

From Culture to Conversation: How Deliberately Developmental Organizations Drive Employee Performance and Well-Being Through Everyday Coaching Dialogues

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Abstract:

Deliberately Developmental Organizations (DDOs) embed continuous human growth into daily work routines. The behavioral mechanisms through which such cultures produce measurable employee outcomes remain empirically underexplored. This paper examines whether everyday coaching conversations mediate the relationship between perceived DDO culture, job performance, and workplace well-being. A cross-sectional online survey was administered to 131 employees across organizations varying in perceived DDO alignment ($M = 31.45$ years; 71.8% female). Spearman correlations, Mann-Whitney group comparisons, multiple linear regression, and bootstrapped mediation analyses were applied. Perceived DDO culture positively predicted job performance ($\rho = .209, p = .017$), productivity change ($\rho = .315, p < .001$), and workplace well-being ($\rho = .634, p < .001$). Coaching conversations partially mediated the DDO–performance and DDO–well-being pathways. Coaching conversations fully mediated the coaching effectiveness–well-being pathway. Formal coaching participation showed a small negative association with DDO culture ($\rho = -.162, p = .065$), consistent with informal developmental embedding. Regression explained 43.7% of the variance in job performance. Productivity change and coaching effectiveness were significant predictors. Workplace well-being was not a significant direct predictor. DDO culture produces outcomes only when enacted through frequent developmental dialogue. Organizations should embed coaching into daily interactions rather than relying on formal programs. Future research should employ longitudinal designs to establish causal directionality and replicate findings across culturally diverse samples.

Keywords:

Deliberately Developmental Organization, Coaching Conversations, Workplace Well-Being, Job Performance, Organizational Culture

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Introduction

Modern organizations are under rising pressure to cultivate workplaces that promote high performance, support employee well-being, and facilitate ongoing personal development. In a time characterized by rapid technological progress, increasing workforce complexity, and heightened demands for flexibility, traditional management approaches, focused on task completion, hierarchical oversight, and infrequent training, are no longer sufficient. Evidence underscores the urgency of this issue: Gallup's (2023) global workforce report indicates that only 23% of employees worldwide are actively engaged, while the International Coaching Federation's (2023) Global Coaching Study reports that active coach practitioners generated \$4.564 billion USD in annual coaching revenue, a 60% increase since 2019 with over 109,200 professional coaches now practicing worldwide, showing significant organizational investment in talent development. Despite these investments, the key factors that make developmental initiatives successful remain poorly understood. More organizations recognize that sustainable competitive advantage depends not only on what employees produce but also on whom they become through their work. This realization has renewed interest among researchers and practitioners in understanding the conditions that foster growth, success, and well-being at work (Edmondson, 2018; Grant, 2014; Schein, 2004).

Various organizational models have aimed to tackle these pressures, including learning organizations (Senge, 1990), high-performance work systems (Appelbaum et al., 2000), and psychologically safe workplaces (Edmondson, 2018). Among them, the Deliberately Developmental Organization (DDO), introduced by Kegan and Lahey (2016), stands out as the most cohesive and theoretically robust approach to integrating continuous human growth into organizational life. Unlike traditional companies that view employee development as secondary, DDOs often embed ongoing personal development into everyday work; they are not confined to quarterly updates or HR initiatives. In a DDO, development is a core aspect of organizational operations, not just an added benefit or program. All systems, norms, and routines are designed to push employees beyond current limits, recognize their boundaries, and help them move past them. The DDO model is built on three interconnected pillars: an edge (a commitment to developmental challenges), a home (psychological safety and community that encourage vulnerability), and a groove (daily practices and conversations that make development a habit). These pillars foster a culture where growth and performance support each other and are mutually reinforcing (Kegan & Lahey, 2016).

At the core of a DDO's functioning is coaching. In environments aligned with DDO principles, coaching extends beyond formal one-on-one sessions with external experts; it is embedded in daily interactions, peer discussions, supervisory feedback, team debriefings, and spontaneous developmental talks. The difference between formal and informal coaching is theoretically important. Grant (2003, 2006) and

Whitmore (2003) have shown that coaching improves self-awareness, goal achievement, resilience, and psychological health. Schaufeli and Bakker (2004) also highlight that the quality of workplace relationships, especially coaching conversations, is a strong indicator of work engagement and well-being. Nonetheless, how coaching practices within development-focused cultures lead to these results, and how organizational culture influences coaching effectiveness, remain empirically underexplored. Much research considers coaching as an individual intervention rather than a practice rooted in culture (Stober & Grant, 2006), creating a significant gap in understanding how developmental cultures and coaching interact to affect employee outcomes.

This study fills an important gap and makes two key contributions. First, it offers the first quantitative examination of coaching conversations as a mediating factor within DDO-aligned organizational cultures, advancing beyond the predominantly case-based and conceptual evidence in existing DDO research. Second, it creates and validates a specialized 12-item DDO Culture scale based on the twelve behavioral and structural markers of DDO theory, providing a reliable measurement tool for future research. Using survey data from employees in organizations with varying levels of perceived DDO alignment, the study investigates how the presence of DDO culture and the quality and frequency of coaching practices affect employee performance, productivity, mental well-being, and workplace satisfaction. By examining the direct effects of DDO culture and the mediating role of coaching conversations, it aims to clarify the behavioral and relational pathways through which developmental cultures impact outcomes, moving beyond simple correlations to a more nuanced, process-oriented understanding of culture's influence on employee experience.

