

Coaching to Drive Transformation through Empowerment at **AEON Vietnam**



Every year, the International Coaching Federation (ICF) honors organizations with coaching programs that meet rigorous professional standards. The Coaching Impact Awards celebrate the best of coaching and ICF through various categories that encompass the multifaceted aspects of the profession.

In 2024, AEON Vietnam Company Limited, a leading retailer in Vietnam under AEON Co., Ltd, based in Japan, earned the prestigious ICF Coaching Impact Award for Emerging Organization. This recognition is a testament to AEON Vietnam's strategic commitment to harnessing the power of coaching to drive organizational growth and development. The company prioritizes a mindset of "leaders create leaders" in which investing in the professional development of one employee trickles down to others.

When the pandemic struck in 2020, AEON Vietnam faced a pivotal moment. The global crisis became a catalyst for transformation, motivating leaders to boost innovation and collaboration while maintaining team morale. The company focused on employee retention, innovation, and inclusion, recognizing the need for diverse perspectives and skillsets to navigate the evolving retail environment. To integrate employees and foster new ways of working, AEON Vietnam launched an internal coaching program to promote individual and team development.

By 2021, the company identified four key business goals which served as markers for the coaching program and its ability to empower employees to attain related results:

- *Promoting private brand.*
- *Accelerating multi-format development to meet customer demands.*
- *Strengthening the e-commerce business.*
- *Recognizing as Employer of Choice and Responsible Corporate Citizen by our critical stakeholders such as Customer, Government, Community, and Workforce.*

Prior to the launch of the coaching program, the employees inherited Asian culture with hierarchy at the workplace where individuals are afraid of speaking out about concerns or taking actions to address concerns. Subordinates often follow the orders of supervisors. This limited their ability to act autonomously, posing challenges in a retail environment that demands quick thinking and problem-solving in numerous daily customer interactions.



Recognizing employees' hesitance, AEON Vietnam adopted an approach to leadership coaching which enabled managers to address fears related to self-directed work and encourage employees to act courageously and explore innovative solutions.

Coaching also became a vital link to enhance cross-departmental collaboration across AEON Vietnam's corporate offices and improve overall business outcomes, breaking down barriers and establishing better communication across functions. As a result of its success, coaching was quickly embedded into daily business of AEON Vietnam employees, which enforced AEON Vietnam core values.

The achievement was not without its challenges. AEON Vietnam needed buy-in from leadership to invest in and implement coaching. Management conducted a pilot program which produced impressive results and earned the trust of leadership to formally launch the AEON Vietnam coaching program.

Coaching was made available to all of AEON Vietnam's 5,000 employees through both external and internal coach practitioners. Coaching is provided by 12 external coaches and two internal coaches, both of whom have earned their Associate-, Professional-, or

Master Certified Coach (ACC/PCC/MCC) credential through ICF. This alone is a significant achievement as Vietnam has only 100 ACCs nationwide, including the two in-house at AEON Vietnam.

Today, all employees have access to a digital database where they can register for coaching at any time, with no involvement from their managers, and personally select which of the 14 ICF credentialed coaches and eight internal coaches they would like to work with. To promote the coaching offering, AEON Vietnam hosts an annual Coaching Festival that showcases the various elements of coaching including one-to-one coaching, coaching skills, career coaching and team coaching.

Employees participate in an introductory three-hour course to understand the fundamentals of coaching. From there, they can engage with a coach directly or choose to become a coach themselves. AEON Vietnam sponsors employees who wish to earn their coaching credentials. Coaches and participants are educated on the ICF Code of Ethics to ensure adherence to best practices during all coaching sessions.

To measure the effectiveness of coaching and continue earning the trust of leadership for ongoing investment, AEON Vietnam conducts annual surveys to capture changes in engagement across all levels of employment. As managers integrate a coach

approach in their leadership, turnover rates are monitored in each department to track the impact of this leadership approach in improving retention. As coaching receives widespread positive feedback, AEON Vietnam does not require any mandatory givebacks for employees who complete coach training. Instead, those who become coaches often demonstrate greater dedication to the company and its growth, creating a reciprocal system in which the company invests in its team, and the team invests in the company's success.

As a result, AEON Vietnam leadership has increased its investment in coaching, leading to more coaching hours and greater participation, focusing on team synergy for fast-tracked development. This is in part due to its impact on AEON Vietnam surpassing its projected sales budget since the implementation of the program.

The holistic implementation of coaching has extended far beyond one-to-one coaching engagements for its staff. AEON Vietnam is actively shaping a culture of empowerment and development, both internally and within the Vietnamese market at large, driving the power of coaching in a new market.

The results speak for themselves. AEON Vietnam was ranked from 2022-2023 consecutively as one of the 100 Best Companies to Work for in Vietnam and advanced from spot 21 to 13 over those three years. It was named Best Company to Work for in Asia for six consecutive years. In 2023, it placed as the number one company to work in retail as ranked by Anphabe. Internal surveys show that staff scores of supervisors increase year-over-year since the launch of coaching and external surveys indicate that outsiders want to join AEON Vietnam because of its coaching culture. Among its existing staff, AEON Vietnam is experiencing lower turnover rates than the average rate in the retail industry.

Since the coaching program launch in 2020, 3,500 of AEON Vietnam's staff have received coaching, with applications continuing to pour in. Coaching was a gamechanger, enabling AEON Vietnam to meet targets of engagement and retention and not only survive, but thrive during the pandemic – a notably brutal period for retail businesses worldwide. By building upon its existing team, AEON Vietnam was able to promote from within to fill several key positions. This approach saved the company money – over 200% compared to hiring externally.



Measurable results from 2021-2023:

- Increased High Performance Team Survey – jumped 12%.
- Coaching recipient satisfaction – scores increased by 7% from 2022-2023.
- The Happiness Workforce survey 2023 resulted in 115% higher than the average score of the retail industry in Vietnam.

Leaders who experienced coaching were better able to empower their teams by collaborating on decision-making using a coach approach to their own leadership. This prompted the empowered workforce to achieve unprecedented results. In 2023 alone, employees at all levels spearheaded a whopping 86 successful projects, 33 more than were completed in 2022, generating the equivalent of over \$577,000 return on investment.

AEON Vietnam has been asked by other companies in Vietnam to share best practices for those seeking management approval for their own coaching initiatives. In a landscape where many firms operate under a top-down structure without leveraging coaching to explore employee potential, AEON Vietnam serves as a compelling example of coaching's transformative power in the region.

Coaching at AEON Vietnam has proven to be an innovative approach to fostering creativity, collaboration, and autonomy — all in a concerted effort to drive organizational growth. AEON Vietnam has cultivated a workplace culture that extends beyond the walls of its business. It is setting the standard for what is possible when coaching is implemented as a tool for success. As a proven framework for coaching in organizations, AEON Vietnam is embodying its philosophy, “leaders create leaders,” but setting a new standard for business operations in Vietnam.

