The International Journal of Coaching in Organizations

2005 Volume Three Issue One

Theme: Research on Coaching

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Co-Editors: Mary Wayne Bush and John Lazar

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International Journal of Coaching in Organizations

Advertising and Sales Office
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Forest Park, IL 60130 USA
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The ***International Journal of Coaching in Organizations*** (***IJCO***) (ISSN 1553-3735) is published quarterly by Professional Coaching Publications Inc., 7309 Randolph St., Forest Park, IL 60130 USA.

Periodical postage paid at Sacramento, CA, and additional mailing offices.

Subscriptions: One year subscriptions are $US80. For delivery to Canada, add $US10; for delivery outside North America, add $US20. For more information about subscriptions and sponsorships, visit the ***IJCO*** website, www.ijco.info, or call Patti Erck, Managing Editor, at 916-364-0252.

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The ***International Journal of Coaching in Organizations*** is a professional journal, published quarterly to provide reflection and critical analysis of coaching in organizations. The journal offers research and experiential learning from experienced practitioners representing various coaching schools and methodologies.

Letter from The Co-Executive Editors

2004 has ended, winter vacations are just a warm memory, and the ***International Journal of Coaching in Organizations*** has completed its second full year of quarterly publications. We believe that it's worthwhile to take a step back and reflect on where we've been and where we're headed in 2005 and beyond.

Our Editorial Board has completed its first two year term. We have had nineteen members of the board who have helped establish issue themes, co-edit issues, write articles, and promote the journal (and coaching in organizations) to colleagues and client organizations. We are thankful and appreciative of their contributions and delighted that they choose to complete a second term. We also say thanks to two members who are choosing to step off the board: Lee Smith and Doug Kerr. On the other hand, we are adding several new editors that reflect our diverse backgrounds. Please welcome Ed Allen (USA), Jeffrey Auerbach (USA), Katrina Burrus (Switzerland), Michael Clarke (Republic of South Africa), Leslie Hamilton (New Zealand) and Marcia Reynolds (USA) as new board members through the end of 2006. We look forward to their collaboration on and investment and contribution of time, creativity and leadership in taking this journal to the next stage of its development.

We have found that organizing journal issues around topical themes has been a successful tactic. We will continue this for the next two years at least. Themes for 2005 issues are set: Issue 1 – Research on Coaching; Issue 2 – Coaching in Closely Held Enterprises; Issue 3 – Coaching and Ancient Wisdom; Issue 4 – Open (unthemed) issue. We will work closely with our board members to identify relevant and engaging themes for the 2006 year.

We have been pleased with the associations and partnerships we have established during the first two years of operation. We appreciate our involvement with the Worldwide Association of Business Coaches (WABC), the Professional Coaching and Mentoring Association (PCMA), the International Coach Federation (ICF), the International Society of Performance Improvement (ISPI), as well as our strategic partners and individual and organizational sponsors. Thank you. We are already engaged in conversations with numerous organizations with whom we can establish mutually beneficial and synergistic relationships. Stay tuned for more specifics.

We recognize that in the global village, an international journal must have an international presence. With the creation of our website last April we took the first steps. We are now making major changes to our site—with plans for ongoing maintenance—that will assure our subscribers, sponsors, advertisers and visitors that we have things of interest and value for them. Visit us regularly at www.ijco.info to see the difference.

The parent company, Professional Coaching Publications, Inc. (PCPI), owned by the two of us, has made decisions about other coaching publication products you will see in 2005. These include pdf files of all our journal articles, individually purchasable and downloadable from the website; an annual bound volume of journal articles, ideal for purchase by libraries and other institutions; monographs on selected themes that pull together former journal articles and newly written articles; and books on selected topics of interest that will support effective coaching practices.

It would seem that we are moving forward-- with a whole lot of "help from our friends" (to borrow from the Beatles).

John Lazar

William Bergquist

Potential Future Themes Of IJCO Issues

Organizational Coaching in Government

The Training of Coaches: Survey of Alternative Perspectives and Strategies

Organizational Coaching in Intersect Organizations (Utilities and Beyond)

Coaching about Ethics and Values: Helping Leaders Make Difficult Decisions

Coaching in the Health Care System

Coaching as a Vehicle for Improved Strategic Planning and Enactment

These are some of the ideas generated by the Co-Executive Editors and Editorial Board--what are your suggestions. Let us know: Bill Bergquist (whbergquist@aol.com).

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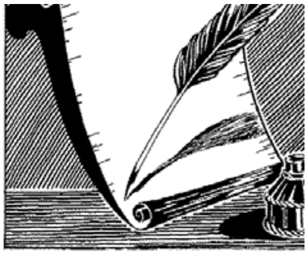

Research on Coaching

From the Editorial Desk

As coaching takes its place as an accepted development option for leaders and individual contributors in organizations, more focus turns to examining and making a case for its effectiveness and identifying ways to maximize its value. To this end, research becomes an important element in the further development of coaching in organizations. Coaching research is, by nature, a collaborative venture, relying upon alliances outside of coaching itself to get results. The research in this issue offers a powerful way to observe the field of coaching.

This issue of the ***IJCO*** presents a variety of perspectives on coaching research: Jean Hurd and Tino Juri, Jens Riedel, and David Noer write of the experience of organizational coaches in a global context, Mary Beth O'Neill and Jack and Patricia Phillips detail their methods of assessing the ROI of coaching, and Dianne Stober reviews the literature, focusing on the methodologies of current studies on coaching in organizations, and pointing to new directions to be explored. The voices represented in this issue are academics as well as practitioners, discussing internal as well as external coaching approaches, leadership and non-leadership clients, and global contexts.

Coaching is not a typical conversation in organizations, it is not the same thing as consulting and managing. It requires context setting and explicit expectation setting, from up-front contracting and goal setting to evaluation. The research perspectives offered in this issue help shift our way of looking at the profession and practice of coaching in organizations. They help up look backward and forward by looking at examples of what has been done, and calling for what is yet needed.

To the co-editors, who are also researchers, this issue is especially important in introducing the conversation about organizational coaching research to a broader audience. It is our hope that the articles in this issue will promote interest and encourage further participation in this important area of research. To that end, other venues are being created to focus on this important arena – such as the International Consortium for Coaching in Organizations (ICCO) and the 3rd Annual ICF Coaching Research Symposium. It is gratifying to see the increasing interest in coaching research, and it is our pleasure to highlight some of it in this issue.

Mary Wayne Bush and John Lazar
Issue Co-editors

Approaches to Research on Executive and Organizational Coaching Outcomes

Dianne Stober, Ph.D.

As coaching's popularity has risen as a tool in executive and organizational development, questions of effectiveness and potential outcomes arise. Through research investigating coaching effectiveness and outcomes, different studies have fulfilled different research approaches of exploration, description, and explanation. This article discusses a range of coaching outcome research in terms of these approaches and concludes that many exploratory issues have been illuminated, a number of outcomes associated with coaching have been described, and there are a few studies that are moving in the direction of explaining what underlying causes give rise to positive outcomes in coaching. There are a number of challenges to designing and implementing rigorous methods that can definitively answer questions of effectiveness and outcomes due to coaching. Research on coaching outcomes is relatively new and while there are the beginnings of evidence for coaching effectiveness, much still needs to be done.

Introduction

Coaching has emerged as a popular development process in organizations, giving rise to the inevitable question of "is it really effective?" As organizations invest substantial resources to provide coaching, demonstrations of effectiveness and positive outcomes become more and more important. Researchers have begun to address the issue of coaching effectiveness through published studies; however, because of the scope and limitations of early research in coaching, there is evidence for coaching as an intervention but definitive answers regarding outcomes and effectiveness are not available as yet. To be able to critically evaluate the extent to which current research answer questions of effectiveness, it is useful to dissect the different approaches to research and the answers that can be deduced from them. Three types of approaches and their corresponding utilities and limitations are explored.

There are three main purposes or approaches to conducting research in social sciences: exploration, description, and explanation[1]. When researching something relatively new, as in the emerging field of coaching, exploratory research is often the most productive place to start. Before one can answer more definitive questions, it is helpful to explore the subject both for feasibility and to help develop methodologies that will likely be fruitful. To date, a substantial amount of research falls in this category via case studies and qualitative research designs. Another approach to research lies in description: a description of a situation or context, of an experience, or of individuals or groups involved. Another large segment of coaching outcome research is of a descriptive nature, including methodologies such as surveys and qualitative designs such as phenomenology, thematic and content analysis, etc. A third approach to research is being able to answer "why" something occurs. Explanatory research, which takes descriptive or exploratory data and goes on to explain why, is a further step in social science research. Research can also fulfill more than one purpose but often primarily focuses on one.

As consumers of research, it can be very helpful to evaluate which type of research purpose or approach is being demonstrated. In discussing research on executive and organizational coaching outcomes, we will discuss which approach is being used in a variety of studies and what their strengths and limitations are for giving us different kinds of answers about coaching outcomes. This article does not purport to be a comprehensive review of the literature on executive and organizational coaching outcomes, but rather will discuss the development of coaching outcome research via available studies (for a comprehensive review of the executive coaching literature as a whole, see Kampa-Kokesch & Anderson[2]). We can assess the state of knowledge regarding coaching effectiveness by looking at what we have learned from different types of studies and what they can and cannot tell us about coaching outcomes and effectiveness.

Exploratory Coaching Outcome Studies

When first considering a study of coaching outcomes, it is important to consider what relevant variables or factors in coaching outcomes exist. One way coaching researchers have identified relevant variables is through the use of case studies. Kiel et al.[3] identify a number of variables of importance to a positive outcome in the case of a senior sales and marketing manager: the engagement and support of clients' supervisors; different styles of the coaching team; the support mechanisms in the coaching process; and the relationship between coach and client. Tobias[4] delineates the importance of engaging the organizational system rather than focusing only on the individual as illustrated by the effectiveness of a coaching engagement with a derailing executive. Peterson[5] uses the case of a female executive to point to five strategic constructs needed for effective individual coaching: building partnership, promoting commitment, increasing skills, encouraging persistence, and shaping the environment. Orenstein[6] uses three case studies to argue that there are a number of levels of variables which must be taken into account for effective executive coaching: the unconscious in both individual and group/organizational level; the interactional level between the individual and organization; organizational dynamics; and the use of self as tool by the executive coach. Case studies such as these fulfill an exploratory purpose in coaching research when they point out relevant constructs for future study.

Empirical research often raises more questions than it answers and thus can serve an exploratory purpose also. Many of the studies to be discussed as descriptive or explanatory also indicate directions for future research. Topics identified as promising for further study include individual differences in readiness for change, effects of coaching related to coach styles, identifying specific criteria of behavior change[7], and coach characteristics[8, 9]. In addition, a number of studies suggest the need for comparative studies: one-on-one coaching compared to web/online coaching and electronic conferencing[10]; individual interventions (e.g., training, coaching) versus combined interventions (e.g., coaching plus training)[11]. Studies regarding the importance of specific elements of executive coaching are also indicated[12, 13]. In summary, coaching outcome research can be exploratory in functioning to identify relevant variables and suggest fruitful directions for further research. Exploratory approaches cannot, however, demonstrate outcomes caused by coaching as they do not have methodological controls to allow for causation, generalizability, or replicability.

Descriptive Coaching Outcome Studies

As another means of developing a new area in research, descriptions of situations and events can add to our knowledge of what we observe. In terms of coaching outcomes, many of the studies in the literature reflect the purpose of describing the process of coaching and delineating outcomes. They vary widely in the rigor of research methods and what conclusions can be drawn regarding coaching outcomes.

Descriptive Approaches using Case Studies

The case studies discussed above also fulfill a descriptive purpose by illustrating positive coaching outcomes and the models used to achieve them. Tobias[14] describes a successful coaching engagement with a 44 year old male executive. The importance of taking into account systems and contextual factors in the organization in addition to looking at the individual is stressed as relevant to effective executive coaching. Likewise, Kiel et al.[15] stresses a systems-oriented approach in a positive outcome from a coaching case. A description of how coaching's impact on the individual can positively influence the organization is given. Richard[16] discusses the effectiveness of using a multimodal therapy model with an executive coaching client and the benefits of this integrative approach in gathering data and working with multiple aspects of the client's experience. Diedrich[17] illustrates the importance of an iterative, integrated approach to feedback and data-gathering in allowing for development and growth through coaching in a troubled, male executive.

While using these and other case studies is useful in illustrating how a model can be used effectively, case studies themselves are weak in establishing evidence that coaching as a process is effective. The major limitations of case studies include a lack of generalizability and the inability to establish cause and effect. However, case studies can provide very useful information: illustrations of theoretical methods that can lead to further investigations of process; identification of important variables or factors; and identification of unhypothesized outcomes. So while case studies are limited in their ability to demonstrate coaching effectiveness, they are valuable sources of information and hypotheses for future studies.

Descriptive Approaches using Qualitative Methods

Qualitative studies such as phenomenological investigations and thematic analysis are also sources of descriptive data regarding coaching outcomes. Wales[18] used a phenomenological approach to describe what outcomes could be identified in the experience of a group of bank managers who received coaching. Three groups of key benefits from coaching were identified: internal development outcomes (increased self-awareness and confidence), external development outcomes (improved leadership and management, assertiveness, understanding of difference, stress management, and work/life balance) mediated by increase communication skills.

