

trends Executive Coaching: Luxury or Necessity?

a cook associates report

In business, getting ahead has much to do with trial and error. And it has only been through this means that companies have come to realize that corporate success and employee success are symbiotic. Yet, human beings are complex. When you put them together day after day in an office for eight to nine hours, it's imperative that everyone is on the same page; the alternative could be disastrous.

When it comes to employee relations, human resources directors are getting savvier. It is becoming common practice to hire outside contractors to assist with improving organizational performance and morale, all to increase the odds of achieving success.

The techniques found in corporate and executive coaching are praised by many corporations who have implemented such practices into their business regimen. However, there is debate that for corporate coaching to work, companies must make it an integral component of day-to-day operations.

"I firmly believe that for the organization and its employees to reap the genuine benefits of coaching, it needs to become ingrained in the DNA of the business," said Mary Kier, Vice Chairman for Cook Associates, Inc., who oversees the executive search division at the firm's Chicago headquarters. "Senior executives and the leadership team need to embrace coaching as a way to help managers attain their potential within their organization."

Kier has worked in the executive search industry and served as a team leader for over 20 years. During this time, she has conducted more than 500 searches for senior executives and advised clients ranging from small to mid-size organizations to the Fortune 50. Many of her clients recognize the imperative to develop high-potential leadership, yet Kier is perplexed by the lack of knowledge when it comes to addressing the need for a corporate or executive coach.

"So often we see an employee with a great pedigree, solid resume and work history, who others in the organization genuinely like, but has a leadership style that does not mesh well with the organization," said Kier. "A coach can help re-focus the employee and guide that person in a supportive way. Coaches can unlock untapped potential and talent, so in many ways, they are a major asset for a company."

A well-documented study by Dell Computer reported that individuals who received coaching were promoted at a faster rate than those who did not receive coaching.

The International Personnel Management Association demonstrated that corporate coaching helped to provide a 53 percent increase in productivity and a 61 percent increase in overall job satisfaction.

Harvard Management Update revealed that IBM has more than sixty certified coaches among its ranks.

Right Management Consultants indicated that 86 percent of U.S. companies said they used coaching to enhance the skills of individuals who were recognized as future organizational leaders.

The concept of facilitating potential is only part and parcel for creating a win-win situation when it comes to working with a corporate coach. In fact, a study was completed in 2001 by Dr. Merrill Anderson of MetrixGlobal, who worked with a Fortune 500 company, and documented the company's successes after hiring an executive coach. Dr. Anderson found that the introduction of a corporate coach produced a 529 percent return on investment (ROI).

Research about the introduction of corporate coaching also revealed that impact learning is not efficient or effective in the business world as it was once thought to be by management schools. Impact learning is a one-time exposure to a learning event that delivers a 2 percent cognitive retention after 16 days. It is the main reason why organizations fail when it comes to delivering positive ROI. Rome wasn't built in a day, and it is a common misconception that a one- or two-day workshop, seminar or conference will reap major results in the areas of knowledge, skills and training.

"My clients who view coaching as a part of the foundation of their business have employees who feel challenged, excited and trusted. These employees take more risks, and are rewarded for their achievements. Coaching helps build high performing teams because it fosters a high-performing environment," said Kier.

A Coach is Born

Corporate and Executive coaching started to achieve recognition in the late nineties. However, according to organizations involved in corporate coaching as well as professional practitioners, the movement began in the 1940s and 1950s by notable psychologists Carl Rogers and Abraham H. Maslow, who coined the concept of "client-centered therapy."

The coaching movement finds its roots in similar techniques based on proven concepts in clinical psychology and counseling.

trends Executive Coaching: Luxury or Necessity?

a cook associates report

As a greater understanding was gained of how therapeutic elements could be added to the business world, executive coaching was introduced to employees who met the concept with considerable resistance.

“In the beginning there was this stigma attached to it,” said Dr. Betty Orlandino, who has been a corporate coach for over 18 years and represents five major Fortune 500 companies with several Fortune 100 companies in her portfolio. “Employees would warn one another: ‘Here comes the corporate shrink!’” recalled Orlandino.

“There was always a fear that people would see it as a weakness, but now people are excited about it and they are willing to be more proactive, so it has gotten away from the myth that it’s about damage control and problems. What we learn in grad school is a very small piece of it. This is about making an investment. It proves that a company is personally investing in them and it’s realized that this is a large compliment when a corporation invests in them.”

The idea of assisting executives to develop common sense, no nonsense reasoning to empower their leadership abilities through work is not as revolutionary as it may seem. The Danish philosopher Nikolai Grundtvig was ardent in his writings about leaders working to build strong, beneficial relationships with their workers. For centuries, leaders have had advisors who functioned in the same capacity as a coach would. Kings and Queens had them, state leaders had them, and still today, CEOs are also known to have them.

Advisors are there to help, support, dissect essential information, and discuss with leaders rational solutions to problems. In many ways, executive coaching is a hybrid in wide range of disciplines that encompass elements of sociology, psychology, positive adult development, career counseling, mentoring, values assessment, behavior modification, behavior modeling, and goal-setting.

“Coaching requires you to be willing and open to discover and leverage strengths, recognize obstacles and identify action plans to maximize performance,” said Orlandino. “It is the development of soft-skills training to the highest degree, including team building, communication skills, stress management and motivational training to improve the overall culture of the organization.”

Dr. Betty’s Seven Essentials to Effective Executive Coaching

YOU MUST COMMIT

The executive must be committed to coaching in order for it to be successful. The idea has to originate from someone with a vested interest such as human resources and leadership development professionals or from senior-level managers. The commitment to coaching has to be about taking preventative measures, not finding a solution when the damage is already done. Start coaching the minute a new executive is on-boarded or begin coaching on their very first day at a company.