This inquiry's importance goes beyond theory. Organizations around the world are investing heavily in coaching, culture change, and leadership development, often without a clear understanding of which cultural factors improve the effectiveness of these efforts (Edmondson, 2018; Grant, 2014). This study provides evidence-based insights into this issue. If DDO-aligned cultures consistently enhance the impact of coaching on employee outcomes, as theory suggests, organizations can better plan their development strategies, allocate resources, and measure success. Moreover, if a developmental culture affects outcomes through more and improved coaching conversations, organizations have a practical way to boost employee well-being and performance. This does not require major organizational overhauls but involves intentionally shaping everyday dialogue and interactions.

This paper aims to achieve two main goals: first, to present quantitative evidence on how perceived DDO culture, coaching practices, and employee outcomes are related; second, to examine whether coaching conversations function as a mediating factor linking organizational culture to performance and well-being. To accomplish this, the study pursues these specific objectives: (1) to measure employees' perceptions of DDO culture using a newly developed 12-item scale based on the theoretical markers of

DDO theory; (2) to examine the direct relationships among perceived DDO culture, coaching conversation frequency, coaching effectiveness, and employee outcomes such as job performance, productivity change, and workplace well-being; (3) to test the mediating role of coaching conversations in the relationship between DDO culture and employee outcomes through bootstrap mediation analyses; and (4) to evaluate how demographic factors including gender, role, and managerial responsibility, influence these relationships.

The study centers on four key research questions to achieve its objectives. The first investigates how applying Deliberately Developmental Organization principles influences employees' perceptions of their workplace experience and personal growth. It specifically examines whether employees in higher-DDO environments report better job performance and engage more frequently in coaching conversations than those in lower-DDO settings (H1a, H1b). The second question explores the relationship between coaching practices within DDOs and improvements in employee psychological well-being, assessing whether effective, performance-enhancing coaching correlates with higher levels of psychological and workplace well-being (H2). The third question considers the extent to which DDO-focused coaching practices impact employees' productivity, performance, and goal achievement. This includes two hypotheses: that engagement in coaching mediates the link between DDO culture and employee performance and engagement (H3a), and that productivity changes over the past 12 months are the strongest predictor of overall job performance (H3b). The final question explores how demographic factors such as gender, role, and managerial responsibility affect the impact of DDO and coaching practices on employee effectiveness and well-being. The study anticipates that demographic variables will explain only a small portion of the variation in outcomes compared to cultural and coaching factors, suggesting that performance and engagement are generally consistent across different demographic groups (H4).

Literature Review

Deliberately Developmental Organizations

Kegan and Lahey (2016) characterize Deliberately Developmental Organizations (DDOs) as entities that integrate ongoing employee development into daily work activities. Unlike conventional organizations, which often treat development as a separate annual review, training session, or external coaching, DDOs embed growth opportunities into everyday interactions, supervisory roles, and organizational procedures. DDOs are defined by three interconnected elements: a developmental edge, which involves pushing individuals beyond their current capabilities; a home base, serving as a community that offers the psychological safety necessary for taking growth risks; and a groove,

consisting of daily practices and conversational routines that foster and normalize developmental efforts throughout the organization.

Understanding that DDO theory is both logically coherent and convincing is important; however, it is based on limited empirical evidence. Kegan and Lahey's (2016) core research mainly depends on detailed case studies of three organizations, Bridgewater Associates, Decurion Corporation, and Next Jump, rather than extensive quantitative data. Later scholarly work on the DDO framework has mostly been theoretical and qualitative, leaving significant questions about its general applicability, scalability, and actual impact on employee outcomes largely open. This research explicitly fills this gap by presenting the first quantitative study on how perceived DDO culture affects employee performance and well-being, employing a specially developed measurement scale.

Within the DDO framework, organizational culture is best seen not as a list of values on a wall, but as a recurring pattern of interactions. Schein (2004) describes culture as the shared values, norms, and assumptions that influence behavior and interactions within an organization, highlighting that culture manifests through behavioral patterns rather than stated ideals. Support for the connection between culture and performance is well-documented: Hartnell et al.'s (2011) meta-analysis of 84 studies found that culture-related factors, especially those related to flexibility, human relations, and development, consistently accounted for significant differences in employee performance. Leithy (2017), using structural equation modeling in Egyptian organizations, showed that work behavior and attitudes mediate the link between culture and performance, indicating that culture's impact mainly occurs through behavioral pathways. Specifically, in the DDO, culture manifests through conversational practices, peer coaching, transparent feedback routines, and open developmental discussions held during regular meetings, supervisory interactions, and peer exchanges. It is this active enactment of culture through dialogue, rather than simply claiming developmental values, that sets a true DDO apart from an organization that only professes growth principles without structurally embedding them.

Taken together, these theoretical and empirical foundations generate the study's first hypothesis. If DDO-aligned cultures systematically create better behavioral conditions for growth, feedback, and developmental engagement, employees in such environments should experience better performance and well-being outcomes than those in less developmentally oriented organizations:

H1: Perceived DDO culture will be positively associated with job performance, productivity change, and workplace well-being.