Bush[19] used phenomenological methods to investigate what constituted effective coaching. In retrospective semi-structured interviews, executives who had received coaching where asked about what made the coaching effective. Six themes constituting an experience of effective coaching were delineated: 1) a client committed to coaching; 2) personal characteristics of the coach (e.g., frankness, respect for the client, positive and caring attitude, responsiveness, etc.); 3) a structured coaching process focused on the client's development; 4) inclusion of others in the client's process; 5) rapport and relationship with the coach; and 6) results that benefited the client, whether personal or professional. This study gives rich descriptions of coaching experience, illustrating the descriptive approach to research by focusing on what elements are important in effective coaching.

Another study by Thach[20] used action research and thematic analysis methods to describe the impact of executive coaching and 360-feedback on leadership effectiveness. Executive coaching, along with 360-feedback, was provided to 281 executives in a telecommunications firm and gathered data suggesting that leadership effectiveness was enhanced by the program. However, the study's findings are difficult to evaluate because the methods of analysis, how leadership effectiveness was defined, and measures were inadequately described. This illustrates one of the shortcomings common in literature published on coaching outcomes. Explicit descriptions of how outcomes are operationalized are critical in order for consumers of research findings to evaluate the importance, relevance, and validity of findings. For coaching research to mature, the level of rigor in describing and publishing research also needs to mature.

Descriptive Approaches using Interviews and Surveys

Interview and survey studies have also been published that describe coaching outcomes. Wasylyshyn[21] describes findings on coaching outcomes that are also interesting but not causal in a survey of 87 executive coaching clients she coached over a span of 16 years. By self-report of the clients, indicators of coaching success where sustained behavior change, increased self-awareness and understanding, and more effective leadership. Wasylyshyn also points out that the findings underscore the importance of motivation for change and learning in successful coaching engagements.

Another study of a descriptive nature is an evaluation of the CompassPoint Executive Coaching Project[22]. Coaching was provided to 24 nonprofit executive directors and through pre and post-coaching assessments by self-report, a number of positive outcomes were found: improved leadership and management skills; improved vision for the organization and alignment with staff and Board members; increased confidence; and increased work/

life balance. Semi-structured interviews also found that coaching had helped reduce stress and burnout and had either improved anticipated tenure on the job or helped clients decide that a job change was needed. While the procedure followed is well-described, there is little data reported on how these variables were measured, what analyses were used, and the actual statistical results. Again, these studies give important information about how clients perceived the impact of coaching but do not rigorously demonstrate coaching effectiveness. As descriptive studies on coaching mature, it is critical that researchers explicitly describe their methods, operational definitions of variables, and analyses. In this way we will develop more and better measures of coaching outcomes and will develop further methodologies for use in demonstrating coaching effectiveness.

Hall, Otazo, and Hollenbeck[23] interviewed more than 75 executives in Fortune 100 companies and 15 executive coaches regarding not just outcomes of coaching but also what often actually happens in coaching engagements. In terms of identified outcomes, task-related gains were found relating to short term performance (increases in management effectiveness such as staff assignments, staff development, conducting meetings, etc.) and long term adaptability (increased flexibility and a wider repertoire of behaviors, and increased observation before action). Personal gains noted were attitude changes (increased patience, confidence in dealing with superiors, etc.) and identity shifts (more personal, increased self-knowledge, self-confidence, and validation of views).

McGovern et al.[24] reported positive outcomes based on post-coaching interviews with 100 executives. A high percentage of participants (86%) and stakeholders (74% of immediate supervisors or HR personnel) reported being very satisfied or extremely satisfied with the coaching they (or the executive client) received. Participants reported positive effects of coaching on goal achievement (73% of goals achieved very effectively or extremely effectively) while stakeholders also saw increased goal achievement, albeit less dramatically (54% of goals achieved very or extremely effectively). McGovern et al. also reported tangible organizational outcomes of increased productivity, quality, organizational strength, and customer service and intangible outcomes of improved relationships with direct reports, peers, and stakeholders; improved teamwork; increased job satisfaction; and reduced conflict. These outcomes were assessed qualitatively. The study goes on to report an ROI of coaching nearly 5.7 times the investment. Estimates of ROI are outcomes of coaching that stakeholders, clients, and coaches alike all desire, and this study gives the executive clients' estimates of impact. Much more needs to be done to evaluate ROI from other views, such as stakeholders. It is also important to remember that these are estimates, rather than actual monetary amounts demonstrating the impact of coaching.

A mixed, quantitative and qualitative master's thesis field study was conducted by Gegner and described in Kampa-Kokesch and Anderson's literature review[25]. Gegner reported on outcomes from 48 executives using a quantitative measure to rate effectiveness of the coaching along with follow-up interviews with 25 of the 48 executives. Executives reported sustained behavior change in awareness and responsibility as a result of coaching. However, this finding must be viewed with caution as the data is by self-report and is not considered longitudinally. Eighty-four percent of the 25 executives interviewed in the follow-up viewed their experience as positive while all reported gains in self-knowledge or new skills as most valuable outcomes.

Descriptive Approaches using Pre-experimental Designs

Other types of descriptive outcome studies include what Campbell and Stanley[26] term "pre-experimental research designs." Again, because these designs lack control groups, results cannot establish causality, but they are one step further in helping identify and describe outcomes. Olivero, Bane, & Kopelman[27] used an action research model with a one-group pretest-posttest design (that is, lacking a control group). Training followed by executive coaching was given to managers in a public sector agency with a productivity index assessed pre and post intervention. Findings showed that both the training alone and training plus coaching resulted in increased productivity and that when the training was augmented with coaching, productivity was increased by almost four times the level found with training alone. While these findings are dramatic and show observed change (versus self-report), it is important to remember that a pre-experimental design lacks the ability to show that it was the interventions themselves which account for the positive outcome in productivity.

Another field study using a one-group pretest-posttest design looked at the outcomes of using 360-degree feedback with systematic coaching in a small manufacturing company[28]. Twenty managers and 67 workers participated in a 360-degree feedback program rating managers on a managerial profile. The managers were given 360-degree feedback along with coaching aimed at enhancing self-awareness regarding discrepancies between self-ratings and others' ratings. Other measures included self and employee job satisfaction attitudes. The results showed that after 360-degree feedback alone, managers' self ratings were significantly higher than others' ratings, consistent with other research reported. When ratings were again assessed after coaching, the discrepancies disappeared, not by lowering managers' self-ratings, but rather the discrepancies were reduced by increases in the ratings of the managers by others. In addition, job satisfaction attitudes for both managers and employees improved following the feedback plus coaching intervention. The authors state that by using coaching to enhance self-awareness after receiving feedback, managers were able to make changes that were observable by others and influenced their attitudes. Again, while this study is a forward step by describing positive outcomes, making a significant contribution in developing a useful measure, and using valid statistical methods, the lack of a control group leaves us without a definitive statement regarding coaching's effects.

In summary, descriptive studies such as case studies, interview studies, and survey research can uncover some of the ingredients in coaching processes that impact effectiveness and can illustrate outcomes. However, they cannot definitively demonstrate coaching effectiveness. Such studies are important in that they tell us what clients observe about their experience of coaching and methods coaches use. To go beyond describing outcomes associated with coaching to explaining why coaching is effective, other types of outcome studies such as experiments and quasi-experiments are required.

Explanatory Coaching Outcome Studies

Where descriptive outcome studies can answer questions of what outcomes are associated with coaching, who they involve, when, where and how; explanatory outcome studies answer questions of why coaching is effective (what the underlying causes are) or why certain outcomes are found. Studies on coaching that fulfill this purpose of research are less common at this point in time. The priority of the coaching community regarding outcomes thus far has mostly been focused on describing coaching effectiveness rather than developing explanations of the outcomes. However, there are a few studies that use more rigorous methods in terms of control groups and pretest and posttest measurements.

Hernez-Broome[29] used a quasi-experimental pretest-posttest group design incorporating a coached group and a control group. This study was quasi-experimental in that participants self-selected coaching or no coaching, rather than being randomly assigned. Both groups underwent the Center for Creative Leadership's Leadership Development Program that includes a half-day session with a coach at the end of the program. Twenty-two participants (the coached group) elected to pursue follow-on coaching while 21 participants (the control group) did not. Groups were matched on gender and, where possible, positions in their organizations. Data were collected via structured interviews before follow-on coaching (or around the same time for the control group) and then again after the completion of coaching regarding specific behavioral objectives. After the intervention, both groups were also asked to rate whether their objectives had been met on a 1 to 7 point scale. Results showed that those in the coaching group were more focused in their behavioral objectives, more successful in achieving their goals, and their new learning and behavior was more closely tied to leadership roles than the control group.

Another quasi-experimental study by Smither et al.[30] examined the impact of coaching on multisource feedback over time. Multisource feedback data were collected at two times for 1,202 senior managers, 404 of which had received coaching and 798 of which had not. Like the Hernez-Broome study[31], participants were not randomly assigned to coaching or control groups. Smither, et al. found that those who worked with an executive coach were more likely to set specific goals, solicit ideas for improvement from their supervisors, and improved more in terms of direct report and supervisor ratings (albeit with a small effect size) than managers who did not receive coaching. While the Hernez-Broome study and Smither et al. study results are stronger evidence for coaching effects, it is still impossible to rule out the possibility that findings were a result of differences between those who chose coaching, rather than coaching itself, and those who did not choose to participate in coaching. True experiments that not only utilize pretest and posttest designs with control groups but also randomly assign participants to intervention groups are required to definitively answer questions of whether outcomes are actually a result of the coaching process.

Another type of explanatory research looks to illuminate mechanisms involved in effective coaching. There are the beginnings of research delving into explaining what underlying causes might be involved. Laske[32] utilized structured interviews to assess changes in 6 executives receiving coaching. Laske uses a developmental view to explain why and how coaching can have either transformational or behavioral change effects. According to the research, transformation as a result of coaching hinges on the developmental level of the executive and the developmental level of the coach. Coaching might influence behavioral learning, but it is unlikely to result in transformation unless the executive is developmentally ready and the coach is at a developmental level that can support and provide a container for developmental shifts. Without transformation in terms of developmental advance, Laske states that behavioral learning will not be sustainable.

In investigating coaching outcomes in a retrospective regression analysis study, Dunn & Stober[33] found that changes in life satisfaction could be statistically predicted by changes in self-efficacy in a group of 72 clients receiving coaching. The participants were not exclusively organizational or executive coaching clients. And due to the retrospective and survey nature of the study, increases in life satisfaction and self-efficacy cannot be construed to be a result of coaching. But the study does point to possible explanations for one mechanism of coaching in that changes in self-efficacy accounted for some of the variation in changes in life satisfaction. Further study is needed to replicate these findings using more rigorous methods and sampling.

Another study demonstrating an explanatory approach is reported by Grant[34]. While this study is of life coaching, rather than executive or organizational coaching, its focus on looking not only on outcome but on underlying mechanisms is applicable. Twenty individuals received the group coaching sessions and were quantitatively assessed pre- and post-coaching for self-reflection and insight, goal attainment, mental health, and quality of life. Participation in the coaching program was associated with statistically significant gains in goal attainment, mental health (as measure by reductions in perceived feelings of depression, anxiety, and stress), and quality of life. Increased levels of insight were also found after coaching while self-reflection was decreased. Grant proposes that self-reflection was a form of self-focused rumination that interfered with positive gains and that coaching can be helpful in moving people through excessive self-reflection towards greater insight in the self-regulatory cycle.

In summary, studies that seek to serve an explanatory purpose for coaching outcomes will become increasingly important as studies that more rigorously demonstrate coaching effectiveness and outcomes give rise to questions of why specific outcomes are found. But before these types of studies come to the fore, there are a number of challenges that will need to be met in studying outcomes of coaching in organizations.

Challenges to Outcome Studies in Organizations

One of the greatest challenges to executing research in organizations lies in the tension between organizational needs and research design. As has been discussed above, many studies are forced to compromise the ability to evaluated cause and effect relationships, whether qualitatively or quantitatively, by the participant pools available. It is very difficult in organizations to gain the ability to form comparison or control groups, much less randomly assign participants to different groups. Without these research design controls, the most comprehensive study cannot speak to outcomes or effects specifically due to coaching. Another set of challenges related to conducting research in organizations, outcome research or other, is that of participant attrition and changes required in procedures. Personnel are transferred, quit, and are fired or promoted, resulting in loss of participants in a study. Changes required in organizations often happen at a pace that outstrips data collection in research, resulting in changes to research procedures that threaten standardization. Thus it is not surprising that tightly designed and controlled research is rare in coaching.

Measurement issues are another challenge to conducting quality research on coaching in organizations. Obtaining self report data is difficult enough given some of the organizational needs that overwhelm design as described above. Using outside/other ratings, as in 360 degree feedback, helps but is subject to some of the same organizational issues. And outside ratings are still subjective to a degree. Measures that assess observable behaviors are needed (e.g., changes in use of positive statements with direct report), but are time, labor, and cost intensive. Reliable and valid measures of important constructs involved in coaching engagements still need to be developed, such as measures of readiness for change. There is much work to be done to design coaching-specific measures.

In summary, the three research approaches of exploration, description, and explanation, apply to studies of coaching outcomes and effectiveness. Exploratory research gives us information about emerging areas of study such as coaching, helps identify relevant variables, and indicates topics for future research. Descriptive research can map the territory of coaching outcome research by describing what outcomes are associated with coaching, what ingredients are associated with effective coaching, and who is involved and when. Explanatory research is the pinnacle of demonstrating that coaching causes certain outcomes and can also demonstrate the underlying causes for outcomes. Research on coaching has given us many exploratory avenues and descriptions of what can be associated with coaching are evident in the literature, although more remains to be done. Coaching research is still in its infancy regarding explaining causation in coaching outcomes and there are significant challenges to be met in designing and executing explanatory studies. In order for coaching as a process of human change and development to take its place as a practice based in evidence, researchers must continue to strive to further develop our knowledge base.