IT’S NOT A MEANS TO AN END

It’s an investment that involves a lengthy process; it cannot be used generically as a fast track to career advancement because everyone else is getting a pat on the back for doing it. It’s systematic and requires self-actualization and feedback from your coach. It will not get you promoted tomorrow; you have to put in the effort.

FOR GOD’S SAKE, HAVE A PLAN

If you have a goal in mind, stick to it. You start with noticing how you relate to people. Realize that learning the art of interpersonal skills is the first hurdle to overcome in regard to executive coaching. Treating your employees like they are invisible is not a good place to start.

IF SOMETHING IS AMISS WITH YOUR TEAM, LOOK INTO IT

An executive should use the same gut feeling in regard to the satisfaction of their employees as they do when it comes to closing a business deal. If you aren’t aware that something is wrong, how can you be expected to fix it? The minute your instinct tells you something has changed or something is wrong, address it.

NEVER DISMISS THE BENEFIT OF AN EFFECTIVE SOUNDING BOARD

Get a trusted coach and ask for a critique and then use what you learn from them to sharpen your skills. Coaches can also suggest a new way to attack an old problem. Working with a coach is not the time to be stubborn about how you do things. You have to keep an open mind and actually listen to suggestions.

MANAGE THE YOUNG

It is important for an executive to realize that younger workers come from a different generation with a different set of work values and ethics. You have to be open to understanding where they are coming from and adjust to their working style. An older executive has a lot to offer a younger worker in way of advice, when they come to you looking for it, welcome it.

COACHES ARE AUTONOMOUS, DON’T EXPECT OTHERWISE

It’s like getting a compliment from a total stranger. It’s impossible for family, friends and colleagues to be totally unbiased. It’s best to have an outside lens with an outside perspective. The coach is there to help the executive with their career goals. They do not represent a specific company or pander to their needs and interests outside of perfecting their executive’s interpersonal skills.

trends Executive Coaching: Luxury or Necessity?

a cook associates report

The qualitative and quantitative analysis is undeniable and has not only helped to create a new way of thinking in the corporate business arena, but it has also added an entirely new job role to the executive rank and file.

“It is relatively new as a profession,” said Diane Brennan, President-Elect of the International Coach Federation in Lexington, Ky., a professional organization that provides resources for businesses seeking personal coaches.

“While measuring the return is still evolving, several studies demonstrate that there is significant return on investment when a company hires an executive coach. In the past, technology corporations was where you would most often find corporate coaches on the payroll, but now they might be found working within HR departments, or helping with organizational leadership. It won’t be long until there is a commitment within the corporate world toward having coaches as part of their everyday business structure.”

Effective Coaching

Much is required of a corporate coach, and being able to identify the goals of a client is a two-way street. A corporate coach also has to have above average communication skills, a high emotional IQ, and be able to scrutinize a situation from the top down and come up with workable solutions to a problem.

“Corporate coaching is a process utilizing focused conversations, powerful actions and a commitment to sustained improvements. It is a relationship between two willing and equal participants, and is built upon trust, respect and common objectives,” said Executive Coach Joel Garfinkle in a description of the coaching process on his webpage. Garfinkle, who has a firm in Berkley, Calif., is one of the Top 50 executive coaches in the U.S. He has worked with such Fortune 500 companies as Eli Lilly, Cisco Systems, Peoplesoft, Intuit, Accenture, Visa International and many others.

According to Garfinkle, companies often approach an executive coach with the idea that they can provide a quick fix to an organizational problem. He says that in order to be effective, companies have to understand that it takes time to change a certain behavior in order to reach a desired objective.

“Corporate coaching is not a quick fix. It takes time to change a way of thinking. It’s a process,” said Garfinkle. “Clients are investing in a process.”

Dr. Orlandino also noted that corporate coaching helps to fix certain leadership flaws that often go unnoticed by managers who don’t realize how they are coming across to their employees.

“You would be surprised by how many executives plateau in critical interpersonal skills,” said Orlandino. “They don’t realize how something sounds. There are clues in their tone of voice and often when a manager approaches an employee in a sarcastic way, that person is going to shut down and avoid talking to them at all. This is hardly what I call a productive process. A large part of my work is about shadowing people to see how people respond to them and get some idea on how they are interacting. Often they are giving away what they are thinking by their tone of voice and the look on their face. I always say that this type of micro-messaging is not a good business practice if you want to keep your employees.”

Kier of Cook Associates believes that in order to avoid the time and money that is spent in losing a star employee, or having to fix a legal problem regarding a disgruntled one, it’s best to prevent a problem long before it starts attacking a company’s bottom line. Corporate or executive coaching can be the solution to a major and costly problem in the future.

“Coaching improves leadership effectiveness. It is involved in defining opportunities for professional and personal growth, whether in dealing with a boss or peers and the accompanying set of complex issues related to that, to navigating the political landscape,” said Kier. “No matter where a person is on the executive ladder – from first rung managers all the way up to CEOs – corporate coaches can help by building trust with the individual, and then being committed to helping the executive in all the areas that will lead to success.”

About Cook Associates, Inc.

Cook Associates, Inc. is a retained executive search and M&A advisory services firm. We are uniquely positioned to help our clients capitalize on the brightest talent and best performing companies in the marketplace. Our client base ranges from multinational corporations to early stage entrepreneurial companies, private equity and venture capital firms. www.cookassociates.com

Mary Kier is Vice Chairman of Cook Associates, Inc. and a search consultant within the firm’s executive search division. With over 20 years of experience delivering exceptional search services in consumer related markets, Mary is well-positioned to comment on industry trends. She can be reached at 312.755.5614 or via email at mkier@cookassociates.com.