Psychological Safety as a Structural Prerequisite

At the core of the DDO framework, an aspect often overlooked in current research, is the role of psychological safety in supporting a developmental culture. Edmondson (1999) describes psychological

safety as a shared belief that the team environment is safe for interpersonal risk-taking, and she has shown across various organizational settings that it is essential for learning, open communication, and the willingness to admit mistakes and limitations. In a DDO context, psychological safety is not just a benefit; it is a fundamental component. Without a true foundational community where employees feel safe enough to reveal their vulnerabilities and growth areas, the developmental process cannot work as intended.

Edmondson (2018) extends this argument by showing that organizations fostering fearless cultures, where open communication and learning from failure are the norm, consistently outperform those in which employees self-censor to protect their reputations. This is especially relevant in the DDO context, where the developmental advantage depends on employees continually confronting their current limitations. If the organizational climate does not make such self-disclosure psychologically safe, the developmental process of a DDO cannot function. This theoretical link provides the conceptual bridge between perceived DDO culture and its downstream effects: DDO culture leads to better outcomes partly because it creates the psychological conditions for coaching dialogue to be honest, growth-oriented, and free from defensive self-protection.

Coaching in Organizational Contexts

Organizational coaching is broadly defined as a collaborative, reflective, goal-oriented developmental process that enhances self-awareness, performance, and growth (Grant, 2003, 2014; Ives, 2008). Research consistently links coaching to improvements in performance, resilience, psychological well-being, and goal achievement across various organizational environments (Grant, 2006; Linder-Pelz & Hall, 2008). Linder-Pelz and Hall (2008) specifically show that coaching based on neuro-linguistic programming principles leads to measurable gains in coachee well-being and goal clarity, helping to build a broader evidence base that coaching, regardless of its specific theoretical approach, reliably improves reflective capacity and adaptive functioning. The coaching literature differentiates between formal coaching (scheduled, often externally delivered interventions) and informal or embedded coaching (developmental conversations embedded in daily work relationships and supervisory interactions) (Grant & Hartley, 2013; Grant, 2017; Pham & Nguyen, 2025). This distinction has significant implications for how coaching is assessed and researched within organizations.

In DDO settings, this distinction is especially important. DDO theory suggests that cultures focused on development shift coaching from formal programs to informal, embedded conversations, not because formal coaching does not work, but because developmental cultures make coaching a normal part of daily interaction instead of a special service. Whitmore (2003) emphasizes that effective coaching depends on continuous reflective dialogue rather than one-off interventions, arguing that growth is fundamentally relational and iterative, and cannot be fully supported by infrequent, scheduled meetings

alone. Grant (2006) similarly states that coaching has the biggest impact when it is ongoing and integrated into goal-driven work routines. When coaching becomes a routine, a normal daily interaction rather than a rare event, employees develop self-awareness, resilience, and adaptive skills in real time, rather than only during isolated coaching sessions (Stober & Grant, 2006).

This theoretical prediction that DDO-aligned cultures will shift developmental activity from formal programs to informal, embedded coaching conversations underpins the study's second hypothesis. As employees in higher-DDO environments find their developmental needs met through ongoing embedded dialogue, their dependence on formal, scheduled coaching programs should decrease accordingly:

H2: Perceived DDO culture will have a small negative relationship with participation in formal coaching programs, supporting the idea of informal developmental embedding.

The argument that DDO culture mainly works through coaching conversations, not just structural features, directly leads to a third hypothesis about mediation. If DDO culture boosts the frequency of coaching dialogue, and if coaching dialogue predicts performance and well-being, then coaching conversations should serve as a behavioral link connecting culture to outcomes. Partial rather than full mediation is expected because DDO culture is a multi-faceted construct that likely affects outcomes through other routes, including the direct effects of psychological safety, community belonging, and normative structures, which operate independently of coaching frequency (Edmondson, 1999; Schaufeli & Bakker, 2004):

H3: Coaching conversations will partially mediate the relationship between perceived DDO culture and both job performance and workplace well-being.

Coaching Effectiveness and Its Pathway to Well-Being

A key way coaching has an effect is through coaching effectiveness, which measures how much employees see coaching interactions as truly improving their performance, boosting their confidence, and increasing their ability to handle challenges. Coaching effectiveness depends not only on the coach's technical skill but also on the organizational environment where coaching takes place. In DDO-aligned settings, where developmental dialogue is common and psychologically safe, coaching conversations tend to be more effective because employees feel less defensive, are more open to feedback, and expect that showing vulnerability will be met with support rather than judgment (Edmondson, 1999). This suggests that organizational culture may influence the link between coaching activity and perceived effectiveness, a relationship that has received limited empirical study.

Critically, the path from coaching effectiveness to employee well-being is not direct. Grant (2006) and Stober and Grant (2006) show that coaching quality has its greatest impact when it leads to ongoing,

habitual developmental dialogue rather than to a one-time or episodic intervention. This indicates that coaching effectiveness boosts well-being not just through the quality of coaching itself but by maintaining the frequency and depth of coaching conversations where growth occurs. In other words, it is the engagement in those conversations, the developmental dialogue that effective coaching encourages and sustains, that drives improvements in well-being. This reasoning leads to the fourth hypothesis, which predicts full rather than partial mediation, because the theory claims that coaching effectiveness has no direct effect on well-being that bypasses the frequency of conversations. H4: Coaching conversations will fully mediate the relationship between coaching effectiveness and workplace well-being.