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Dianne Stober is on faculty at Fielding Graduate University in the Organizational Management/ Organizational Development Masters Program where she teaches courses on coaching. Dianne is a licensed clinical psychologist, coach, and researcher. Along with Dr. Anthony Grant at the University of Sydney, she is co-editing *The Evidence-Based Coaching Handbook* due out in fall 2005 from John Wiley and Sons. She was the keynote speaker at the 2nd ICF Coaching Research Symposium where she proposed a scientist-practitioner model of coaching. Dianne is also active in a number of professional organizations including the Division of Consulting Psychology in the American Psychological Association and the International Coach Federation.

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2005 IJCO Issue Themes

Issue Two (April-June)

Coaching in Closely-Held Enterprises

Issue Three (July-September)

Coaching and Ancient Wisdom

Issue Four (October-December)

The Open Forum [papers may be submitted for publication in IJCO--proposals for articles must be received by ICJO by June 1, 2005]

Behaviorally Based Coaching: A Cross-Cultural Case Study

David Noer

This article is a case study that uses an action research model to report on a multi-dimensional six-year organizational case study involving a large Middle-Eastern energy company. It articulates the unique challenges of establishing an authentic coaching relationship in a culture with values and perspectives different than those of the coach. The development of a behaviorally based coaching model, the need to surface and communicate mental models, and the challenge of imparting coaching skills to line managers are discussed.

Relevance and Perspective

Organizational coaches are often faced with the challenge of establishing helping relationships with clients who have values and perspectives that differ from their own. While these value-based cultural differences can occur within the home culture of the coach, they are significantly accentuated in some national and regional areas. This case outlines a long-term coaching project where the client organization and the two external coaches have some very different culturally derived values. In addition to these value issues, there are a number of perspectives that make this case relevant to the organizational coach.

Unique Cultural Orientation

The project took place in an Arabic culture. This culture combined high context (task is often subservient to setting and process) and high power distance (acceptance and reinforcement of distinct hierarchical power differences) cultural orientations.[1] At another, often paradoxical, level it was an engineering oriented culture with a strong belief in measurement, analysis, and documentation. Rosinski presents a useful "Cultural Orientations Framework" in which he frames these dimensions as "Hierarchy/Equity.[2] This combination of high context, high power distance and measurement made it a very unique and, often challenging, culture in which to engage in organizational coaching.

Development of a Coaching Behavioral Model

In order to communicate cross-culturally, it was necessary to engage in behavioral model building. Distilling the coaching process into concrete behaviors that can be understood in diverse cultural contexts is important to future research in our field. A great deal of effort was expended in developing a behaviorally based coaching model that could be applied not only to the client organization, but also to clients in other cultures.

Facilitating Transference to Line Managers

Fundamental to the design of this project was the concept of transference. We did not want to create a long-term dependency relationship. This was both a matter of values and logistics. With the number of people involved, the geographic distances, and the complexity of the system, it was not possible to field a sufficient number of external coaches to substantially help the system. We, thus, embarked upon a strategy of training line-managers in coaching and helping skills.

Utilizing an Action Research Approach

The action research process is a cyclical model often described as consisting of five phases: diagnosis, analysis, feedback, action, and evaluation.[3] In order to document and evaluate this project an action research approach was utilized. This practitioner-oriented approach to data gathering, evaluation, and action taking is consistent with the complex and dynamic interplay of individual and system and congruent with the conceptual foundations of organizational coaching.

Authentically Engaging Clients Holding Different Values

The client organization had cultural and religious values that were very different than those of the two primary external coaches. The role of women, separation of government and business, and religious tolerance are all reflective of these differences. (In this regard, because there were no women in management, the masculine pronoun is exclusively used when describing the client organization). This project reports on the process of authentically coaching in such an environment.

Historical Context

The roots of the current project reach back to 1997 when I was serving as a coach for the newly appointed CEO. This relationship involved several of the activities that are described as "executive coaching" in Lazar and Bergquist's taxonomy of business coaching.[4] One outcome of this initial coaching effort was the CEO's decision to involve his new team in the creation of core values. The value statements that emerged were much the same as those articulated by many organizations: customer service, integrity, resource stewardship, and creating shareholder value. However, the next step moved beyond simply articulating value statements. It involved responding to the question, "How would you know if someone was behaving in congruence with these values?" This led to the development of a number of behavioral measurement statements, which, in turn, were put into the format of a 360-degree feedback instrument. I served as a coach to many of the team members and a facilitator of the process during these stages. This shifting client focus is a good example of the nature of organizational consulting.

At this point the organization had a 360-degree feedback instrument that measured the degree of perceived behavioral congruence with their core values. It was "owned" by the top executives since they developed the values and the behavioral measurement statements. The plan was to administer the instrument to all executives and high potential managers (about 500 people). Once the employee received his feedback, his boss would "coach" him and help develop plans to close any gaps. Each level would first receive their own feedback, and then attend a workshop in coaching skills prior to giving instrumented coaching feedback to their direct reports. A basic assumption in this strategy was that line-managers in this organization had the ability to learn and apply basic coaching skills.

A Reality Check

Shadow coaching the top executives (coaching the coach using role plays, behavioral rehearsal, and projected outcome criteria) and observing their coaching interactions with their direct reports resulted in some surprises. Most appeared unable to maintain a client-centered coaching relationship. Common behaviors involved either engaging in long, abstract, and unclear monologues, or becoming directive to the point of making the person being coached defensive. The results of a pilot coaching skills workshop proved equally surprising. The participants were senior executives and internal human resource and management development consultants. Twelve of the fourteen participants were Arabs, two were British expatriates. Although most of the participants were able to grasp the conceptual portions of the training, most did not do well in role-plays or videotaped simulations. These results caused us to put a hold on the rollout plan and move into the evaluative phase of the action research model.

Findings

We used a number of diagnostic techniques (focus groups, participant interviews, reflective post-mortem discussions with the two external coaches, and dialogues with internal managers who had worked in western cultures). Here were our conclusions.

Unwillingness to Confront

Unlike our experience with western executives, there was a reluctance to challenge and confront behavior that was blocking the person being coached from achieving his objectives. The culture made it difficult to separate confronting behavior and confronting the individual as a person. Although, this distinction is sometimes difficult for western managers, it was significantly more pronounced in the client organization's culture.

Power Distance Collusion against Authenticity

There were some cultural norms in regard to supervisor-subordinate relationships that we attributed to a high power distance culture. For reasons of what one executive explained as "saving face," bosses had a difficult time establishing a helping relationship with those they perceived as lower than them in the organization and, although we don't have enough data to be certain, probably also in the external social and tribal structure. Conversely, subordinates seemed unwilling to be clear and direct, often appearing to tell the boss what he wanted to hear. We labeled this phenomenon "power distance collusion against authenticity," and it made coaching between hierarchal levels difficult.

Confusion as to Coaching Behavior

There was confusion as to what coaches actually did. There was a basic understanding of the tasks and orientation of coaches, which was consistent with the previously cited taxonomy of business coaching. However, the managers had a difficult time articulating and demonstrating the actual coaching behaviors necessary to accomplish these tasks.

Need to Surface Mental Models

One of the things coaches do is help their clients surface and access their mental models. The two experienced executive coaches in this project took their own medicine and coached each other through this process in regard to the dimensions of actual coaching behaviors. This was much more difficult than anticipated and the lesson learned in this still remembered quotation from one of the coaches: "If we're not clear on coaching behaviors, how can we expect to teach them to our clients?"

Next Steps

In conjunction with the action research model, our next steps involved responding to our findings and conclusions. We were helped in this process by the client organization's request to slow the project and our desire to develop a model of coaching behaviors that could be applied to other organizations beyond our Middle-Eastern client. We decided on three approaches:

* Move beyond intentions and concepts and deal with actual behaviors. This was prompted both by the cultural issues previously discussed, and our own wish to break the act of coaching into discrete behavioral components.
* Develop a model of coaching behaviors. Kurt Lewin said there is nothing so practical as a good theory. We think a model may be even more practical. A model distills a theory into common language, a shared cognitive set, and promotes communication. This commonality is essential when dealing cross-culturally.
* Move to more of an educational and apprenticeship approach with our client. We still wanted to use line-managers to coach employees based on the results of their 360-degree feedback, but we, and our executive clients, decided to broaden the coaching application to an overall approach to leadership. Because of the power-distance issues we also decided to do more peer coaching and develop an internal cadre of trained coaches.

Developing the Model

Although triggered by the client organization, the process of developing a coaching behaviors model took on a life of its own. Much of the stimulus for this effort was a desire for a model that would be useful to other organizations and provide a frame of reference for future research.

Core Criteria

The following five factors were considered of prime relevance:

* It be clear, practical, and readily understandable to busy, task oriented practitioners in a variety of cultural environments.
* It focus on skills and behaviors that have been used by successful coaches who have made a difference.
* It be behaviorally grounded: based on concrete, observable behaviors, not on abstractions, generalities, and philosophical ideals.
* It be easily transferable to the behavioral repertoire and skill base of non-behavioral scientists such as line managers and those trained as engineers and technical professionals.

* It be able to be applied outside the workplace to family and friends.

Values and Perspectives

The development of the model was grounded on four values and perspectives.

* Although the context of coaching is the organization, the center of the behavioral relationship is the person being coached, not the company, the boss, or the coach.
* Help is defined by the person receiving the help – the person being coached – not the person giving the help – the coach.
* Coaching skills can be learned and applied by working managers.
* Coaching in this model is a one-on-one, not a group, relationship.

Center for Creative Leadership Roots

The Center for Creative Leadership has been offering leadership training and individual coaching to managers and executives for over thirty years. Participants experience a variety of assessment processes: instruments that measure leadership style and managerial and decision making processes; 360-degree feedback; small group exercises; and one-on-one sessions. They are helped and supported by a feedback coach as they work through and attempt to make sense out of the information they have assembled on themselves. Finally they are encouraged and challenged to set goals that will allow them to grow and develop.[5] Although the context is leadership development, the process is coaching, and that coaching uses a core technology of assessment (measurement, feedback and benchmarking), support (non-judgmental facilitation and empathy), and challenge (action planning and goal setting).

Assessing, Supporting and Challenging Dimensions

Using the Center for Creative Leadership's assessment, support, and challenge concept as a frame of reference, literature was reviewed and a series of individual and focus group discussions took place with six external applied behavioral scientist/coaches. Individual sessions were also conducted with managers and staff specialists inside organizations. The operant question was, "Do assessment, support, and challenge represent the essence of coaching?" Another way of phrasing the question was, "Is there anything a coach does that does not involve some combination of assessing, supporting, and challenging?"

Core Dimensions, Varying Contexts

The conclusion was that, although the emphasis, language and contexts vary, assessing, challenging, and supporting are the core dimensions of coaching. As an example, much of the literature on athletic coaching and the perspective of some of the internal managers indicated that motivation was a central coaching function. Behaviorally, however, motivation is a sub-set of challenging. Likewise, perspectives on the assessment process ranged from very structured measurement oriented standards and normed 360-degree feedback, to subjective, dialogue induced, self-discovery. The core process was assessment although the methodology varied greatly.

The centrality of activities designed to assess current performance levels, support individuals in their struggle for self-understanding and change, and challenge them to confront their issues and take action, holds true regardless of the context. Whether it is basketball or executive coaching, the core dimensions of assessing, supporting, and challenging remain constant. The balance and the methodology, however, vary. One behavioral coach in our research sample had a strong supportive style and preference. Much of his coaching time was spent on the supporting behaviors of attending, reflecting, and inquiring. Another specialized in 360-degree feedback and spent most of her coaching time on analyzing the feedback data (assessing) and goal setting (challenging). The model that emerged emphasizes balance. Focusing on one or two dimensions of the model to the detriment of the third, results in unintended and, often, unhealthy consequences.

Classic Interventionist Grounding

As we discussed this three-dimensional model of coaching with our line and staff colleges it became clear that many of the concepts and approaches to organization development, change management, leadership development, and our conceptualization could be traced to the theoretical work of Chris Argyris. He used the term "interventionist" to describe a person who enters and organizational system to do three things (1) generate valid data, (2) help stimulate free and informed choice and (3), develop internal commitment to these choices.[6] These concepts provide a direct frame of reference for the three coaching dimensions. Valid data equates to assessment, free choice requires support, and internal commitment is stimulated and reinforced by challenge.

Articulating Coaching Behaviors

Having established the three dimensions of supporting, challenging, and assessing, the next task was to establish behavioral components for each dimension. These components needed to be congruent with the previously indicated core criteria.

Supporting Behaviors

The supporting dimension involves creating an interpersonal context that facilitates trust, openness, respect, and understanding. Dennis Kinlaw's Superior Coaching Model supplied the four behavioral components of this supporting dimension.[7] These components are attending, inquiring, reflecting, and affirming. In Kinlaw's model they are outlined as four of five critical skills in an overall model. In our model they constitute a set of behaviors for one of three coaching dimensions. Although behaviors such as listening, rephrasing, non-judgmental questioning, and creating positive expectations are commonly found in the literature of coaching and counseling, Kinlaw does a particularly effective job in framing them.

