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Coaching on Purpose

Lessons from the field on implementing a results-focused executive coaching initiative

By Karlin Sloan and David Utts

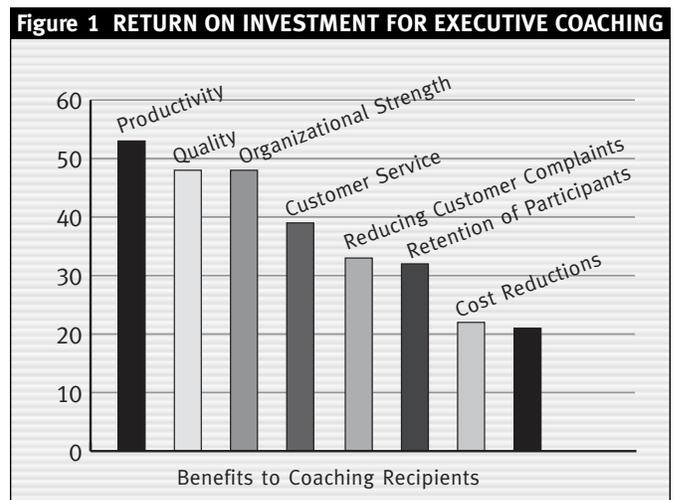
EXECUTIVE COACHING PROGRAMS are becoming more and more common in organizations across the globe. Organizations such as Lockheed Martin, JP Morgan Chase, Pfizer, MTV Networks, Boeing, Marriott, Cisco Systems, and Disney use executive coaching as a leadership development strategy. Coaching has the power to enhance individual and corporate performance, to generate a rich pool of world-class leaders in line for succession, and to make a real difference in coping with the current climate of economic and structural crisis.

Recent research by Manchester, Inc. showed an average return of 5.7 times the investment in a typical executive coaching assignment. (See Figure 1.) Among the benefits cited were improvements in productivity, quality, organizational strength, executive retention, customer service, and bottom-line profitability.

We also know the anecdotal evidence for the impact of coaching is particularly strong. A founder and executive team member at a technology firm in California reported that because of a single coaching conversation he made a decision at a crucial time that enabled him to increase his personal net worth by approximately \$8 million and his company's value by 20%. Would he have made that decision without coaching? We cannot know. What we do know, is that he felt as though he was making faster, more strategic decisions because of the coaching.

INHERENT DANGERS

With all the potential executive coaching has shown, there are two specific dangers to consider if you are thinking of or currently are deploying executive coaching as part of your executive development strategy. These dangers are lack of focus and questionable approaches to delivery.



Jan. 4, 2001 – Manchester Inc. Return on investment was estimated to be six times its cost.

Lack of Focus

The most critical part of any development initiative is that its purpose is clear, and that there is a well thought out project plan. The following list highlights areas that must be addressed for any good coaching program.

1. A thorough analysis – is coaching the right intervention?
2. Strategic alignment between the initiative and the organization's vision, mission and key objectives.
3. A definite connection to training.
4. Clarity as to the primary client – individual or organization.
5. Cohesive, consistent language. Too many disparate leadership models are communicated by a diverse group of providers.
6. Project management structure that accounts for both individual and corporate results.

Questionable Approaches to Delivery

There are qualifiers to coaching success. Three specific issues are red-flags for problems in the delivery of quality coaching.

1. Coaches who are sophisticated in psychological language but lack training and experience in a corporate context tend to over-empathize with their individual client, without considering that the organization as a whole must benefit.
2. Coaches who have strong business backgrounds and acumen, yet lack training and experience utilizing psy-

chological and developmental models can be insensitive to interpersonal issues.

3. Initiatives without any measurement are not defensible as a long-term development strategy in the corporate setting.

ENSURING SUCCESS

The good news is that it is simple and straightforward to implement an effective, results-based coaching program. Strong executive coaching programs are based on two key principles; clarity of purpose and quality assurance.

1. Provide a coaches orientation, and
2. Provide clear agreements and contracts that delineate policies on confidentiality, ethics, and communication with the organization.
3. If you have other executive development programs in place such as 360o feedback or leadership training, make sure they are clearly tied to the executive coaching program.
4. Develop clear goals on two levels, prior to coaching: individual and organizational.

Clear Reasons for Utilizing Coaching

How do you know coaching is the right intervention for your leadership development needs? Assessing the need for coaching is the first step in using it effectively. Coaching is useful for a host of leadership development issues – primarily the development of core competencies in emotional intelligence and individual leadership skills.