Employee Performance and Workplace Well-Being

Employee job performance and workplace well-being are the two main outcome constructs of this study and require their own theoretical foundations before the final hypothesis is stated. In this study, job performance refers to employees' self-assessment of their overall effectiveness compared to their past performance and productivity. Although self-rated performance measures can be influenced by social desirability bias, research indicates they are significantly correlated with objective performance indicators and provide the practical benefit of reflecting employees' subjective sense of effectiveness, which is directly relevant in the DDO context, where increasing self-awareness and perceived competence are as important as measurable output (Grant, 2014). Productivity change, how employees perceive their output has increased or decreased over a specific period, is considered a related but separate performance indicator that measures behavioral and output dimensions rather than evaluative judgments.

Workplace well-being, the second primary outcome, is measured using the Utrecht Work Engagement Scale (UWES; Schaufeli, Bakker, & Salanova, 2006), which assesses the extent to which employees experience vigor, dedication, and absorption at work. In the job demands-resources framework (Schaufeli & Bakker, 2004), work engagement reflects a positive, fulfilling work-related mental state characterized by energy, involvement, and efficacy, distinct from job satisfaction, as it captures an emotional-motivational state consistently associated with performance, organizational commitment, and lower burnout and turnover.

The connection between well-being and performance has been widely discussed in organizational research. The happy-productive worker thesis, the idea that happy employees perform better than unhappy ones, has produced mixed results over decades of study (Cropanzano & Wright, 2001). This relationship largely depends on how well-being is defined: psychological well-being shows a stronger, more consistent link to performance than job satisfaction, and results can vary significantly across samples and measurement approaches (Wright & Cropanzano, 2000). Some research supports a direct

link, while other studies suggest that the relationship is influenced by motivational factors such as work engagement, organizational commitment, and proactive behavior (Schaufeli & Bakker, 2004). In this study, well-being is regarded not as a direct cause of performance but as a resource that supports the motivational and relational conditions essential for developmental dialogue to flourish and for performance to improve over time.

A consistent finding across the organizational psychology literature is that demographic variables, including gender and managerial role, usually explain much less variance in performance and well-being outcomes than cultural, relational, and motivational factors (Schaufeli & Bakker, 2004). In the DDO context, this idea is further supported by Kegan and Lahey's (2016) egalitarian goal: that developmental cultures should share the benefits of growth-oriented dialogue fairly across hierarchical levels and demographic groups, operating, in their words, "from intern to CEO." This theoretical expectation leads to the study's fifth and final hypothesis: H5: Demographic variables (gender and managerial role) will explain only a small portion of the variation in employee performance and well-being outcomes compared to cultural and coaching factors.

Summary of Hypotheses and Theoretical Foundations

The five hypotheses derived in this literature review are summarized in the table below, together with their theoretical basis and the specific literature from which each is drawn:

Hypothesis	Statement	Key Supporting Literature
H1	Perceived DDO culture will be positively associated with job performance, productivity change, and workplace well-being.	Kegan & Lahey (2016); Hartnell et al. (2011); Leithy (2017); Schein (2004)
H2	Perceived DDO culture will be associated with a small negative effect on formal coaching participation.	Kegan & Lahey (2016); Whitmore (2003); Grant & Hartley (2013); Grant (2017)
H3	Coaching conversations will partially mediate the DDO culture → performance and well-being relationships.	Grant (2006); Stober & Grant (2006); Edmondson (1999); Schaufeli & Bakker (2004)
H4	Coaching conversations will fully mediate the relationship between coaching effectiveness and well-being.	Grant (2006); Stober & Grant (2006)

H5	Demographic variables will account for minimal variance relative to cultural and coaching variables.	Kegan & Lahey (2016); Schaufeli & Bakker (2004)
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Table 1: Summary of Hypotheses and Theoretical Foundations.

Methods and Data

Research Design and Overview

This study uses a cross-sectional survey design to test the five hypotheses outlined in the literature review. H1, regarding the direct links between perceived DDO culture and employee outcomes, was tested using Spearman rank-order correlations and group comparisons. H2, the expected negative relationship between DDO culture and formal coaching participation, was examined through bivariate correlation. Both H3 and H4, related to the mediating role of coaching conversations, were tested using bootstrapped mediation analysis. H5, concerning the limited influence of demographic variables, was evaluated using group comparisons by gender and managerial responsibility. A cross-sectional design is suitable for this exploratory stage because it allows for the simultaneous testing of hypothesized relationships and mediation structures across a diverse sample. However, it does not support causal conclusions.

Data Collection

Data were collected via an anonymous online questionnaire administered through an open digital survey platform using Google Forms. The survey was distributed through professional networks and social media channels targeting employed adults across various organizations and sectors. Participation was entirely voluntary, and informed consent was obtained upon entry into the survey. No personally identifying information was collected at any stage. Because the survey was distributed through open networks rather than a defined sampling frame, the precise response rate could not be calculated, which limits formal assessment of non-response bias. Organizational tenure and industry sector were not collected in this study; future research should incorporate these variables to improve the contextual interpretability of findings.

Participants

The final sample comprised 131 participants (age range: 18–63 years; $M = 31.45$, $SD = 9.07$; 71.8% female). Approximately 54.2% ($n = 71$) reported holding managerial responsibility; of these, 45% primarily supervised individual contributors and 14.5% managed other managers. The majority reported increased productivity over the prior 12 months: 45% described their productivity as somewhat

increased, and 33.6% as significantly increased. Of the 64.1% who had participated in formal coaching or professional development within the prior two years, most rated the experience as positive (45%) or very positive (29.8%).