Challenging Behaviors

Challenging involves stimulating the person being coached to confront obstacles, re-conceptualize issues, and move forward with renewed energy and self-reliance. The first behavioral component is confronting. This requires helping the person being coached face and understand issues, behaviors, or perceptions that are blocking her. Hargrove presents some excellent examples in his discussion of transforming 'rut' stories to 'river' stories.[8]

The second behavioral component is focusing and shaping which involves moving the coaching interaction from the general to the specific with concrete, actionable outcomes. Kinlaw provides a good overview of the shape of a coaching interaction.[9]

The third component involves reframing, helping the person being coached examine and validate his assumptions and inferences. The concept of a ladder of inference is helpful in understanding this process.[10]

The person being coached should develop an increased sense of purpose, energy, and self-reliance. This is the fourth component of empowering/ energizing. Witworth, Kimsey-House & Sandahl present an excellent perspective on this component when they discuss fulfillment and balance coaching.[11]

Assessing Behaviors

This dimension involves the analytical processes that lead to measurement and goal setting. In articulating behavioral components, we were influenced by the traditional performance management process, the need to set goals based on strategic objectives, and the increasing use of 360-feedback as a developmental benchmark for gap analysis.[12] The resulting behavioral components were: (1) data gathering, (2) gap analysis, (3) goal setting, and (4) measurement/feedback.

The Triangle Coaching Model

As a result of our research in articulating the three sets of coaching behaviors, we formulated the triangle coaching model. This model conceptualizes the process of coaching as a client centered, helping relationship with three, equally important dimensions. Each dimension, in turn, has for behavioral components. In order to promote clarity in cross-cultural applications of the model, a clear and unambiguous definition of each component was necessary.

Supporting Definitions

The supporting dimension involves creating an interpersonal context that facilitates trust, openness, respect, and understanding. The four behavioral components are:

* Attending – using body language, voice tone, eye contact, and physical setting to reduce defensiveness and create an open, trusting coaching environment.
* Inquiring – asking questions to elicit information, clarify perspectives, and promote understanding.
* Reflecting – promoting clarity and demonstrating understanding by the coach stating in her own words what she thinks the person she is coaching is saying or feeling.
* Affirming – communicating that the coach believes the person being coached has the ability to learn, change, or develop.

Challenging Definitions

The challenging dimension involves stimulating the person being coached to confront obstacles, re-conceptualize issues, and move forward with renewed energy and self-reliance. The four behavioral components are:

* Confronting – helping the person being coached face and understand issues, behaviors, or perceptions that are blocking him.
* Focusing/Shaping – moving the coaching interaction from the general to the specific, toward concrete, actionable outcomes.
* Reframing – helping the person being coached examine and validate her assumptions and inferences. This involves helping discover alternative interpretations of the data used to form conclusions.
* Empowering/Energizing – helping the person being coached develop an increased sense of purpose, energy, and self-reliance.

Assessing Definitions

The assessing dimension involves analytical processes that lead to measurement and goal setting. The four behavioral components are:

* Data gathering – collecting information that will be of use to the person being coached.
* Gap analysis – utilizing differences between the current reality and the desired future state of the person being coached to develop action plans.
* Goal setting – helping the person being coached develop concrete plans to meet desired objectives.
* Measurement/Feedback – establishing criteria to assess progress against goal achievement and developing mechanisms for feedback of behavioral changes.

Applying the Model

The initial stimulus for the model was the need to ground coaching concepts in unambiguous behaviors that would be robust enough to withstand cross-cultural applications. Because of the concomitant desire of the primary coaches in the project to develop a set of behaviors that would ground our own coaching and teaching practices in other cultures, the project moved beyond the client organization. However, during the developmental phase, a number of concurrent activities (executive coaching with a small number of top executives, refinement of the 360-degree feedback instrument, and coaching skills training for a limited number of internal consultants) continued in the client organization. As we began to interact with the client around the developing model, it became clear that an assessment instrument would be helpful. This led to the development of the self-assessment instrument we now call The Coaching Behaviors Inventory.

Behavioral Measurement, Creating an Inventory

Items were generated that reflected the behavioral manifestations of each of the twelve behavioral components. Thirty items were distilled from an initial item bank of over fifty. Two pilot instruments were tested using a variety of rating scales and various combinations of items. A current program is underway to further test the internal consistency (reliability) of the scales within and between cultural sub-groups.

The inventory has ten items relating to supporting behaviors, ten for challenging, and ten for assessing. Anchor points for the self-assessment scale range from (1) "I almost never use this behavior" to (5) "I almost always use this behavior." Scores on each item are summed for the ten items making up each scale. The maximum score of 50 indicates that a coaching dimension is almost always used. A score of 10 indicates a dimension is almost never used.

An Expanded Coaching Skills Workshop

It was obvious that because of their power-distance and high context orientation, client organization managers needed a great deal of practice in coaching behaviors. The self-assessment instrument became the centerpiece in a workshop using videotaped role-plays, case studies, and real-life coaching issues.

A Mentoring and Shadow Coaching Program

A small number of client organization employees have been selected to become internal coaches. This role involves helping managers with their 360-degree feedback as well as serving as coaches to a limited number of internal clients. Those selected for this role are mentored and are shadow coached by experienced external coaches. The coaching behaviors model has served as an extremely valuable tool in mentoring these internal coaches. In particular, it has helped develop their supporting and challenging skills.

A Common Language

One of the values of a shared model is that it creates a common language. This has certainly been the case within the client organization. This is not only helpful in skills building, but in the creation of a developmental culture. This is reflected in the incorporation of the vocabulary of the model into the everyday language in the workplace. It is not uncommon to hear statements such as, "He needs to do a better job supporting," or "He is very good at challenging."

Results and Impact

What follows is a summary of the results and an evaluation of the impact of our coaching activity with the client organization. Although the project is entering its sixth year it is still a work in process, so this summary represents a point-in-time snapshot.

The Financial Bottom Line

The challenge to most of us who are engaged in organizational coaching is how to answer the question, "What's the value of this, how does it affect the bottom line?" I'll respond both in regard to the client organization and at a more personal perspective.

There were too many complex intervening variables to do more than speculate. This project took place over a number of years within a context of significant political and economic turmoil. The invasion of Iraq, the influence of OPEC, and government influence on business throughout the region all affect the price of oil, and the price of oil is the single most important factor in the client organization's bottom line. In my opinion, too many academics and practicing organizational coaches attempt to connect behavioral interventions with financial results without considering major variables such as downsizing, mergers, energy costs, and job exportation. Attempting to justify the expenses of coaching interventions with the short-term profits of business organizations operating in such dynamic environments is usually a trap that is best avoided.

The Human Bottom Line

A "bottom line" that is central to our coaching values and is difficult to quantify is the impact on the human spirit. This involves helping people become more self-aware, congruent, and responsible for their choices. It encompasses value clarification, authenticity, and applying energy and passion to what is seen as really important. We experienced a great deal of success in this regard in our work with the client organization managers. Because of the stress of often conflicting bi-cultural roles (collegial, familial, tribal cultural values co-existing with structured, hierarchical western bureaucracy), there was a pent up demand for coaching. Once the word was disseminated that we could be trusted, there were more clients than we had time to work with.

The Quality of Coaching Interactions

Although a subjective evaluation, the interaction patterns between those attempting coaching relationships appeared much improved. Since the external consultants only made periodic visits to the client organization, they had an outsider's opportunity to assess this change. The use of common language as previously described, the increased time spent in coaching interactions, and the increased ability of coaches to engage in confronting behaviors were all indicators of an increase in the quality of coaching interactions.

Depth and Relevance of Workshop Goals

As a result of opening up the coaching skills workshop to more levels of management, approximately 750 employees have gone through coaching workshops. Depending on the management level the duration of these workshops ranges from three to ten days. All workshops have a follow-up shadow coaching session. Participants are required to set concrete, actionable goals to apply their learnings. Because of increased attention and monitoring of the goal setting process, the depth, specificity, and relevance of the goals to the behavioral model is much improved. As an example, a goal of one of the earlier workshops was "To increase the use of coaching." A goal of a more recent workshop was, "Increase my supporting behaviors by using at least four reflections a day with my peers and use one affirmation each time I meet with a subordinate." The client is also currently embarked on a follow-on study on goal achievement with a cross section of participants.

Normative Comparisons

The self-assessment instrument has now been administered to samples in Europe and North America as well as the client organization's Arabic culture, and we are able to compare norms for the three behavioral dimensions. One interesting finding is that client organization managers self-report significantly higher supporting scores than their European and North American counterparts. However, in our videotaped workshop role-plays we have noticed that they do not behave in congruence with these self-reports. We use these normative comparisons informally in our workshops and compare their individual self-reports with their role pay performance in individual coaching sessions. We plan on an in-depth review of the normative data late in 2005.

Senior Executive Orientation

Moving the top executives from their traditional directing, evaluating and controlling roles to a coaching approach has proven difficult. We hypothesize that there are two reasons. The first has to do with the nature of senior executive tasks in this organization. This, in turn, is reinforced by the preferred style of the top executive. The second reason has to do with the cultural preference for high-power distance. Top executives are expected to be formal, controlling, and somewhat aloof. The culture seems to drive this orientation. This is not to say that they do not want to change, just that it appears to be an against the grain experience for them. As articulated by one internal consultant, "They get it in their head, but not their heart!"

Creation of a Coaching Culture

The middle management levels are a much more fertile ground for the germination of coaching seeds. One outcome of our efforts has been the development of a small group of very effective internal coaches who came from the ranks of middle managers. In addition to the internal coaches, the use of managers as coaches to employees completing 360-degree feedback has been most effective in the middle management ranks. As these middle managers rise into executive positions in the future, it will be interesting to see if their coaching orientation is diminished by their top management roles.

Learnings and Observations

After six years of working with a Middle-Eastern energy company on various dimensions of organizational coaching, here are five learnings and observations. These represent our perspective, are offered collegially and are not intended to be prescriptive.

Making Mental Models Explicit

It is extremely important to make our mental models explicit and share them with our organizational clients. This is useful for clients within our own culture and, based on our experience, essential for clients with different cultural norms and values. Even experienced organizational coaches need to articulate and communicate their mental models as they have a way of becoming blurred and they can make erroneous assumptions that others understand and accept them. One emergent learning for the two external coaches was the need to share our own mental models on a continuing basis.

Moving Away from Abstractions and Generalizations

When working cross-culturally it is necessary to go through the hard work and discipline necessary to move from abstractions and generalizations to concrete measurable behavior. Again, this is important in any client relationship, but particularly useful when working in other cultural environments. One valuable outcome of our work in this area was the creation of a self-assessment instrument that allowed us to measure and compare coaching behaviors in other cultures. Another insight was that, as we worked with our client, we were continually surprised at the difficulty we experienced shedding our own proclivity for generalizations and abstractions. My hunch is that this is a professional hazard of the applied behavioral scientist.

The Power of Culture

Culture is important, powerful, and we almost always underestimate its impact on the coaching relationship. Our experience with our Middle-Eastern client has sharpened our cultural antennae and we have found previously undiscovered cultural orientations in some of our US clients. Our learning is that we need to work hard to understand organizational cultures and that we should not make too many assumptions even if we perceive that the client is part of our own culture.

The Need for Action Research

The action research model is very useful, both for the immediate project and for contributing to the field of organizational coaching. Using it in a dynamic organization is a good news/bad news proposition. The good news is that it is challenging, engaging, and oriented to ongoing, live issues. The bad news is that requires discipline, time, and it and the dynamic nature of organizations does not lend itself to rigid experimental design. We encourage our colleagues in organizational coaching to document their interventions and be more intentional in framing action research models. In that way, we can learn from each other and do a better job helping our clients.

Honoring Conflicting Values

It is our observation that organizational coaching is a helping profession. As such, we should not lose track of the need to meet our clients where they are and not where we want them to be. The axiom that help is defined by the person being helped and not the person giving help is particularly valid in a cross-cultural environment. The culture of our client had values and perspectives in regard to the role of women, freedom of religious expression, and separation of business and government that were clearly not shared by the external coaches. In order to formulate an authentic helping relationship, it was necessary to honor the values of our client and work within their cultural context, not attempt to convert them to ours. Coaches who are unable or unwilling to do this should definitely not work in certain cultures.

The Power and Promise of Cross-Cultural Coaching

In a world where all types of organizations – governments, corporations, religious sects and denominations – are becoming increasingly fragmented and contentious, a skilled coach with access to organizational leaders can be a powerful force for tolerance and understanding. A coach can help leaders examine underlying assumptions, surface mental models, and examine core values. This can lead to more humane, longer-lasting, and environmentally responsible approaches to decision-making and problem solving. In cultures where face-saving, political posturing, and navigating delicate coalitions, requires leaders to display inauthentic public behavior, a competent coach with the ability to establish an authentic helping relationship can be an invaluable resource.

The good news is that skilled coaches can, indeed, make a difference in the world. The bad news is that in addition to basic coaching skills, cross-cultural competence requires two additional ingredients: a little pain and a lot of faith. The pain involves looking in the mirror and understanding what we see. We must examine our own values and accept that they are artifacts of our own culture and may not be relevant to other cultures. Knowing that what we value may not be equally important to others is always painful. The faith involves trusting that by helping others surface and face their own cultural values we are engaging in a process that will lead to cross-cultural bridge building and will result in less-provincial, more ecumenical, and responsible organizational decisions. Our profession has an exceptional opportunity to make the world a better place. What is needed is the courage to look in the mirror and the faith that self-awareness will help our organizational clients become better stewards of the planet.

