

Executive coaching – is it just another fad?

In recent years there has been a rapid growth in the use of on-on-one executive coaching in business. A Google search revealed 84,500 New Zealand pages on executive coaching. Notable examples of companies using coaching in New Zealand include: Unisys NZ Ltd, Sovereign Insurance, North Shore Hospital, Auckland University, National Women's Hospital Auckland, Department of Child, Youth and Family, Fletcher Building, Hill and Stewart Ltd, KPMG, PricewaterhouseCoopers, and Westpac.

What is an executive coach?

An executive coach works individually or with a group with executives, managers and professionals to provide objective, professional direction to increase performance. Improved organisational, team or individual performance is achieved by understanding and developing anything from broad business strategy to interpersonal competence.

In summary coaching is about formally using a set of behavioural methods and tools to help executives improve performance and better reach goals.

What are the steps in executive coaching?

Executive coaching typically has seven stages:

1. Relationship building, where the coach, executive and often the 'buyer' from the organisation, meet to decide if they can work together
2. Assessment of the executive often using 360 degree feedback and psychological testing to understand the coaching needs of the executive
3. Feedback, when the executive reviews the assessment and a mutually agreed set of coaching needs are defined
4. Planning, when a set of agreed actions and a timeframe for the coaching are agreed and written up in a coaching plan
5. Implementation, where the agreed actions are put into place
6. Evaluation, when interviews and questionnaires are used to assess the outcome of coaching
7. Follow-up, when the results of an evaluation are fed back to the executive and often the organisation.

Does coaching work?

Given the growth of the executive coaching industry, the savvy manager has to wonder – Is there any real evidence that coaching works? Is executive coaching just another management fad – more fashion than substance? Can skills taught in coaching actually be transferred to the workplace and improve productivity?

Relevantly there is a growing body of compelling evidence that coaching does add value provided it includes certain key components. Also that it does result in both a transfer of learned skill to the workplace and a positive impact on productivity. Two recent research projects illustrate the point.

One study, reported in the journal *Public Personnel Management* assessed the impact coaching could have if traditional management training was combined with eight weeks of one-on-one meetings with an executive coach. As part of the coaching programme managers were asked to measure and record their productivity before training, after training and before coaching and after coaching. The conventional management training alone increased productivity of the thirty one managers in the study by 22%.

The coaching which included: goal setting, collaborative problem solving, practice, feedback, supervisor involvement, evaluation of results, and a public presentation. This type of executive coaching increased productivity by 88%, a significantly greater gain compared to training alone.

The savvy manager might say – this is just subjective self-assessment and may be prone to error. Is there any evidence that employees, peers and supervisors think that those who undertake executive coaching perform better?

A larger scale study, reported in the prestigious journal *Personnel Psychology* assessed the impact of coaching on 360 degree feedback results from employees, peers and supervisors. Of a total of 1,361 senior managers who received 360 degree feedback, 404 worked with an executive coach to review their feedback and set goals. One year later 1,202 of the senior managers were given feedback from a second 360 degree survey. Managers who had been coached were more likely than other managers to set specific goals rather than vague ones and to get better ideas for improvement from their supervisors. Managers who worked with a coach improved more than other managers in terms of feedback given by their staff and supervisors. The researchers note that the improvements after coaching were clear but not huge – however they comment that results of this size, if spread across a wide range of managers could have a large impact on organisational performance.

In conclusion the research indicates that the effective components of executive coaching include:

- A written coaching plan
- Clear time limits
- Coaching that involves improvements to customer relationships and service
- Clearly influences the work behaviours of the executive
- Coaching that involves improving the relationships or productivity of the executive's employees.

What is a coaching plan?

A coaching plan is a clear written agreement between a coach and the executive about what the purpose, process and outcome of coaching is. A good coaching plan should include:

- The major coaching issue that the executive and the organisation wants to deal with
- A brief description of the context of coaching - what is it about the context that might impact on the executive's work either positively or negatively? What roadblocks might be encountered? What groups should be consulted?
- Outcomes - what is it the executive and the organisation wants to accomplish – set out in clear measurable terms
- Action steps – what is actually going to take place in the coaching
- Follow up steps – what subsequent actions will be taken to ensure the results of coaching are transferred to the workplace and result in productivity improvements
- Evaluation – how the impact of the coaching will be assessed.

How can coaching be assessed?

The evaluation of coaching is a very important issue and organisations often overlook this step. One simple and innovative solution to evaluation is a specialist evaluation tool that can be found on www.ClickTheSolution.com. It consists of a short online assessment of the following: was the coach helpful, what did the executive learn, were the results of coaching transferred to the workplace and was there an impact on personal or team productivity as a result?

Executive coaching is an intensive one-on-one process of learning for managers. There is now sufficient evidence of its effectiveness to give organisations a reasonable degree of confidence about its use.

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