One-on-one coaching is ineffective and inappropriate for addressing systemic breakdowns or failures, for treating psychological problems, or for delivering performance messages that should come from senior management. There are much more effective ways to address each of these issues, and coaching is not the recommended prescription.

What is coaching useful for? One-on-one coaching is excellent for developing self-awareness; particularly the awareness of one's impact on people, process, and strategy. Coaching is the right intervention for developing core competencies after training, for integrating new material, and for the assimilation of feedback. Coaching is the right intervention to cultivate greater performance, to develop flexibility in the face of change, to build confidence or "leadership presence," to develop more effective problem solving and decision making skills, and to engender greater levels of responsibility and accountability for results.

Evan, a Senior Vice President of Human Resources at a Fortune 1000 company, began a coaching initiative with the executive team of his organization:

"At a certain point I got scared that the coaching was going to alienate certain members of the executive team because they perceived it as something developmental

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rather than a perk. What I found was that the opposite was true. One by one they came to me to tell me what a difference the coaching was making for them because they were actually getting honest feedback from someone. To a person, they complained that people in the company were afraid to give them bad news, and avoided saying things that were critical issues in company performance. To a person they agreed that through a well-researched 360 process and coaching they were learning things about themselves and about the company they would never have known."

Clear Agreements with Practitioners

The creation of clear agreements that outline policies for confidentiality, reporting, and involvement of senior management in results will make all the difference in the effectiveness of a program.

Everyone who delivers coaching services in an organizational setting should know the corporate mission, vision, and values, as well as something about the corporate culture. Orientation programs should outline the context for coaching, and should provide clear policies and procedures.

Every coach working with your organization, both internal and external practitioners should be required to sign a non-disclosure agreement to protect sensitive information. Remember that those people who work one-on-one with senior management are given a window into privileged information from gossip to long-term strategy.

Quality Assurance

Assuring that you are getting value is critical for corporate initiatives. Protect your investment with the following guidelines:

1. Deliver consistent messages to position coaching effectively.
2. Utilize a consistent, well thought out criteria for evaluating providers.
3. Measure results over time.
4. Assess for systemic issues that are unearthed in coaching conversations, and communicate them to the organization.

Internal Marketing Messages: Positioning Coaching Effectively

If you believe that all key strategies need to align with your vision, mission and key objectives – then employing an executive coaching initiative is no different. The trend, however, for many organizations instituting executive coaching is based not on strategic outcomes, but on finding a "fix" for a behavioral or performance problem. This is an ineffective and damaging use of coaching in organizations, because it sets up the expectation that coaching is for under-performers, and will be seen as a remedial or punitive program. At their best, internal marketing programs for coaching demonstrate that coaching is a perk or

benefit for high performance. If coaching is positioned correctly from the start, then executives that are privileged to participate come willingly and enthusiastically to the coaching relationship.

Nadia, a young executive in the media sector had this to say about coaching,

"Coaching was seen as something that only the best and brightest were selected for, so naturally when I had the opportunity to work with my coach I wanted to get everything I could out of it. I've been amazed that such a brief amount of time spent can make this much difference. I'm much more confident in giving feedback to my team now, something I felt like I was not prepared to do well. I've become much more clear about my own expectations of my group, and how to let them know what those expectations are."

Finding Competent Executive Coaches

Executive coaching is becoming a core component of leadership development programs. Many companies find themselves in a quandary when they set out to create a network of competent executive coaches to suit their needs. Most either rely on word of mouth, or on de-facto certifying organizations such as the International Coach Federation when seeking qualified executive coaches. Unfortunately, because the executive coaching field (in name) has only been popularized as a broad concept for a decade, many organizations still feel on shaky ground when selecting a pool of coaches who will be working with the top leaders in their organization.

Executive coaching is distinct from other forms of leadership development. Individual strengths and challenges are addressed in a real-time conversational setting that may include extensive self-disclosure. Coaching requires a depth of trust not associated with traditional training or assessment programs because of the intensely personal nature of the relationship. As one coaching recipient said,

"I knew the most important thing to me in my coaching was that I could trust my coach. I was telling him about mistakes I made - things I would never say in front of my boss, or anyone else in the company. If I thought it might get back to someone I would never have said it, and I would never have had the opportunity to work on it with someone who could help me without it damaging their opinion of me as a supervisor. "

In 1999, senior executive coaches convened at the first annual Executive Coaching Summit to discuss the field of executive coaching. They outlined basic definitions that are worthy of being shared here. Based on their experience they determined that a competent executive coach possesses the following eleven competencies that should always be present and visible in any coaching interaction.