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[10] Richard Ross. "The ladder of inference." In Peter Senge, Art Kleiner, Charlotte Roberts, Richard Ross, and Bryan Smith. *The Fifth Discipline Fieldbook.* New York: Doubleday, 1994, pp. 242-246.
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Request for Article Proposals

International Journal of Coaching in Organizations
Co-Editors: John Lazar and Leslie Hilton
Topic: Open (Unthemed) issue
Publication date: November 2005 (Issue 4)

Goal and tone for this unthemed issue: To provide pragmatic, practical and leading edge discussions of topics of interest in the field of coaching in organizations. Visit our ***IJCO*** website, www.ijco.info, for the themes around which we've organized previous journal issues. Consider these themes, as well as other topics that may provoke reflection and dialogue, as potentially relevant for this issue.

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What Happens in Executive Coaching?

Jens Riedel, Ph.D.

The coaching of executives is today a widely accepted practice – though without much understanding how it actually affects change. Research involving fifteen case studies has opened this "black box" and has resulted in a model that informs us of how coaching impacts change.[1] This article briefly reviews the elements of the model derived from three theoretical traditions: the research program on subjective theories, motivation psychology and Alfred Adler's individual psychology. It will show in detail how the insights of motivation psychology can be used to model the subjective theories of managers during the definition and during the implementation of their goals. The model will then be applied in a case study that summarizes the coaching of a board member of a biotech company, responsible for finance and strategy. He started the coaching session with the concern that he was "unable to formulate strategies" and the request to support him to fulfill this key task of his job profile. Coaching took a detour to this goal: coaching sessions that focused on this feeling in critical incidents. Such a focus allowed him first to identify a goal conflict between formulating in order to save his company and refraining from formulating strategies in order to obtain recognition from his CEO. On the basis of this insight he was able in a second step to change his behavior and to fulfill his professional tasks.

A Model of Change Through Coaching

The starting point of the model presented here is the question of how coaching and changed action can be linked. Obviously, an intermediary is needed between the two, since we are dealing with free and capable individuals as clients. If coaching changes action directly and immediately, it would have to be renamed "coercion" or at least "manipulation". The intermediary variables are the mental models or "subjective theories" that the manager has about himself and his environment. Successful coaching changes these subjective theories. The subjective theories, in turn, guide the action of the manager.

The full model of change through coaching needs to detail these three aspects: first, how the subjective theories can be described; second, how coaching influences the subjective theories and third, how subjective theories guide the action of managers. For each of these aspects, the new coaching model draws on specific previous research. As for the subjective theories, the "research program on subjective theories" initiated by Norbert Groeben has provided deep theoretical insights in the nature and structure of subjective theories as well as empirical examples in a large variety of contexts outside the corporate world – from the medical field to social work and politics.[1] The second aspect —how the subjective theories guide actions — has been investigated by motivation psychology in great depth.[2] And the third aspect of how subjective theories can be changed has been the interest of many clinical approaches. Alfred Adler's "individual psychology" has been used as an approach that shares the constructivist perspective of the research programme on subjective theories.[3] As it is most relevant for the practical use of the model, the second aspect will be discussed in detail below.

Motivation Psychology Applied

Many managers come into coaching with a clear objective in mind: they describe what they want to achieve and their problems with implementing this goal. Coaching, they suggest, should help them to become better in implementation. While this sometimes is the issue, more often than not, the second or third coaching session reveals a different topic, namely the need to (re) define what their goal actually is.

These two aspects, goal definition and goal implementation, describe the two phases of any action, called the "motivation phase" and "volition phase" by some motivation psychologists.[4] First, an action needs to be selected by gathering enough motivation for its realization. At some later point in time — not necessarily immediately afterwards – and when the volition to do so is sufficient, implementation will follow. The strength of motivation or volition for a specific action is determined by subjective theories that link the elements that describe each phase.For the motivation phase, these elements are the initial situation the manager finds himself in, the planned action, its immediate result, and the goal ultimately pursued with the planned action. Sometimes, a second goal plays a role. Five subjective theories link or describe these elements (see Figure 1).

First, the situation-result-expectation concerns the likelihood that the desired result will materialize as a result of the situation itself – regardless of the planned action. If, for instance, a VP for International Sales has the subjective theory that his sales target ("result") can be reached without specific actions on his part simply due to the effectiveness of the organization already in place ("situation"), his motivation to engage in any additional action will of course be low, and vice versa.

Second, the action-result-expectation describes the assumed effectiveness of the action including the ability to perform the action in an effective way. Even if the aforementioned VP for international sales sees a need for additional action to reach his sales target, his motivation to do so can be impeded in two ways. Either he has severe doubts about his personal effectiveness ("The country managers do not listen to me anyway."). Or he doubts that specific actions will have the desired result ("In those international markets, it is impossible to increase our market share further.").

Third, the result-goal expectation describes the subjective theory of how the immediate result of an action will impact the ultimate goal. If this expectation is low, motivation suffers. If for instance the same VP has the ultimate goal to improve the chances for his next promotion, it is important if in his subjective theory, better sales results are instrumental for this goal. If he thinks they are not — or not very clearly – linked to the goal ("Promotions are unfortunately more related to a personal connection with the CEO than to business results."), he will be less motivated to engage into any action leading to the results.

Fourth, the value attached to the ultimate goal influences the motivation for the actions that are supposed to contribute to it. If the ultimate goal is very important for the VP of our example ("All I ever wanted to become is the overall sales director."), the motivation is much higher for the planned action than with a subjective theory ascribing only limited importance to the goal ("A promotion would be nice, but I would not mind staying in my present job ten more years.").

Fifth, if the planned action has a negative impact on another goal the manager initially may not be even aware of, motivation is reduced. Our VP could, for instance, have high personal ethical standards which are for him a relevant goal in all his actions. If he would have doubts about selling his product in developing countries, because it may be detrimental to the health of its consumers under unhygienic conditions, his goal to behave in an ethically responsible manner would lower his motivation to take extra actions to reach his sales targets.

For the volition phase, subjective theories determine not the motivation for an action, but the will to actually implement an action someone is motivated to take.[5] They relate to the elements that constitute the volition phase (see Figure 2). The elements of the volition phase include the planning and initiation of the action, coping with problems that might occur while the action is under way, a recovery if the action got interrupted, and the disengagement when the action is completed. The subjective theory concerning the planning of an action can be rather vague ("wishful thinking") or a precise plan how, when, and where to achieve what, and in which order. The latter represents an intention for the implementation, the former a mere intention for the goal itself. With respect to initiative, coping and recovery subjective theories contain the expected self-efficacy or the ability to initiate, carry through, and resume the intended action.

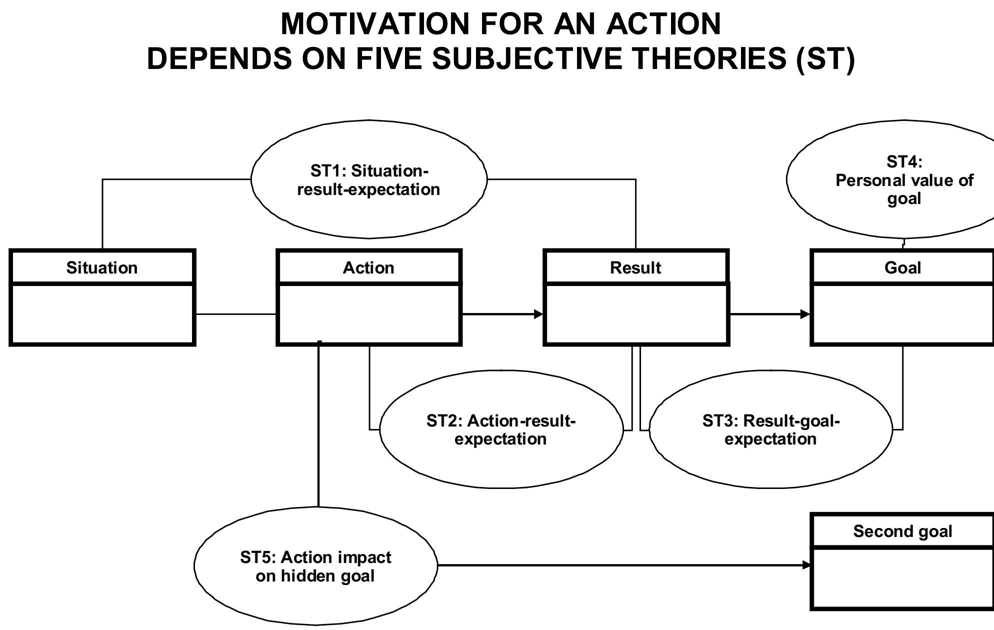

Figure 1. How Subjective Theories Impact Motivation

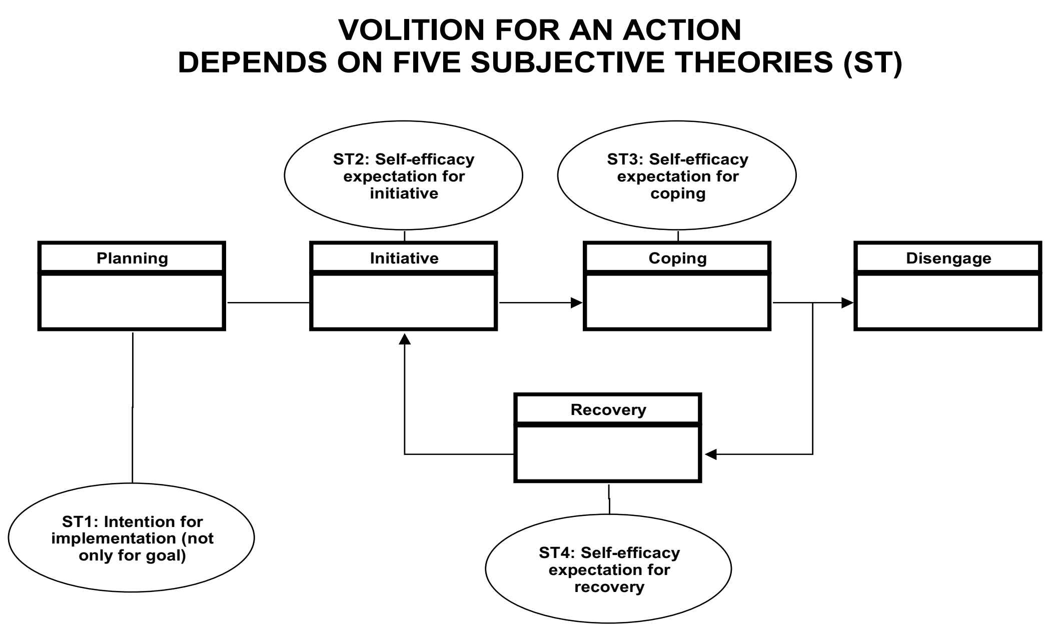

Figure 2. Volition Phase

Case Example: Board Member of Biotech Company

Peter Berger, board member for finance and strategy of a biotech company, had a clearly specified issue when he asked for coaching: "I am not able to formulate strategies." He wanted the coach to train him in this field.[6] His request falls in the category of supporting the implementation of a clear action, i.e., to formulate strategies.

As Peter possessed many years of experience at several companies in the industry, this self-assessment did not seem entirely plausible to the coach. Moreover, he was very well able to elaborate on the strategic challenges and needs to modify the existing strategy of his firm when asked to do so by the coach. Hence, the stated inability did not seem to be the core of the matter, and mere implementation support promised little success to improve Peter's situation. Rather, his motivation to formulate strategies had to be looked at in more detail.

At a first glance, Peter Berger's motivation for formulating a new strategy was assumed to be high: his company was in urgent need for a new financing round. In order to receive new funds, a new strategy had to be presented to investors. Consequently, the value of formulating a new strategy had been extremely high for Peter Berger. However, this task had been fulfilled not by him, but by his CEO. According to Peter Berger, this is a consequence of his "inability to formulate strategies". He further explains this perceived "inability": "I would not have been able to pinpoint the issues as well [as the CEO]" and "I would not have gotten through [in the boardroom] with the new strategy." These self-perceptions were the starting point for the coaching sessions.[7]

Feelings are Key to Identify Hidden Subjective Theories

Simply to analyze self-perceptions in a cognitive way – to detail them, to question them and to discuss them - is not enough. Presumably, the client has done that himself already. Similarly, encouraging words with the bottom-line that he is actually better than he thinks will not help him. This may be a helpful at the surface or as an add-on and provide some relief – but this does not clarify why Peter thinks that he is incapable of fulfilling a key element of his duties. And as long as these causes have not been revealed, any treatment of the symptoms will have, at most, transitory effects. But how can his self-perception be explained?

In order to achieve this, there is a need to analyze *critical incidents* in which the client's concerns manifest themselves. In reviewing a critical incident, coach and client need to go beyond the purely cognitive realm. The key elements to focus on are the client's feelings in the respective situation. It is his feelings that allow access to the subjective theories that guided his action in that situation, to the interpretations made about oneself and the situation that present limiting beliefs about what's possible to do and be. However, while very elaborate in describing the situation, managers often do not know what or even if they *felt* something in a particular situation. Hence it is often necessary to ask several times or to simply pause for a while to let the hidden feelings re-emerge.

