

Executive coaching is fast changing the way business leaders and managers run an empire, resulting in a seamless and more effective way of corporate leadership. David Peterson explains why.

# Debunking the myth

In recent years, executive coaching has become a panacea for talent development across organisations and functions. But how effective is it really at improving executive performance? The good news is that, when designed right and used for the right reasons, coaching can produce dramatic results for leaders and for their organisations.

Research conducted by Personnel Decisions International (PDI), shows that coaching participants improve significantly, even doubling their effectiveness, as rated on their learning objectives, by their boss. Unfortunately, some investments in coaching yield only meagre results because of unwise or uninformed decisions.

## AVOIDING COMMON PITFALLS

One key differentiator between success and wasting the organisation's time and money is to make sure you understand your company's needs before you get started. What do you need the coaching to accomplish? Problems arise from hiring the wrong kind of coach for the wrong reasons.

- *Wrong Reason Number 1 – Mismatch Between Expertise and Need*

Don't hire a charismatic sports coach to fire up the sales force if the fundamental problem is that the new marketing chief isn't hearing what sales is telling him about changing customer needs and expectations. The issue here isn't lack of motivation, nor is it about inspiring

people. It's more likely a lack of effective communication – due to weak skills or disinterest – resulting in some bad habits that have grown up into serious barriers to effectiveness for the whole organisation.

- *Wrong Reason Number 2 – Hiring Because of Chemistry*

You don't pick a surgeon because you like his or her personality, or because there's chemistry between you. Organisations shouldn't pick coaches that way either, vetting them on the basis of perceived "chemistry" between leader and coach. The question should be: Does this coach have the ability and experience to be the catalyst for the type of learning we need? A good coach can build the kind of trusting relationship necessary to enable effectiveness. Arab executives, for example, often have a history that is grounded on close relationships and social customs, and a good coach will demonstrate awareness of this.

## WHO NEEDS A COACH?

The facts bear out that well-conceived coaching works wonders from the chief executive level on down – especially in buttressing succession planning efforts.

It's extremely beneficial for people making a big shift in role – such as to business unit leader – where the expectations and the skill set are dramatically different than what they're accustomed to. Expatriate managers working in foreign



cultures, or repatriating home, often benefit from engaging with a coach to help them work through special challenges.

#### COMMON COACHING NEEDS

Coaches are brought in for a variety of reasons. An analysis of your company's needs from a coach may reveal development needs in any one of a number of different areas. Coaching is extremely effective for improving virtually any kind of leadership, interpersonal, or communication skill, where basic principles need to be adapted to the leader's own style and the specific situation. A coach, for example, can help a leader figure out how to navigate the politics and boundaries involved in managing a highly-matrixed environment. Coaching is less appropriate for technical or functional skills.

#### FIND THE RIGHT COACH

Once you know what your organisation needs from an executive coach, you're ready to choose one. But where to start? Anyone can call themselves a coach, print their own business cards, and charge from US\$95 an hour to US\$9,500 per day. Motivational speakers, business gurus and workshop leaders may all call themselves coaches. And they get hired as coaches by people who also hire those in my

trade: Professional psychologists who work with clients on a one-to-one basis to help them learn new skills, improve performance, and achieve better results.

All of us have our place and can produce good results if we do our work properly, but those who hire management coaches need to understand the key differences in what each type of coach brings. One basic distinction is the content coach versus the process/learning coach. The

content coach is an expert in a particular topic (e.g., authors, business gurus, former business leaders). They conduct coaching as teachers who provide one-on-one lessons. The process/learning coach, on the other hand, is an expert in how people gain new skills, put them into practice, and change behaviours to achieve better results. They conduct coaching more as a partner on a journey to uncover hidden strengths and weaknesses in order

to leverage them to improve performance.

Another distinction is that some coaches focus primarily on insight — delivering 360° feedback or helping people clarify their personal goals and vision. They work with a defined action plan. The learning coach, on the other hand, sees this as just the first step in a learning process that includes cultivating insight, fostering motivation, acquir-

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ing new skills and putting them into action, and ensuring accountability of people for better results.

### FOLLOW THE BEST PROCESS

The primary issue for executive coaches generally is not teaching new things, but rather helping people change old habits and put what they already know into practice so that it supports the organisation’s strategic objectives. Navigating in-house politics, for example, is one critical skill that may be utterly foreign to a newly appointed manager. A coach should be seasoned in helping others think through the political landscape and avoid land mines.

Further, coaches are most effective when they have a well-designed process to deal with the active ingredients of development: How will they cultivate insight? How will they foster motivation? What are their techniques for building new skills? How about for putting them into actual practice in real settings? In what way do they build in accountability so their clients stick with the learning process until results are evident? There is no single approach that works the same for everyone. It all depends on the situation at hand. The key is that effective coaches truly customise their approach to the person, based on the extent to which they need new insights, better motivation, or new skills.

### PROVIDE THE RIGHT SUPPORT

While these considerations will assist you in choosing the right type of coach, committed follow-through via an orientation programme for the new coach is just as essential. This “outsider” needs to be familiarised with the organisation, and goals need to be established on how the coaching will fit in with the company’s strategic objectives. To ensure success, you must:


- Orient coaches to the broader organisational context, including corporate culture and strategic priorities.
- Find ways to share information with each other. Find out what the coach is learning, and keep them up-to-date on what’s happening within the organisation.
- Monitor the coach’s progress and outcomes. Stay in touch in order to make sure things are going well.

As an example, consider two financial companies whose headquarters were virtually across the street from each other. One had a list of 71 coaches working in their organisation, though HR wasn’t entirely sure that was a complete count. Nor did it know much about the coaches or their respective speciality areas. Budget numbers were hard to find, but company leaders knew they were spending in excess of US\$1m on coaching annually.

The other firm, comparably sized, had a list of only five coaches with whom it contracted to work with executives. Each of those five met quarterly with their HR counterparts to share what they were learning and to get feedback on the company’s evolving strategic needs and circumstances. There was a systematic process for identifying employees who would be part of the coaching programme and for following up on their progress. Which firm do you think was getting more demonstrable added value from their coaches?

Having a coach is a competitive advantage for leaders. In a recent US survey, approximately 80% of firms using coaches said they planned to spend the same amount of money or more on coaching the following year.

### THE COACHING ADVANTAGE

It tells me that, at least among the most critical audience of all, today’s customers, the consensus view on coaching is that it’s an indispensable management tool when thoughtfully entered in to. 

**David B. Peterson** is senior vice-president of coaching services at Personnel Decisions International (PDI), a global human resources consulting firm, with offices in Abu Dhabi. For nearly a decade, PDI has served a portfolio of leading organisations in the Middle East, helping them to identify, develop, and deploy superior leaders. Peterson is co-author of the best-selling books *Development FIRST: Strategies for Self-Development* (1995) and *Leader As Coach Strategies for Coaching and Developing Others* (1996).