1. Meet ethical guidelines of the profession and
2. Establish a coaching agreement

3. Establish an intimate and trusting relationship with the client
4. Be fully present, conscious and spontaneous
5. Express active listening
6. Ask powerful questions
7. Be a direct communicator
8. Create and raise the client's awareness
9. Design and create action plans and action behaviors
10. Develop plans and establish goals with the client
11. Manage the client's progress and hold him/her responsible for action

The group outlined more advanced skill sets that seasoned executive coaches should demonstrate. Great coaches are able to ask the right business questions because the coach possesses a wide range of business knowledge, experience and expertise. They are familiar with the world of the senior executive – hierarchy, organizational politics, and complexities of leadership. They have comfort with coaching around complex issues and international agendas, and with challenging thinking patterns and behavior.

Finally, coaches at senior levels must have the ability to inspire others at the highest levels, while holding confidentiality and operating out of ethical procedures and conduct.

At the time of this writing, there are no accepted regulations or guidelines for who can and cannot call themselves an executive coach. There are professional organizations and coaching programs that “certify” coaches, but these certification programs do not fall under any specific standards set forth by educational or government institutions. This means that it is increasingly difficult to find the highest quality providers of coaching services, and that the most meaningful measure of competence is a solid referral and a record of results.

Ask the following questions as you help organizations identify executive Coaching practitioners:

- What are the key qualities executive coaches must have to succeed given your business strategy, leadership competencies to be developed, and the population that is being coached?
- Do you have the necessary resources in-house, or do you need to find external providers?
- Is there a specific leadership model/ theory that your organization subscribes to? How can you maintain consistency of language throughout your leadership development initiatives? Will this impact who you will engage to provide coaching services?
- What process will you use to select your coaches to ensure a high quality result?

Project Management and Measurement of Results

In order to have the best outcomes there must be a balance of individual confidentiality and targeted organizational development that arises from executive coaching.

Appoint a Master Coach as a project manager. This will enable individual coaching practitioners to be guided in a “case

conference” that separates key systemic issues from individual issues. The Master Coach facilitates the process, reports systemic issues to key stakeholders, and serves as a liaison between coaches and management. This process protects the integrity and confidentiality of the individual coaching conversations, and provides the organization with mission-critical information on systemic issues.

Executive coaching is highly individualized and specific to corporate culture and objectives. With that in mind, every initiative will be defined with a different set of measurement criteria.

Here are four suggested options for measurement criteria:

1.) Individual Assessment and Goal Setting

- 360 assessment
- Self assessment
- Qualitative interviews
- Individual goal tracking

2.) Measurement of Specific Leadership Competencies

- Emotional Intelligence competencies
- Key organizational leadership competencies
- Public presentation

3.) Measurement of Satisfaction

- Individual satisfaction
- Team satisfaction
- Customer satisfaction

4.) Measurement of Behaviors

- Behaviors defined by corporate values
- Specific and measurable behaviors delineated at the outset

All of these measurement strategies will assist in quality assurance, and will create a directed container for individual leadership development. Goals of coaching may change over time, and qualitative research is the most effective way of assessing the success of a coaching initiative. There are other inherent problems with approaching executive development solely from a measurement standpoint – the anecdotal evidence is the most compelling.

Some reported results are “I have become a force of nature by focusing on my strengths”, “I’m much faster and more effective at making decisions. My coaching was like having a golf pro help me with my putt.” and “I’m much more confident delegating to my team members, and I have looked carefully at how to motivate each individual. I’m getting better performance from my people across the board.”

A coaching recipient we will call Stephen says it best,

“I’m good on my own, but I’m not looking to be good. I want to be great. I’m looking to make an impact on thousands of people – and you don’t do that by continuously putting out fires. I’ve had to take the time to think about myself as a leader. How can I use my strengths to make a bigger and better impact on my company? It’s been a life-changing experience, and I’m better for it.”

SUMMARY

Executive coaching is a powerful tool for the development of leadership in organizations when it is used correctly.

To make sure an executive coaching program is most effective we suggest that you:

- Use coaching purposefully for the right issues.
- Clarify the competencies that must be in place for your current and future leaders and make sure that these are communicated to the practitioners delivering your executive coaching program.
- Provide clear working agreements for your coaching providers, including confidentiality, ethics, and communication policies and procedures.
- Select a pool of qualified coaches who have the competencies necessary to help you meet your leadership development objectives.
- Create a “Master Coach” role for management of coaches and information.
- Define the course of measurement you will utilize to track results and assure quality.

We invite you to look into the strength of executive coaching as a tool for cultivating the high quality leadership that you have come to expect from your executive team. Use it well! ■

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