The critical incident Peter Berger chose was the moment when his CEO explained the new strategy he had come up with – and which Peter had failed to spell out. To advance to the emotional content of the situation, the coach asked what felt actually so bad about not getting his own message through and having his boss doing his work. This dialogue followed:

Peter: Nothing!
Coach: Really? [Pause]
Peter: Not to be taken seriously.

In the following conversation, Peter realized: "What comes to my mind now, is my goal to seek recognition." The underlying interpretation was that it was important for him to receive recognition by the CEO as a valuable contributor. His dominant feeling was an absence of felt approval. To receive this approval was a hidden goal of his actions.

The model presented earlier allows us to summarize Peter Berger's situation, planned action, action results, explicit and hidden goals (see figure 3). The context or situation was characterized by dangers for the very existence of his company, the planned action was the formulation and communication of a new strategy, resulting in a new orientation for the company. This was supposed to lead to accomplishing a new financing round and thereby saving the company (explicit goal). In parallel, a hidden goal existed for Peter Berger: to receive more recognition and approval from his CEO.

These elements were connected with expectations. The situation-result expectation was high (thus reducing motivation for the planned action), as Peter assumed that the CEO would jump in anyway, whether or not he formulated something himself. Action-result-expectation was low, also reducing motivation: Peter had doubts that he could formulate a strategy very well and that he would "get through" with his message. Pointing towards a high motivation were the other two expectations: Peter was quite sure that a new, credible orientation for the company would lead to a successful new financing round (high result-goal-expectation), and the goal itself also had to him a high value.

The hidden goal to achieve recognition from his CEO did not seem to contribute to a high motivation though, which was surprising. What better way to achieve recognition from his CEO could have been imagined than to provide a new strategy in such a critical situation for the company? Peter's subjective theory differed though from this common sense logic.

Asked by the coach whether this feeling of not receiving enough recognition was familiar to him, immediately the relationship with his father came to his mind. There he had learned early on how to receive recognition, and how not to. His subjective theory was that in order to receive recognition "I have to hold back my own point of view, I have to follow someone else's opinion". With this subjective theory, his non-action with respect to formulating a new strategy made sense. According to his *private logic* he had to avoid taking an explicit point of view in order to receive recognition, i.e., he had to avoid formulating a new strategy. Subconsciously, he hoped to gain recognition by following in the new strategy of his CEO. Therefore, a goal conflict existed between the goal to secure the next financing round for the company (which required him to formulate a new strategy) and the goal to receive more recognition (which required Peter not to formulate a new strategy according to his subjective theory).

In this case, the goal conflict was easily resolved. While the subjective theory how to get recognition may have been correct with respect to a father that did not tolerate the opinions of others, its application in the context of a boardroom was obviously flawed. And this was also immediately obvious to Peter Berger, once he recognized the subjective theory that he had not been aware of. He saw immediately that this relic of his past had become an obstacle for him. He was therefore willing to experiment with a new subjective theory which he formulated as: "I receive recognition for the convincing positions I take."

Translate Insights into Action

This cognitive insight alone was not enough though to enable Peter to act according to it completely and immediately. Emotionally his old subjective theory was still too much entrenched. The next phase of coaching had therefore to enable the new subjective theory to take roots emotionally. In order to achieve this, experiences are necessary that validate the new subjective theory. Small steps had to be defined, that allowed for a testing of the new subjective theory. They included first of all the task to formulate new strategies. As "homework" Peter formulated the current strategic challenges and their implications for his company. He had a hard time doing that, as he explained at the beginning of the subsequent coaching session:

> "I was supposed to reflect upon our strategy,
> I also wrote something but have not finished.
> I found it very, very difficult, because that is
> something where it is difficult to hold on to
> something."

Despite these difficulties, Peter managed to develop clear alternatives, to formulate specific conclusions and to present all this to the coach. Therefore, the little exercise was a positive experience for Peter. Consequently, his

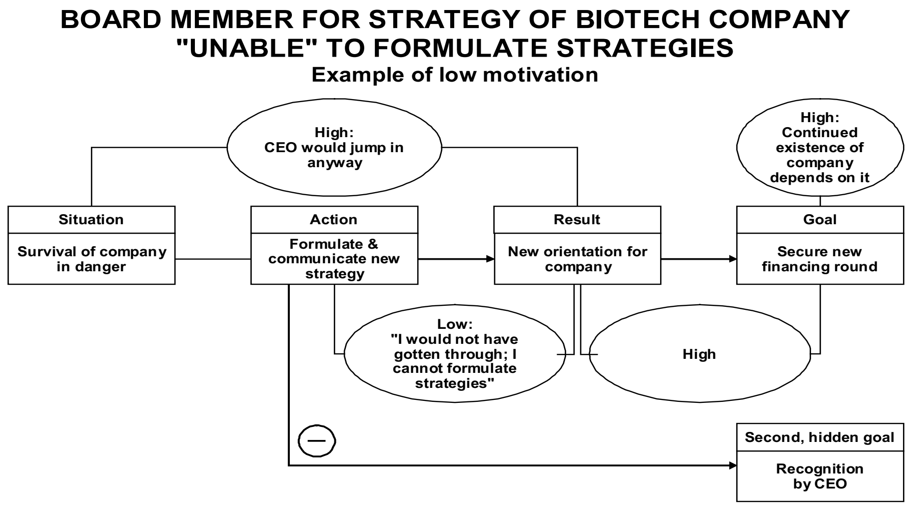

Figure 3. Board Member for Strategy ”Unable“ to Formulate Strategies

expectation to be able to formulate new strategies (action-result-expectation) rose.

After this exercise in the coaching context, the new subjective theory could be tested in the company context. The experiences made there were then discussed in the coaching session. This helped to distill and deepen the emotional experience.

Peter: I think it works better when you take your own position.

Coach: Hm? It works better ... Do you have an example? [...]

Peter: Yes, … a situation from last week, for the smaller project I made by chance a contact. They came to see us the week before last week and it all sounded very interesting [...] [The CEO] tried then to push very much: develop a concept, what to offer them, how to make money. At some point, I said: ‘Stop! We are much too fast. We do not really know what they want. From my point of view it would be better [...] to listen first, what they want.’ [The CEO] accepted that. He saw it then the same way: ‘Yes, maybe that is the right way. Let’s do it that way.’

Coach: Interesting experience!

To Peter’s surprise, he actually received support for a position that contradicted the initial position of the CEO. In addition to the experience itself, the review of the situation in the coaching session further increased Peter’s action-result-expectation that he can actually get through with his message.

Positive experiences of this kind allowed the new subjective theory to take root emotionally as well. As a consequence, Peter could say in his last coaching session with full conviction, “I gain recognition for the formulation and implementation of my own ideas.”

Hence, a detailed review of feelings in a critical incident and the change of subjective theories enabled Peter to act differently.

Coaching Issues And Implications for Coach Training

As in this case study, the majority of the fifteen cases in the overall study involved issues in the motivation phase. Some clients first mention only issues in the implementation phase, but in fourteen out of fifteen cases, the main emphasis turned out to be the motivation phase. Goals had to be clarified and goal conflicts resolved. Subjective theories standing in the way of high motivation for the planned action concerned the action-result expectation in all cases. In two thirds of the cases this was related to goal conflicts. Only in two cases did subjective theories concerning the results-goal-expectation or the situation-result-expectation play an additional role. Coaching was able to resolve 80 percent of the goal conflicts. All clients achieved an increase of their motivation.

Successful coaching improves the ability of managers to act through a change of their subjective theories in both the motivation and the volition phase.[8] However, different methodologies are required for each phase: for the clarification of goals in the motivation phase, explorative methods need to be applied; whereas implementation support in the volition phase needs to define action plans step-by-step. The former is inspired by depth psychologies, whereas the latter takes its clues from behavioral therapy. It is necessary for the training of coaches to include both.. Only then will the issue of the client (co-)define the methodology applied – and not just the methodological preference of the coach.

The *IJCO* Logo: What Does It Represent?

The co-executive editors of ***IJCO*** have been asked about the logo that adorns all covers of the journal as well as subscription forms, policy statements, etc. This logo comes from a much larger work of art--a statue called *Kabala*--that was created by Julian Harr. The logo represents two birds (vision) , two hands (support) or two flames (energy). We think that vision, support and energy are three of the key ingredients in effective organizational coaching practices.

- William Bergquist
- John Lazar

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Endnotes

[1] See Norbert Groeben, Diethelm Wahl, Jörg Schlee und Brigitte Scheele. *Das Forschungsprogramm Subjektive Theorien. Eine Einführung in die Psychologie des re flexiven Subjekts.* Tübingen: Francke, 1988.
[2] See Heinz Heckhausen, Peter M. Gollwitzer and Franz E. Weinert, Eds. *Jenseits des Rubikon: Der Wille in den Humanwissenschaften (On the other side of the Rubikon: The will in the humanities)* Berlin: Springer, 1987.
[3] See Don Dinkmeyer, Jr. and Len Sperry. *Counseling and Psychotherapy: An Integrated, Individual Psychology Approach, 3rd ed.* Upper Saddle River: Prentice-Hall, 2000; Bernhard H. Shulman and Richard E. Watts. "Adlerian and constructivist psychotherapies: An Adlerian perspective," *Journal of Cognitive Psychotherapy,* 1997, 11, pp. 181-193.
[4] See Heinz Heckhausen, Peter M. Gollwitzer and Franz E. Weinert, Eds. *Jenseits des Rubikon: Der Wille in den Humanwissenschaften (On the other side of the Rubikon: The will in the humanities).* Berlin: Springer, 1987.
[5] See Ralf Schwarzer,*Psychologie des Gesundheitsverhaltens (Psychology of health behavior),2nd ed.* Göttingen: Hogrefe, 1996.
[6] Real case, but fictitious name.
[7] See for the self-fulfilling prophesy of expectations: J. Sterling Livingston. "Pygmalion in Management," *Harvard Business Review*, 2003, 1, pp. 97-106.
[8] Due to space limitations, no case study for the volition phase can be presented here. See Jens Riedel. *Coaching für Führungskräfte. Erklärungsmodell und Fallstudien (Coaching for Executives. Model and Case Studies).*Wiesbaden: Gabler/DUV, 2003.
[9] See Jens Riedel. *Die Rettung des Vertrauens (Saving trust).* Manager magazin, August 2004, available online in German at http://www.manager-magazin.de/unternehmen/artikel/0,2828,311790,00.html; Jens Riedel and Dominic Sachsenmaier (Eds.), *Reflections on Multiple Modernities – Chinese, European and Other Interpretations*. Leiden/Boston/Cologne: Brill, 2002. A Chinese translation is in preparation for publication in early 2005.

Coaching the Scientific and Technical Professional

Jean L. Hurd, Ph.D. and Tino Juri, Ph.D.

As scientific and technical professionals progress in their career and achieve scientific goals, a company may reward their accomplishments by promoting them into "management." This article presents evidence that suggests this scientific population is unique in many ways, and therefore encounters unique challenges when moving into and sustaining leadership positions. These challenges include: developing relationship skills to effectively manage others, collaborating cross-functionally, and contributing to business decision-making. In this article the authors discuss ways in which this population is unique, and the implications for effective management development and opportunities for the coaching profession. We find that there is enough evidence to suggest that further research into the topic would be valuable for coaches and the people and organizations they serve.

Introduction

The collaboration for this article grew out of two threads of experience: Jean's early experience as an employee within pharmaceutical R&D and engineering, and more recent experience as a consultant, trainer and leadership coach to those groups; and Tino's experience as a scientist and Vice President of Quality, and later Vice President of Scientific Affairs, in a major pharmaceutical company. In conversations over the past year, we have each found an increasing urgency for addressing the management development needs of scientific and technical professionals, and we have been impressed with the significant role of coaching as an integral part in the development process.

Current literature and research in coaching tends to describe "executive coaching" or "organizational coaching" as though the process were the same among any industry or for any population of manager. After searching the applicable literature, conducting interviews with scientists and engineers, and culling examples from our own anecdotal experience, we have come to conclude that there is enough evidence to suggest further research into the topic would be valuable. "Ah, yes" we hear, often accompanied with rolled eyes "that is definitely a special need." This article examines and addresses the unique needs of the scientific and technical manager, discusses the opportunities for coaching and proposes areas where additional research would be valuable. For the sake of clarity, we frequently use the term "scientist" to include scientific and technical professionals.

What Unique Challenges Do Scientists Encounter When Becoming Managers?

As scientists progress in their careers and achieve scientific goals, a company may identify them and reward their accomplishments by promoting them into "management." As part of the transition, individuals are often provided management and leadership training to develop as business leaders, and are encouraged to participate in cross-functional activities to broaden their experiences.

While well intended, this training is often void of strategies for supporting the day to day challenges that this group faces. We think it is important to understand what makes a scientific professional tick, and what is unique about the people and profession that necessitates a specific approach to the training program.

There is recognition that scientists have unique needs when moving into management[1], and that many of the characteristics which make a good scientist are not those which make a good leader. Leaders of the world's most successful pharmaceutical, high-tech and consumer product companies confirm that R&D professionals are some of the most challenging to manage[2]. Many of the characteristics that make them challenging to manage are also the very characteristics that are problematic when these scientists themselves move into management roles. These characteristics include:

- Viewing science as a calling
- Being independent in thought and action
- Preferring scientific creativity vs. corporate goals
- Having technical expertise vs. people skills

We will examine each of these in turn.