Measures

DDO Culture was assessed using a 12-item scale developed for this study, derived from Kegan and Lahey's (2016) theoretical framework. Each item operationalized one of the twelve defining behavioral markers of DDO culture into a first-person perception statement rated on a five-point Likert scale (1 = *Strongly Disagree* to 5 = *Strongly Agree*). A composite DDO Culture score was calculated by averaging responses across all items (range: 1–5), with higher scores indicating stronger perceived DDO alignment. Internal consistency was excellent ($\alpha = .95$). Organizational DDO alignment was assessed solely via self-report; no external audit or certification verified DDO status. For group-comparison analyses, participants were classified into Higher and Lower DDO Perception groups using a mean split ($M = 3.59$).

Coaching Conversations was measured using a single item assessing the frequency of coaching-related dialogue at work (as coach or coachee), rated on a five-point scale from 1 (*Rarely*) to 5 (*Very Frequently*). This item served as the primary mediator in all mediation analyses. While single-item measures carry inherent limitations for reliability estimation, their use is established for behaviorally specific, unidimensional constructs where brevity and ecological validity are prioritized (Bergkvist & Rossiter, 2007).

Coaching Effectiveness was operationalized as a three-item composite capturing perceived coaching impact on performance, confidence in applying coaching-acquired skills, and coaching-based capacity to handle unexpected challenges. Workplace Well-Being was assessed using the Utrecht Work Engagement Scale (Short Form) (UWES-9; Schaufeli, Bakker, & Salanova, 2006), which measures vigor, dedication, and absorption across 9 items ($\alpha = .94$). Job Performance and Productivity Change were each captured using single self-rated items that compared participants' current performance and productivity to their levels one to two years prior. Formal Coaching Participation was recorded as a binary item (yes/no) indicating participation in formal coaching or professional development within the prior two years.

Analytic Strategy

Prior to hypothesis testing, the distributional properties of all continuous variables were examined using the Shapiro-Wilk tests, which confirmed significant deviations from normality across key variables. All statistical analyses were performed using Jamovi (Version 2.3; The Jamovi Project, 2022), an open-source statistical software package built on R. Nonparametric procedures were used throughout due to

the nonnormal distributions observed. Bivariate relationships were analyzed using Spearman's rank-order correlation (ρ). Differences between the Higher and Lower DDO Perception groups were evaluated with Mann-Whitney U tests; comparisons among more than two groups were made using Kruskal-Wallis H tests. Multiple linear regression identified unique predictors of overall job performance, with variance inflation factors (VIF) checked beforehand to avoid problematic multicollinearity. Mediation analyses for H3 and H4 employed bias-corrected bootstrapping with 5,000 iterations via the mediation module in Jamovi. This approach is preferred over the Sobel test because it does not assume normality of the indirect effect and yields more accurate confidence intervals in small-to-moderate samples (Hayes, 2018). Indirect effects were deemed statistically significant if the 95% bias-corrected bootstrap confidence interval excluded zero.

Results

DDO Culture and Employee Outcomes (H1)

Perceived DDO culture was positively and significantly associated with all three outcome variables. Spearman correlations indicated a significant positive relationship between DDO culture and overall self-rated job performance ($\rho = .209$, $p = .017$), productivity change over the prior 12 months ($\rho = .315$, $p < .001$), and workplace well-being ($\rho = .634$, $p < .001$).

Group comparisons using Mann-Whitney U tests confirmed that employees in the Higher DDO Perception group reported significantly greater workplace well-being ($M = 5.46$, $Mdn = 5.78$) than those in the Lower DDO Perception group ($M = 4.11$, $Mdn = 4.22$; $U = 822$, $p < .001$, rank-biserial $r = 0.597$). A parallel pattern emerged for job performance and engagement, with the Higher DDO group scoring notably higher ($M = 4.21$, $Mdn = 4.33$) than the Lower DDO group ($M = 3.41$, $Mdn = 3.67$; $U = 881$, $p < .001$, rank-biserial $r = 0.568$).

DDO culture also showed significant positive correlations with coaching conversation frequency ($\rho = .427$, $p < .001$), perceived coaching impact on performance ($\rho = .313$, $p < .001$), and coaching-based capacity to handle unexpected challenges ($\rho = .252$, $p = .004$). H1 is supported.

DDO Culture and Formal Coaching Participation (H2)

Perceived DDO culture showed a small negative correlation with participation in formal coaching sessions ($\rho = -.162$, $p = .065$). This effect falls marginally below the conventional significance threshold of $p < .05$, though the direction and magnitude of the association are consistent with the predicted pattern. H2 is provisionally supported.

Mediation Analyses: Coaching Conversations as Mechanism (H3 and H4)

Bootstrapped mediation analyses (5,000 iterations) revealed two qualitatively distinct patterns across the hypothesized pathways.

H3: DDO culture → coaching conversations → outcomes: Coaching conversations partially mediated the relationship between DDO culture and workplace well-being. The path from DDO culture to coaching conversation frequency was significant ($B = 0.361$, $SE = 0.081$, $Z = 4.48$, $p < .001$), and the path from coaching conversations to workplace well-being was also significant ($B = 0.386$, $SE = 0.130$, $Z = 2.97$, $p = .003$). The indirect effect of DDO culture on workplace well-being through coaching conversations was significant (indirect effect = 0.139, $SE = 0.050$, $Z = 2.78$, $p = .005$), indicating that coaching conversations transmit part of DDO culture's effect on well-being. Crucially, the direct effect of DDO culture on workplace well-being remained significant after accounting for the mediator (direct effect = 0.598, $SE = 0.112$, $Z = 5.36$, $p < .001$), confirming partial rather than full mediation. The total effect of DDO culture on well-being was also significant (total effect = 0.737, $SE = 0.098$, $Z = 7.49$, $p < .001$).

