and responding to others’ emotions, but if others do not feel the same way, the supervisors’ ratings are irrelevant. On the other hand, supervisors may actually be very effective in understanding others’ emotions, but simply do not convey interest in or concern
for others’ emotions. It is also important to note that the effect of empathy may be heightened because of same source effects.

In sum, we suspect that the failure to support Hypotheses 2 and 7 is a measurement or participant-response issue. This role of supervisor emotional intelligence in employee coaching should be reexamined in future research. Future research could account for measurement concerns by using a performance-based measure, such as the MSCEIT (Mayer Salovey Caruso Emotional Intelligence Test; Mayer, Salovey, & Caruso, 2002). Wong and Law’s (2002) self-report measure was used in the current study in the interest of practicality and expense. Self-report measures are short and simple to administer, making them the practical choice for the design and data collection procedures (e.g., survey-based, in an organization) of the current study.

Hypothesis 3, which stated that supervisor IPT would predict subordinate PQECR, was also unsupported. The inability to find meaningful relationships with supervisor IPT was surprising. The theory adopted in the current study is that supervisors who believe people can change (e.g., incremental theory) will be more likely to invest time and energy into trying to develop (change) their subordinates, whereas supervisors who do not think people can change (e.g., entity theory) are unlikely to invest time and energy into developing subordinates through employee coaching. The means and standard deviations for supervisor IPT were consistent with previous research, indicating that participants in the current study were not unusual in their responses. It is possible, of course, that supervisors could have inflated their responses—giving the illusion that they have an incremental IPT when, in fact, they do not, because having an incremental IPT may seem more desirable. It is also possible that supervisors like to believe that “people in general” can change (which is how the measure items were worded), but fail to see the potential in specific individuals whom they supervise. For example, a supervisor may honestly indicate an incremental IPT, but have stereotypes or preexisting beliefs about particular subordinates being “set in their ways” and therefore not working to coach and develop them.

Another possible explanation is that supervisors who have an incremental IPT somehow lack the time or resources to fully invest in coaching relationships with their subordinates. Although supervisors may intend to coach and develop their subordinates, they may not actually get around to it. In this case, organizations should ensure that they are communicating the importance of employee coaching by both training and rewarding supervisors for coaching their employees.

Hypothesis 4 demonstrated the importance of the feedback environment to subordinate perceptions of the coaching relationship. In their seminal article on performance management, London and Smither (2002) noted that the feedback environment is the context in which coaching occurs and that a positive feedback environment sets the stage for effective coaching. Indeed, the strong effect found for Hypothesis 4 provides some of the first empirical support for this proposition. Subordinate perceptions of the feedback environment were one of the strongest predictors of PQECR. This effect was significant at both the within- and between-group levels, indicating that not only are group average perceptions related to average ratings of PQECR, but that individual variability in perceptions of the feedback environment explain differences in ratings of PQECR among group members. In other words, there is a group “norm” for perceptions of the feedback environment, as well as individual uniqueness in those perceptions among subordinates nested under the same supervisor.

The results of Hypothesis 4 highlight the importance of not only context, but also feedback for effective employee coaching. These results clearly demonstrate that supervisors’ feedback-related behavior creates a culture that influences perceptions of coaching for the entire workgroup, and that subordinates’ individual perceptions of this environment can vary. Future research should seek to replicate and further investigate this relationship, which underscores the importance of a “context for coaching.” It is possible that the feedback environment could set the tone for the effect of other supervisor behaviors on coaching relationships. Specifically, supervisor emotional intelligence and leadership style may have a bigger impact on coaching relationships when a positive feedback environment already exists. We strongly recommend that future research investigate this effect.

One of the best predictors of PQECR in the current study was subordinate trust. Hypothesis 5 stated that subordinate trust would predict perceptions of the coaching relationship. This hypothesis received very strong support at both the within- and between-group level. A great deal of past
coaching research has discussed the importance of trust for effective coaching and coaching relationships (Graham et al., 1994; Gyllensten & Palmer, 2007; Hunt & Weintraub, 2002; Phillips, 1998; Ting & Riddle, 2006), but this relationship had yet to be examined empirically. The current study provides convincing evidence of the critical role of trust in employee coaching. Trust was so important, in fact, that no significant between-group variance remained in perceived quality of the coaching relationship when trust was taken into account. While other variables proved to be important to the perceived quality of coaching relationships, one could argue that trust was the most important variable.