Science as a Calling

For many scientists, scientific research is a calling and the core of their identity[3]. When they are promoted into management they are often woefully unprepared and unwilling to leave this core identity behind. One scientist, recently promoted into management, described it this way: "All of a sudden you are asked to step back and let someone else do it. The toughest thing in the world is to let that go." And another – "The hardest and most frustrating thing is realizing that I'm not going to be involved anymore in everything that is happening."

When hiring scientists, organizations often look for the very characteristics that can most trip up a scientist who is later moved into management. They hire the best and most passionate scientists. The emphasis is on their technical skills, not on their people or leadership skills, or their ability or willingness to become a manager.

With little or no business background, scientists are often blindsided by the magnitude of how much of their identity they leave behind when they make the move into management. Perhaps nothing makes the transition harder than this reality – the failure to think through what a scientist will have to let go of in order to move up the corporate ladder. No longer a scientist, not quite a businessperson, these former star performers can feel suddenly ineffectual and demoralized.

Independence in Thought and Action

By their very nature, scientists tend to be independent thinkers. They have a high regard for empirical observation and analytical thinking. They are educated and trained in highly empowering environments, where the emphasis is on the quality of one's ideas and where one's judgment is respected[4]. When they make a judgment they expect their opinion to be respected and accepted. There is a "just take my word for it" mentality that resists having to convince others or sell their ideas.

This independence can be problematic when they move into leadership positions, where they find that influencing skills are critical, particularly in working with peers across various functions. As one manager described this phenomenon – scientists tend to think "there is only one right answer, and I have it." But on becoming a manager, listening becomes a key skill. "The fact that you might have to listen to other people if you want to sell them things, this is news to them [scientists]." [5]

Scientists not only think independently, they frequently work independently. They share this with technical professionals - engineers, computer programmers – who are used to working by themselves[6]. Delegation in fact is often cited as the most difficult part of a new manager's job.

Scientific Creativity vs. Corporate Goals

Scientists frequently describe being torn between scientific imperatives and corporate goals. Many consider themselves scientists first and corporate workers a distant second[7]. One new R&D manager found this to be one of the most difficult dilemmas of his new role. "A manager's role is to make sure that things are done efficiently – which feels totally against curiosity and exploring." He now sees this difference as a continuum, with business efficiency on one end and creative, academic thinking on the other. "My job is to strike the right *balance* between the two – between 'academic thinking' and 'quick-and-easy.' It's not an either/or."

Another expressed a similar experience: "In the scientific community people have to be *creative*; in business they want to be efficient, productive, and that can stifle creativity. How to keep the balance?"

Since many managers continue to identify strongly with their scientific discipline, striking the balance can be painful. The most commercially viable option may be the least interesting from a scientific point of view. Being seen as a "business thinker," while at the same having to inspire and motivate the scientists who work for them, is just one way that the scientific manager can feel caught between worlds. Scientists we spoke to expressed this in various ways:

* "I struggle with the concept of being successful if I could only think like a business person, or by wearing the business hat."
* "In all the training I attended, there is this 'I'll fix what is wrong with you' approach, so you can become a successful business leader."
* "Although communication is a two-way street, I always get the recipe for me to improve, so I can speak the business language."
* "After getting the 'seat at the business table,' I had the feeling that I was not understood or appreciated for what my scientific background and training bring to the table."

On the other hand, there is sometimes a disdain among scientific professionals for business, politics, and management and for how business initiatives are actually implemented. Scientists can tend to disparage and ignore the importance of developing influence and leadership skills.

Technical Expertise vs. People Skills

Scientists are usually hired for their technical skills, and may or may not have the people skills critical to effective leadership. As soon as they are promoted they find that they need communication skills that they had never fully developed. A recent study of R&D teams concluded that outstanding team leaders realize that, in moving from researcher to manager, their roles had changed from one of "individual technical accomplishment" to that of "socially skilled leadership"[8]. The most important part of their job involves motivating and inspiring the scientists who report to them. One struggling new manager noted wistfully, "You get promoted for managing a responsibility *technically*. No one ever asks 'can this person make his people happy?'"

Many scientists and other technical professionals describe the frustration of being star performers who suddenly find they lack even the fundamental skills for their new position. "You're the best scientist, a star, and then you just get dumped into management."

What are the Implications of this Uniqueness for Effective Management Development and Coaching?

The scientist going into management finds himself in the middle of three different management challenges:

* Leading others
* Collaborating cross-functionally
* Having "the business conversation"

Scientific professionals need to develop skills and competencies for this three-pronged role, and it can be daunting. The greatest challenges seem not to be about the mechanics of management – budgeting, strategy development, etc. – but about the people skills that enable effective communication to get things done. See Figure 1.

Leading Others

Moving into a management role, scientists find that a new set of skills comes into play – skills they frequently have not developed as an individual contributor. Listening, questioning, feedback, and performance review skills are key. Zuckerman[9] cites a survey of an R&D facility with more than 5,000 employees which found that "leading/inspiring people" and, "dealing with people" topped the list of things employees said their supervisors needed to improve. Key among these is an appreciation of fundamental differences in personality. As one scientist put it, "the challenge is developing the ability to recognize that others have different styles and process information differently than

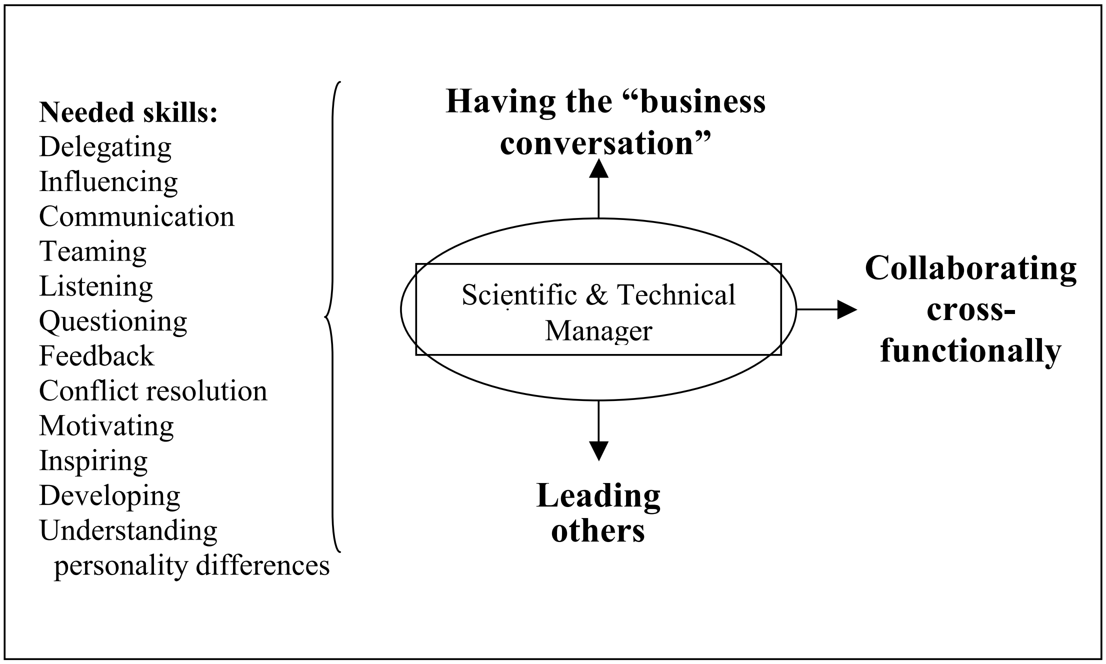

Figure 1. Needed Skills and Management Challenges

you do."

Sapienza surveyed five expert panels that totaled 147 scientists[10]. The number one attribute they gave for an effective leader she describes as "being a nice person" – caring, compassionate, supportive, enthusiastic, motivating. Second was "communicating effectively," including listening well and resolving conflict. Being technically accomplished was a relatively distant fourth.

When asked to describe what they perceived as their own most difficult leadership problems, these panelists cited balancing scientific efforts with the management responsibilities of delegating, dealing with conflict, motivating people and communicating effectively, and primarily providing feedback. Sapienza further notes that although feedback was ranked fourth, it is in fact a foundation skill for dealing with conflict and motivating people[11].

These findings are consistent with our own anecdotal experience. One scientist summed up the difficulty of managing others: "Delegating was the most difficult of all the things I had to learn; that and letting people make mistakes, giving them power, empowering them."

Perhaps nothing stands out more from our own experience than the need for a manager to be comfortable with providing honest, tactful and timely feedback. Effective feedback requires a host of core skills – including understanding different personality and communication styles and self awareness of one's own style. We have found that too often feedback is viewed as conflict, and therefore avoided, which ironically ends up creating conflict! One scientist noted emphatically that "what divides good managers from the best is how you deal with conflict." Managers need to be helped to see that effective feedback is a mechanism for preventing unnecessary conflicts.

Collaboration on Cross-Functional Teams

As organizations become flatter and more team-based, projects are increasingly run by first-line managers whose team members don't report to them, and over whom they have no control. As a result, cross-functional collaboration is becoming an increasingly important skill. Reynes notes that, "Scientists and engineers need to have much more communication with people in other 'silos' than previously. Another silo can be a different technical organization; or it can refer to different functions, such as marketing or manufacturing; or it can be labs or other business units in foreign countries." [12] Increasingly, technical managers have to sell their ideas to other business units.

Two previously noted characteristics hinder scientists in this capacity: 1) their identity of themselves as a scientist rather than a businessperson, and 2) the independence and certainty of their viewpoint. Scientists may struggle with finding the line between the surety of their ideas and the need to work as a team, listening to others and questioning for full understanding. One frustrated scientist described it this way – "I'm trying not to open my mouth in meetings, because my challenges are seen as not teamwork. How can I stand in my area and communicate across the boundary?" Another commented, "I want to talk about the science, but no one wants to hear it. They are only interested in the business impact." Skills that we consistently see a need for in this capacity are the ability to influence and the willingness to engage as a partner.

Having the "Business Conversation"

Many scientific professionals describe scientific creativity and business needs as opposite ends of a spectrum. Bridging the gap requires the ability for both ends to develop ways of dealing with differences in knowledge and ways of communicating. The challenge to scientists is often as "basic" as mastering the language of business, and in fact, much of traditional management development is focused here. This feels very one-sided to many scientific professionals - like trying to change their scientific thought process to a business headset. For highly educated scientists this is frustrating at best, and insulting at worst. "Although communication is a two-way street, I always get the recipe for *me* to 'improve' so that I can speak the business language."

This difference in language is not trivial. One scientific manager articulated how this felt to her: "The challenge in talking to the business is that words mean different things. There is a fuzziness in marketing and business strategies. It feels amorphous and vague. These are things that scientists *hate*. For example "paradigm shift" has a precise meaning in the scientific world, but can be used in all kinds of contexts within a business discussion."

Unlike science, management decisions are constantly monitored and may be changed as personalities change. The dependent variables around such decisions are less well understood and less subject to control. [13] There is frequently no *right* answer, but only the best answer at the time.

An additional challenge is the need for scientists to simply engage more in strategy meetings. A mentality can exist that says "I'm a scientist. Why should I try to contribute to a marketing discussion?" A frequent request to scientists is for them to be willing to apply their critical thinking skills and express their own viewpoints, outside of their own box. But to scientists, who like to base their ideas on empirical evidence, this can seem like an unreasonable request.

Early Intervention Is Key

There is growing recognition that for scientific professionals, early intervention in leadership development is key. "There is a need for management development programs that combine formal and experience-based learning. The message also is that these programs should start earlier in a scientist's career, and certainly before people become heavily involved in project management activities, either as leaders or as team members." [14]

In their excellent book *The Leadership Pipeline*, Charan et. al.[15] put forward a model of leadership development that has particular value for the scientific and technical manager. They view leadership development as an ongoing process. As one moves up the leadership pipeline there are significant new challenges at every new passage or "turn" in the pipeline. These challenges are in three broad areas – new skills required, a shift in what needs to be valued, and an increasingly longer time horizon.

The first passage is the shift from individual contributor to manager of others. The second passage is from "manager of others" to "manager of managers". We believe these first two passages are particularly critical for the scientific and technical manager. Partly because of the core relationship skills that need to be developed, but of even greater importance, is the major shift in values that must occur for a scientific manager to be successful. As we have seen, scientists often experience wrenching changes in identity when they move into management, and have difficulty finding the value and satisfaction in getting work done through others, rather than being the expert.

If a first level manager does not find support for the shift from technical to people skills, from science to business, from problem-solver to motivator, they may never resolve the basic values dilemma, or learn the basic people skills that provide the foundation success at the next level. We frequently see managers who are promoted to manager of managers, and then find they are unprepared to perform effectively. They are now two levels removed from the work, but are still thinking and acting like a tactical individual contributor.

It is hard to exaggerate how much of a problem this creates. These second level managers become a *significant* bottleneck and barrier in the system. They are unable to function effectively in any direction. Perhaps most problematic – they can't provide modeling or support for their first level managers. Lacking the self-awareness of their own leadership gaps, they are unable to coach or develop appropriate skills or work values in those who report to them. Potentially good first level managers are derailed before they even get started.

How Might Coaching be Valuable To the Management Development Process For Scientific and Technical Professionals?

Our review of the literature did not uncover research on the benefits of coaching to the scientific and technical professional, hence the purpose of this article. However, we have seen the magnitude of the challenges that these professionals encounter as they move into leadership positions. They not only have to master the mechanics of management, but also must develop substantial leadership and relationship skills.