H4: Coaching effectiveness → coaching conversations → well-being: A qualitatively different pattern emerged for this pathway, consistent with the prediction of full mediation. The path from coaching effectiveness to coaching conversation frequency was significant ($B = 0.573$, $SE = 0.067$, $Z = 8.58$, $p < .001$), and the path from coaching conversations to workplace well-being was also significant ($B = 0.606$, $SE = 0.121$, $Z = 5.02$, $p < .001$). The indirect effect of coaching effectiveness on workplace well-being through coaching conversations was significant (indirect effect = 0.348, $SE = 0.080$, $Z = 4.34$, $p < .001$), demonstrating that coaching effectiveness transmits its influence on well-being through the generation of ongoing coaching dialogue. Once coaching conversations were included as a mediator, the direct effect of coaching effectiveness on workplace well-being became non-significant (direct effect = 0.015, $SE = 0.128$, $Z = 0.12$, $p = .905$), indicating that coaching effectiveness has no independent direct pathway to well-being beyond its role in promoting coaching conversation frequency. The total effect of coaching effectiveness on well-being was significant (total effect = 0.363, $SE = 0.121$, $Z = 3.00$, $p = .003$). Together, these results indicate full mediation: coaching effectiveness improves workplace well-being exclusively through its capacity to generate frequent developmental dialogue rather than through any direct mechanism. H4 is supported.

Regression Analysis: Predictors of Job Performance

A multiple linear regression with productivity change, coaching effectiveness, and workplace well-being as predictors yielded a statistically significant model that explained 43.7% of the variance in overall job performance ($R^2 = .437$, $F(3, 127) = 32.9$, $p < .001$). Productivity change over the prior 12 months was the strongest predictor ($B = 0.572$, $SE = 0.071$, $\beta = .589$, $t = 8.07$, $p < .001$, 95% CI [0.431, 0.712]).

Coaching effectiveness was a significant independent predictor after controlling for the remaining variables ($B = 0.132$, $SE = 0.063$, $\beta = .153$, $t = 2.08$, $p = .039$, 95% CI [0.007, 0.257]). Workplace well-being did not emerge as a significant predictor in the model ($B = 0.001$, $SE = 0.050$, $\beta = .001$, $t = 0.011$, $p = .991$, 95% CI [-0.098, 0.099]). Inspection of residuals via the Shapiro-Wilk test indicated a departure from normality ($W = 0.969$, $p = .004$); however, given the sample size of 131, this violation is not expected to affect the reliability of the regression estimates substantially.

Demographic Effects (H5)

No significant differences in workplace well-being were found between male and female participants ($U = 1678$, $p = .757$, rank-biserial $r = .036$), and effect sizes were negligible throughout. Managerial responsibility similarly showed no significant association with any outcome variable in nonparametric analyses, with supervisors showing only a marginal, non-significant trend toward slightly higher scores. H5 is supported.

Discussion

DDO Culture and Employee Outcomes: Contextualizing H1

The finding that perceived DDO culture was positively linked to job performance ($\rho = .209$), productivity change ($\rho = .315$), and workplace well-being ($\rho = .634$) offers the first quantitative evidence supporting the outcome-based predictions of DDO theory. These links align with broader research on organizational culture: Hartnell et al.'s (2011) meta-analysis found that cultural variables, especially those emphasizing developmental and human-relations foci, reliably predict performance and well-being across various organizational contexts. The strength of the DDO culture–well-being relationship ($\rho = .634$) is notably large by organizational psychology standards, significantly surpassing the small-to-moderate effects typically seen between culture and performance in general organizational studies (Hartnell et al., 2011). This suggests that developmental cultures may exert a particularly strong influence on well-being compared to other cultural styles. The weaker yet still meaningful link between DDO culture and job performance ($\rho = .209$) aligns with prior research showing that performance outcomes are typically affected by a broader range of factors and are less directly influenced by cultural factors than by attitudes and well-being (Schaufeli & Bakker, 2004). Overall, these results extend the largely case-based DDO literature by showing that perceptions of developmental culture are significantly related to individual-level employee outcomes in a quantitative sample.

Cultural Substitution: Formal Versus Informal Coaching (H2)

The slight negative link between DDO culture and formal coaching participation ($\rho = -.162$, $p = .065$), although just below typical significance levels, supports Kegan and Lahey's (2016) idea that

developmental cultures shift coaching from formal programs to embedded daily conversations. This is the first quantitative test of this prediction. This result is consistent with Grant and Hartley's (2013) distinction between formal and informal coaching, and Grant's (2017) perspective that third-generation coaching cultures normalize coaching as a daily interaction rather than a scheduled service. The marginal significance may be due to the small sample size, which limits the ability to detect small effects, or it could indicate that the substitution effect is only partial: DDO-aligned cultures reduce but do not eliminate formal coaching. The tension between the predicted full substitution and the empirical partial, non-significant substitution is an important issue that larger future studies should explore.