Trust also explained significant within-group differences in PQECR, indicating that, although groups have meaningful “average” levels of trust that explain their average ratings of PQECR, individual subordinates within each group also differ significantly in their ratings of trust. When trust was taken into account, 74% of the within-group variability in ratings of PQECR was explained. While the remaining variance was still significant, it is clear that individual ratings of trust are driving the variability in perceptions of the coaching relationship across subordinates nested under a single supervisor.

Future employee coaching research should devote particular attention to the role of subordinate trust. The general contention of the current article is that the coaching relationship is a prerequisite to effective coaching. Without sufficient trust, a high-quality coaching relationship will be difficult to achieve, in which case effective coaching and performance improvement will be stifled. Organizations can educate supervisors on engaging in behaviors that build or foster trust among their subordinates. It is important to note that the items included in McAllister’s (1995) trust measure are similar to the items in the PQECR, because both scales make reference to the supervisor/subordinate relationship. Thus, we also recommend that future research examine subordinate trust using other measures to account for any measurement artifacts.

Hypothesis 6 built on the results of Hypotheses 1a and 5 to test a meditational chain with transformational leadership, trust, and PQECR. As discussed previously, Hypothesis 1a (transformational leadership predicting PQECR) was not supported. In addition, transformational leadership was not related to subordinate trust. This relationship was also tested using the individual consideration dimension of transformational leadership; however, individual consideration was also unrelated to trust. It is unclear exactly why transformational leadership and trust were unrelated. A number of authors (Burke et al., 2007; Dirks & Ferrin, 2002; Jung & Avolio, 2000; Podsakoff et al., 1990) have discussed and demonstrated the strong relationship between transformational leadership and trust. Specifically, in their meta-analysis on the role of trust in leadership research, Dirks and Ferrin noted that trust has been discussed most often in the transformational leadership literature. Theory suggests that transformational leaders engage in behaviors—such as showing genuine care, concern, and respect (Jung & Avolio, 2000)—that build trust among their subordinates (Dirks & Ferrin, 2002).

The inability to replicate such a consistent effect is surprising. One probable explanation is the measurement of trust and transformational leadership. Specifically, both variables were reported by subordinates in previous research (Jung & Avolio, 2000). Perhaps having supervisors self-report their leadership style prevented replication of this effect. It is possible—as with emotional intelligence—that supervisors are not entirely aware of the effect of their leadership style on subordinates. Thus, supervisors’ opinions of their leadership behaviors may be very different from subordinates’ perceptions of leader behavior. In addition to low self-awareness, supervisors may have simply engaged in socially desirable responding when completing the MLQ (as discussed by Bass & Yammarino, 1991). For example, supervisors may have felt inclined to respond positively to items such as “I act in ways that build others’ respect for me” or “I consider moral and ethical consequences of decisions,” (sample items from the MLQ; Bass & Avolio, 1995), even if they did not honestly feel this way.

In addition, there is a possibility that same-source effects contributed to inflated relationships between trust and transformational leadership in previous research in which subordinates completed both measures. Overall, future research should seek to reexamine the relationship between trust and transformational leadership in the coaching context. Past research has demonstrated a strong link
between these two constructs, but the lack of effect here suggests that the relationship might be between perceptions of transformational leadership behavior and trust.

Limitations

Several limitations to the current research are worth noting. Of greatest significance is the influence of same-source effects on our results. Specifically, relationships between variables tend to be higher when they have been provided by the same person (e.g., comparing two subordinate-rated variables as opposed to one subordinate-rated and one supervisor-rated variable). Many of the strongest effects uncovered in this study are likely inflated as a result of our study design, such as the trust/PQECR relationship and the feedback environment/PQECR relationship. We acknowledge that this is a significant limitation of the current study and encourage other researchers to limit their reliance on same source designs.

Another cause for concern is state of the organization during data collection. The 2-week timeframe in which data were collected was sandwiched between two rounds of layoffs. This restructuring resulted in average downsizing of 10% to 15% across departments. Employees knew about the restructure and were expecting to learn about lay-off decisions in the weeks following data collection.

Thus, the timing of data collection was unfortunate. Employees were reminded that the current study was unrelated to the restructuring, but open-ended comments indicated that some employees were skeptical and paranoid—they suspected that the data from the current study would be used to inform restructuring decisions. As a result, it is likely that the current state of affairs at the focal organization influenced participants’ responses to survey items. Specifically, participants—both supervisors and subordinates alike—may have engaged in some socially desirable responding in an effort to make themselves “look better” to the organization. Fear and paranoia that the study would be used to inform lay-off decisions may have led some supervisors to inflate their responses to measures like transformational leadership and implicit person theory, which have items that relate to developing and inspiring others—two facets of the organization’s competency model for effective managers. In addition, subordinates may have had legitimately diminished trust in their supervisors because of management’s role in lay-off decisions, thereby leading subordinates to have lower responses to the trust measure.