Coaching Conversations as a Behavioral Mechanism (H3)

The partial mediation of coaching conversations within the DDO culture–performance and DDO culture–well-being pathways aligns with the multidimensional view of DDO culture described by Kegan and Lahey (2016). The finding that DDO culture impacts outcomes both through coaching dialogue and directly supports Edmondson's (1999, 2018) claim that psychological safety, a key feature of DDO environments, predicts learning behavior and performance outcomes independently of communication frequency. This indicates that the benefits of DDO culture are not solely due to coaching activities, a point that previous correlational studies of coaching and culture have not clearly demonstrated. The notable indirect effect of DDO culture on well-being via coaching conversations (indirect effect = 0.139, $p = .005$) builds on Grant's (2006) conclusion that coaching's strongest effects occur when integrated into work routines, by showing this process operates at the organizational culture level, cultures that promote developmental dialogue tend to transmit well-being benefits partly through the coaching conversations they foster.

Full Mediation of Coaching Effectiveness by Coaching Conversations (H4)

The full mediation of coaching effectiveness on workplace well-being through coaching conversations is the most theoretically novel finding of the study. The non-significant direct effect of coaching effectiveness on well-being ($B = 0.015$, $p = .905$), combined with the significant indirect effect through coaching conversations (indirect effect = 0.348, $p < .001$), indicates that coaching quality has no direct pathway to well-being that bypasses the generation of ongoing developmental dialogue. This finding is partially at odds with prior research suggesting that coaching effectiveness directly predicts well-being and performance outcomes (Grant, 2006; Linder-Pelz & Hall, 2008). A possible explanation is that prior studies examined coaching effectiveness and well-being without accounting for coaching conversation frequency as a mediator, meaning that what appeared to be a direct effect may in fact have been an indirect one operating through the conversational engagement that effective coaching generates. The present finding is consistent with Stober and Grant's (2006) theoretical position that coaching's effects are fundamentally relational and iterative rather than attributable to the quality of any single intervention.

The Indirect Role of Well-Being in Performance

The finding that workplace well-being did not significantly predict job performance after accounting for productivity change and coaching effectiveness ($\beta = .001$, $p = .991$) appears to conflict with the happy-productive worker thesis (Cropanzano & Wright, 2001), which suggests well-being should directly improve performance. However, this result aligns more closely with Wright and Cropanzano's (2000) detailed view that the link between well-being and performance depends heavily on how both are measured and the other variables controlled. The minimal direct impact of well-being on performance, when productivity change and coaching are considered, indicates that well-being's influence on performance might mainly occur through behavioral and motivational factors, consistent with Schaufeli and Bakker's (2004) job demands-resources model, where vigor and dedication serve as motivational mediators between resource-rich environments and performance, rather than as direct causes. This does not lessen the importance of well-being; instead, it redefines its role as a distant facilitator of performance that works through motivation and behavior, rather than directly causing improved performance.

Demographic Equality Within Developmental Cultures (H5)

The lack of notable gender or managerial differences in performance and well-being aligns with DDO theory's egalitarian goal. Kegan and Lahey (2016) forecast that growth-focused cultures should distribute the benefits of dialogue evenly across hierarchical and demographic groups. This result also aligns with broader organizational coaching research, which shows that demographic factors are generally weaker indicators of coaching success than relational and cultural factors (Grant, 2014). The very small effect sizes found here (rank-biserial $r = .036$ for gender) are significant, especially given that earlier studies on gender and workplace well-being have sometimes identified small yet meaningful gender gaps, often favoring women on engagement and well-being measures (Schaufeli & Bakker, 2004). The lack of such differences in this sample might indicate that DDO-aligned cultures serve as organizational equalizers, reducing the typical demographic differences in outcomes seen in traditional organizational environments.

Limitations

Several limitations of this study should be kept in mind when interpreting the results. First, because of its cross-sectional design, it cannot establish causality. Although mediation analyses suggest possible indirect effects, they do not prove that DDO culture leads to coaching conversations or that these conversations improve performance and well-being. Longitudinal and experimental studies are necessary to determine causal relationships. Second, the assessment of organizational DDO alignment relied solely on individual self-reports and was not validated by external certification, audits, or structural

observations. Perceptions of culture may differ from actual organizational features, which impacts the validity of the DDO classification. Third, coaching conversations were evaluated with just one item, limiting the reliability estimate for this important mediator. Fourth, the convenience sample of 131 participants recruited through open professional networks, without a defined sampling frame, limits the generalizability of the findings. The lack of data on organizational tenure and industry further complicates interpretation. Fifth, while the sample size was sufficient for bivariate and regression analyses, it offers limited power to detect small mediation effects, possibly explaining the borderline non-significance of H2. Future research should include larger, randomly selected, and more diverse samples, both demographically and by industry; incorporate longitudinal designs; and utilize multi-item measures of coaching conversation frequency to overcome these limitations.

Boundary Conditions and Potential Negative Side Effects

While consistent evidence supports the advantages of developmental cultures and regular coaching discussions, these benefits may not apply universally. The positive effects of high-transparency DDO cultures could depend on employees' readiness for development: those with low psychological resilience or high neuroticism might perceive transparency norms as threatening rather than beneficial (Edmondson, 1999). Moreover, in some contexts, the expectation of continuous developmental dialogue might blur boundaries between personal and professional identities, leading to emotional exhaustion or role confusion, a risk not measured by the current well-being metrics. Organizations implementing DDO principles without adequate structural support, such as sufficient time, trained facilitators, and strong leadership, may risk creating superficial developmental cultures in which transparency routines conceal rather than address real developmental issues. Future studies should explore individual moderating factors, including personality traits, organizational size, and industry sector, which could enhance or diminish the benefits observed here.

Conclusion

Summary

This study aimed to investigate whether everyday coaching conversations serve as a behavioral mechanism linking perceived Deliberately Developmental Organization (DDO) culture to employee performance and well-being. It also sought to be the first to test the core predictions of DDO theory quantitatively. Using survey data from 131 employees across organizations with varying levels of developmental alignment, the study examined five hypotheses through Spearman correlations, Mann-Whitney group comparisons, bootstrapped mediation analyses, and multiple linear regressions conducted in Jamovi.

The results consistently back the DDO framework, aligning well with theoretical expectations. Perceived DDO culture demonstrated positive and significant links with job performance, productivity gains, and workplace well-being, with the strongest connection observed between culture and well-being ($\rho = .634$). A small negative correlation between DDO culture and formal coaching participation provided initial support for the cultural substitution hypothesis, which posits that developmental cultures shift coaching from scheduled programs to embedded, daily dialogues (H2). Coaching conversations partly mediated the relationships between DDO culture and both performance and well-being, indicating that DDO culture affects outcomes partly through the developmental dialogue it encourages and partly through direct influences such as psychological safety and community belonging (H3). The impact of coaching on workplace well-being was found to operate exclusively through its role in fostering ongoing coaching dialogues, with no direct effect on well-being, confirming full mediation (H4). Lastly, demographic factors such as gender and managerial status contributed minimal variance to outcomes, which is consistent with the DDO theory's focus on egalitarian principles (H5).

Theoretical Implications and Further Research

The findings offer several important theoretical insights for both organizational psychology and management. First, this research strengthens the empirical basis of DDO theory by providing quantitative evidence for predictions that previously relied mostly on qualitative case studies. Showing that perceived DDO culture consistently forecasts performance and well-being outcomes in survey data and that coaching conversations serve as a measurable mediating factor shifts DDO theory from a compelling organizational idea to a testable empirical model. This frames DDO culture as a distinct and empirically manageable concept within the broader research on organizational culture.

Secondly, recognizing that coaching conversations fully mediate the impact of coaching effectiveness has significant implications for how coaching is conceptualized and researched. Previous studies have largely regarded coaching effectiveness as a direct predictor of well-being and performance (Grant, 2006; Linder-Pelz & Hall, 2008). However, this new evidence indicates that the apparent direct effect might be a statistical artifact arising from overlooking coaching conversation frequency as a mediator. Instead, the actual process through which coaching quality enhances well-being is likely the continuous developmental dialogue it facilitates, rather than a direct influence of quality alone. This shifts the theoretical understanding of the link between coaching effectiveness and well-being and suggests new approaches for designing and assessing coaching interventions.

Third, the insignificant direct impact of well-being on job performance in the regression model adds to the ongoing debate about the happy-productive worker thesis (Cropanzano & Wright, 2001; Wright & Cropanzano, 2000). This finding aligns with the view that well-being influences performance indirectly via motivational and behavioral mediators, rather than acting as a direct predictor of performance. It

supports Schaufeli and Bakker's (2004) job demands-resources model over simpler explanations that suggest a direct effect.

Several directions for future research emerge from this study. Most critically, longitudinal designs are needed to establish causal directionality, as the cross-sectional nature of the present study cannot determine whether DDO culture drives improvements in coaching frequency and well-being, or vice versa. Future work should also compare employees in formally DDO-certified organizations with those in non-certified organizations to strengthen the construct validity of DDO culture measurement and provide meaningful benchmarks. At the individual level, moderating variables such as neuroticism, developmental readiness, and tolerance for psychological exposure warrant investigation, as the boundary conditions of DDO's benefits remain empirically underspecified. Cross-cultural replication is similarly needed, given that transparency and developmental dialogue norms may be experienced differently across national and cultural contexts. Finally, the single-item measure of coaching conversation frequency used in this study should be replaced in future research with a validated multi-item scale to improve the precision of mediation estimates.

Practical Implications

The findings offer several practical insights for organizational leaders, HR professionals, and coaching practitioners. Primarily, organizations should incorporate coaching into daily routines instead of relying solely on periodic formal programs, as the frequency of developmental conversations, rather than program participation, predicts both performance and well-being. Meetings, supervisory check-ins, and peer interactions should be intentionally structured to include coaching as a regular part of the conversation. Additionally, organizational development should be assessed based on how often coaching conversations occur, rather than on formal program enrollment, since participation rates often underestimate informal developmental activities in DDO-aligned environments. Furthermore, coaching skills such as active listening, reflective questioning, and constructive feedback should be cultivated across the entire workforce, not just among managers or designated coaches, because coaching at all levels impacts outcomes. Building psychological safety should be a foundational cultural goal before implementing transparency and feedback practices, as the partial mediation results suggest that DDO culture affects outcomes through relational and community pathways beyond just coaching frequency. Lastly, coaching initiatives should be evaluated not only on quality ratings but also on their ability to normalize and sustain ongoing developmental dialogue as a habitual mode of interaction, since evidence shows that coaching effectiveness enhances well-being primarily through continuous conversational engagement.

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