Considering the potential impact that such organizational turmoil could have had, the results of the current study are even more noteworthy. While not all hypotheses were supported, many important findings resulted from the current study. The results of the study suggest that even in times of organizational uncertainty supervisors continue to coach and develop their subordinates. This finding is important, as employee development becomes even more valuable during times of downsizing when organizations have fewer resources yet are expected to sustain results.

Another limitation of this research was the reliance on self-report measures, which can be subject to socially desirable responding. For example, self-report measures of emotional intelligence are easier to distort than performance-based measures (Brackett et al., 2006). Based on the constraints of collecting data during work hours with several hundred employees, performance-based measures were simply not feasible, as they tend to be time-consuming, as well as costly.

Finally, we wish to note that the absence of performance data is a significant limitation of our study. The results of the research would have been more meaningful if we had included performance data to show the actual impact of coaching and effective coaching relationships. A major limitation of this and other coaching studies is the lack of evidence that coaching actually results in improved performance. Some studies have demonstrated positive effects of coaching (Ellinger, Ellinger, & Keller, 2003; Seifert, Yukl, & McDonald, 2003; Smither et al., 2003), but far more investigations into the impact of coaching on actual performance are needed if the coaching literature (and practice) is to be sustained. We strongly recommend that future coaching research take the next step to evaluate the impact of coaching on performance.
Final Thoughts

While not all hypotheses were supported, the current study has contributed to the coaching literature by identifying particular variables that are critical for the development of an effective coaching relationship. Overall, the study demonstrated the importance of individual consideration in leadership, trust, supervisor empathy, a strong feedback environment, and regular supervisor-subordinate interaction, for high-quality coaching relationships. Each of these predictors is within the control of the supervisor. Supervisors can learn to lead with individual consideration. They can engage in behaviors that foster trust among their subordinates, such as treating subordinates fairly, being reliable, following through on commitments, and encouraging open communication. They can demonstrate genuine empathy in response to subordinates’ emotional displays. Supervisors can also shape the feedback environment that is perceived by subordinates. By providing both positive and negative feedback often and in a constructive way, supervisors help to create the context for coaching. Finally, and most simply, supervisors need to ensure that they are interacting regularly with their subordinates. Organizations can encourage these behaviors through training and linkages to performance management systems (e.g., holding supervisors accountable to engage in these behaviors).

A number of suggestions for future research and practice were outlined in the discussion of the individual hypotheses. In sum, we suggest that future research should focus on replicating and building on supported effects, reexamining unsupported effects, and expanding the scope of this research to examine other influential variables. Finally, we believe that in order to take coaching research to the next level, future research must examine the link between coaching and important organizational outcome variables, such as turnover/retention (does good employee coaching contribute to retention or decreased turnover intentions?) and attitudes (does good employee coaching lead to higher job satisfaction and/or organizational commitment?). The literature on coaching is full of open doors where extensive research is needed. All in all, the results of the current study are encouraging. They suggest that certain factors clearly relate to supervisor/subordinate coaching relationships. The ultimate contribution of the current study depends on the willingness of other researchers to build on the relationships and effects investigated herein. Ideally, this article is part of the beginning, not the premature end, of empirical research on employee coaching relationships, the variables that contribute to them, and their effects on performance and behavior change.

References


Appendix follows on next page
# Appendix

**The Full Perceived Quality of the Employee Coaching Relationship (PQECR) scale (Gregory & Levy, 2010)**

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Items</th>
</tr>
</thead>
</table>
| Genuineness of the relationship  | 1. My supervisor and I have mutual respect for one another.  
2. I believe that my supervisor truly cares about me.  
3. I believe my supervisor feels a sense of commitment to me. |
| Effective communication          | 4. My supervisor is a good listener.  
5. My supervisor is easy to talk to.  
6. My supervisor is effective at communicating with me.  
7. I feel at ease talking with my supervisor about my job performance. |
| Comfort with the relationship    | 8. I am content to discuss my concerns or troubles with my supervisor.  
9. I feel safe being open and honest with my supervisor.  
10. My supervisor helps me to identify and build upon my strengths. |
| Facilitating development         | 11. My supervisor enables me to develop as an employee of our organization.  
12. My supervisor engages in activities that help me to unlock my potential. |

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