Relationship skills are best learned *in* relationship. The coaching relationship provides a context for learning the critical skills for effective communication, listening, questioning, self-awareness, and giving and receiving feedback. Specific areas to explore include:

* Training supported by coaching - Leadership and management training can provide theory and concepts, but successful application of new concepts into actual work situations requires practice and feedback. Adults learn best when they can apply abstract concepts to an immediate situation of personal importance to the learner.[16] Coaching provides the means for integrating tools and techniques learned in training by giving the support and time to figure out how to apply them to real situations. Given the need for people-skill development, it would be valuable to look at the optimum ways to combine leadership training with ongoing coaching.
* Coaching as support for change - It is interesting that in a study by the Center for Creative Leadership of 354 participants in their R&D – related short courses, one of the findings was that "formal training courses were sometimes included by executives as an event that made a significant difference to them", but "ironically, the major outcome was not usually the content of the course but the confidence engendered by the experience".[17] The supportive nature of a coaching relationship can provide the environment for scientists to stretch and grow in their new management role.
* Emotional intelligence and coaching - Recent research has demonstrated a direct link between emotional intelligence in leaders and the effectiveness of their organizations.[18] Other research indicates that coaching is an extremely effective way for individuals to develop and hone the

emotional intelligence cluster of competencies of self-awareness, self-management, social awareness and relationship management.[19] The scientific and technical community are an ideal group in which to study this relationship further.

* Early intervention – When one new manager was asked how the coaching he received could have been of more benefit he answered with a wry smile – "if I had had it five years ago." There is strong evidence that early proactive intervention in assessing and developing scientific professionals in leadership positions would go far to avoid the costs (financial and emotional) of waiting until there is a real organizational crisis. A study that assessed the benefits, actual and projected, of early intervention in these communities could be extremely useful.

What is the Organizational Payoff For Providing Coaching to this Group?

The benefits of good coaching flow in all directions. A positive behavior change in one individual can have an ongoing positive effect throughout his or her sphere of influence and beyond, with a return of investment far exceeding the individual's performance improvement. We have seen that the development of leadership skills in scientists and technical professionals can impact the managing of others, performance of cross-functional teams, and the ability to communicate effectively with the business.

* Corporations that fail to help scientists and technical professionals develop skills beyond their specific area of expertise may pay a big price in the long run. The ability of scientists to communicate effectively and influence others is key.Their contribution helps ensure that business management does not overlook long-term potential products for short-term profitability.

Call for Research

In a previous section we have outlined areas for further investigation into how coaching can best benefit the management development process for scientific and technical professionals. In addition to those areas – training supported by coaching, coaching and emotional intelligence, the benefits of early intervention - we suggest the following research areas would be extremely valuable:

* A study of "best practices" of coaches who are currently working with scientific managers. What has been their experience? What tools and techniques have they found most effective? Most ineffective? What have they found to be the critical success factors in terms of the supporting organizational environment? Are there common threads among the experience of these coaches? Can "best practices" be defined for coaching scientific professionals?
* A qualitative study of successful first or second level managers from scientific and technical backgrounds. What differentiates them from those who are not successful? What are the "critical success factors" for transitioning from individual contributor to manager? How can these factors be incorporated into coaching professionals who are struggling with the transition to leadership positions.

Summary

We have reviewed the current literature and found surveys, anecdotes, and examples of management development issues provided by scientific and technical professionals. The evidence suggests that this population is unique in many ways, and encounters unique challenges when moving into leadership positions. The nature of these challenges point to coaching as a powerful tool for helping these professionals build the skills and work values necessary for management success. We believe the coaching profession will benefit from further research into the issues we have highlighted, and new approaches will benefit the organizations coaches serve.

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The International Consortium For Coaching in Organizations (ICCO)

ICCO is concerned with the human service endeavor known as *coaching in an organizational context,* with executive coaching as its core application . ICCO members gather together to promote, critically examine, and further the field of coaching in organizations. While ICCO is grounded in the practices of executive coaching, it also embraces other forms of coaching that occur in organizational settings. The field of organizational coaching encompasses diverse coaching applications: executive coaching, business coaching, performance coaching, leadership coaching, and alignment coaching, among many other strategies. What these diverse coaching applications hold in common is a conviction that men and women in management and leadership positions can benefit significantly - and, consequently, so will their organization - from the thoughtful, neutral and compassionate assistance of an effective and experienced coach, who may either stand outside the formal authority structure of the organization, or be a part of the internal professional development system of their organization.

If you are interested in finding out more about ICCO or wish to become a member of this organization, further information regarding membership inICCO is to be found on page 66 of this issue.

An ROI Method for Executive Coaching: Have *the Client Convince the Coach* of the Return on Investment

Mary Beth O'Neill

After reviewing typical dilemmas executive coaches face to identify the ROI for their services, I provide a practical plan for integrating ROI analysis into the coaching relationship. I use a case example to illustrate the method, and show how this practice preserves the client's responsibility, not only for results, but for providing the link between their developmental strides and the increased success of their business. The article concludes with a 5-step summary of the process.

Introduction

Although executive coaching is a well established practice in the corporate environment, its benefits are likely to be more obvious to clients than to the accounting department.[1] This article presents practitioners with a method for demonstrating a quantifiable return on investment (ROI) for their work with clients. This article addresses the needs of executive coaches working in the field rather than those of researchers and academics regarding research methodology. I welcome researchers to bring their considerable expertise to this strategy.

The main focus of the article is a 'how-to' method for an executive coach or consultant to not only address the issue of ROI but also to directly involve the client in evaluating the bottom line benefits of coaching. An experienced practitioner who understands how organizations work can successfully implement this ROI strategy.

A word about the use of the term, "ROI." I use ROI as it is colloquially applied in our culture, generally to refer to the financial gains that business executives want to see compared to the costs they pay. There is a conversation in the training, organization development, and executive coaching fields about what formula is more useful to use with clients, ROI percentages or Benefit/Cost ratios. Each of these terms has a specific meaning and formula. I prefer the Benefit/Cost ratio because I think it is more accessible to both coaches and clients, particularly those who are just beginning to apply fiscal thinking to coaching interventions. But when referring to the general discussion of measuring coaching's effect on bottom line results, I use the term, ROI, because that is the language most frequently used in conversations and the media.[2]

The Dilemmas

Most practitioners I talk to are stymied around the three following dilemmas in identifying the ROI of their work. The first dilemma may be stated, *"I work on the 'soft side' of business — the development of people skills in a leader. How could I ever define and measure that? Besides, I'm completely intimidated by research and statistics. It's not my thing."*

The second dilemma is from those who have some confidence in their quantitative skills but do not know how to link a leader's development to measurable business results. *"I can measure the shifts in a leader's attitudes and the team's perspective on the leader's effectiveness, but how do I link those to the bottom line?"* Or practitioners may say, *"I've even been able to measure shifts in organizational goals among those whom I have coached, e.g., retention and promotions, but I don't know what elements of the coaching/consulting effort — if any — created the change."*

The third dilemma comes from a values conflict expressed, *"If I take on the responsibility of measurement then I'm doing the client's job for them — I've stepped over the line. I've become responsible for bottom line results rather than for methods that lead to executive development. Anything I do that weakens the leader's sense of responsibility for results erodes my effectiveness."*

If you have experienced any of these dilemmas yourself, take heart. Over the last ten years, I have developed a coaching strategy, beginning with the contracting phase, which can link leader development to the bottom line results of executive coaching clients. The method allows the leader to retain full responsibility, not only for their business results but for linking their developmental challenges to those results.

The Three Key Factors Methodology

You can set up a coaching or consulting contract for success by helping a client identify the three Key Factors around a specific business challenge they face. These Factors are areas executives manage every day but whose potential is often underutilized. The three Key Factors are: 1) the *business results* that leaders need to achieve, 2) the *leadership behaviors* they need to exhibit, and 3) the *team interactions* that the leader requires of staff in order to attain the desired results (see Figure 1).

As you can see, this does not appear to be rocket science. But my motto for identifying and working these three Key Factors is, "It's simple but it's not easy." That is, every leader knows that these three categories are important, but very few executives working under pressure manage all three factors simultaneously. One or two of the factors escape the leader's attention. The resulting decrease in effectiveness often triggers a call to a coach to begin working with a leader in the first place.

The real challenge for leaders and coaches is to ensure not only that leaders pay attention to these three Key Factors but also that they are *linked* and interrelated to each other and integrated into the choices the leader makes on a daily basis. When coaches assist leaders in identifying and customizing the three Key Factors to their situation: 1) it begins the coaching process, and 2) it produces interrelated categories that can be assessed for the ROI of the executive coaching work.

A Case Example

I coached Anne (not her real name) when she was general manager of her division. I was called because Anne faced several challenges — she had team members with longstanding interpersonal conflicts; corporate revenue goals were not likely to be met; and Anne's boss withdrew support because he was frustrated with her division's problems. Anne was considered a "high potential" leader and was respected by many in the company for her demonstrated gifts and skills. At the time I met Anne, however, it was a stretch to get the kind of traction that would count as success in her boss' eyes which led to a loss of confidence in herself.

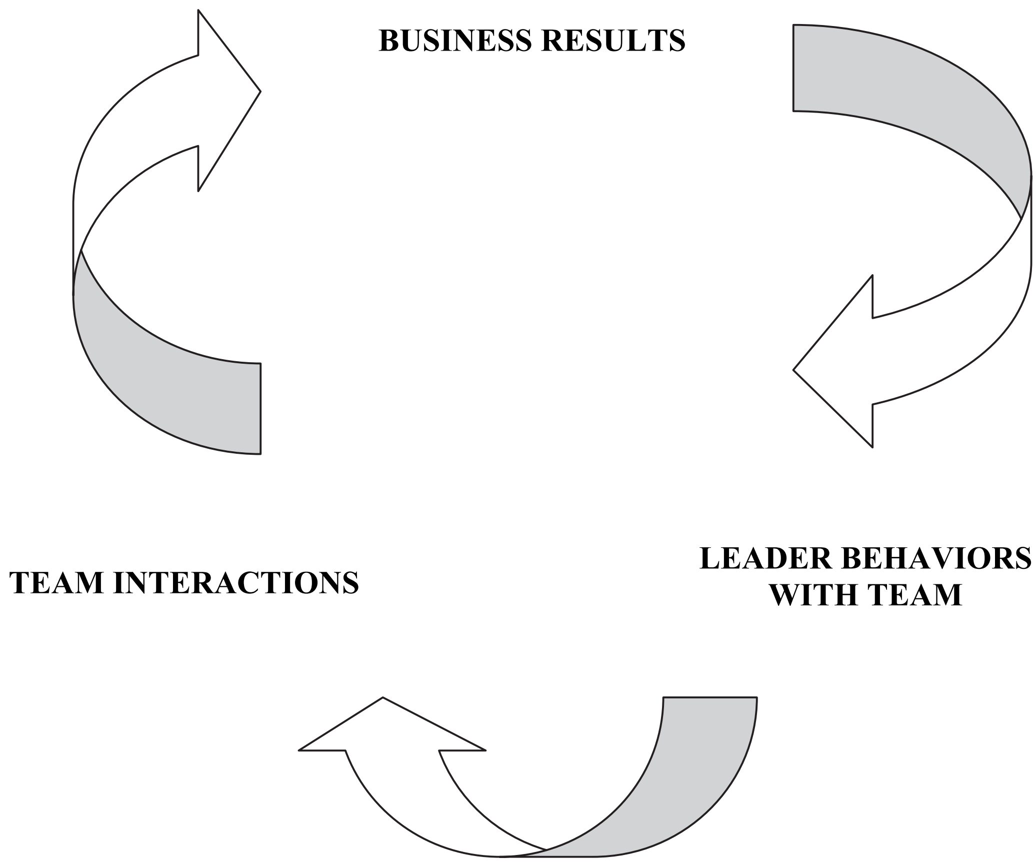
Early in our conversations, Anne and I discussed the three Key Factors and ways she could identify them in her area. At first, Anne wanted to focus on "improved staff relations" as her business result because she spent so much of her energy dealing with conflict between team members. "Improved staff relations," however, is not a business result, it is a team behavior. I encouraged her to move it onto the team interactions list.

After we explored many of the challenges she faced, Anne chose the business result of increasing revenue. Ultimately, that was the factor that the company and her boss cared most about. In order to boost revenues, Anne thought her own leader behaviors needed to revolve around resolving staff differences. This is an example of a painful symptom stealing all of an executive's attention. As we talked it became clearer to Anne that some of these differences could be originating from Anne's lack of clarity in her expectations of the staff. So she put "define role clarity" on her leader behaviors list.

A great challenge for the coach in working with a leader to identify the three Key Factors is establishing the linkages among those Factors. The Factors may seem so self-evident that leaders do not pay much attention to them and only consider the factors on a

Figure 1. Three Key Factors for Leader Success

An effective leader optimizes the ways the following three Key Factors interrelate in order to achieve organizational goals with clear and measurable results.



"It's simple, but not easy."

vague, general level disempowering themselves and their teams. The deeper challenge comes in working to *customize* and render *measurable* each of the three Key Factors while *demonstrating their interrelationships*. This is the first building block to establishing an ROI approach. *Link and make measurable, link and make measurable* — the mantra of three Key Factors work.

Anne's work defining the three Key Factors was a significant step, but it was only the beginning. So far she had determined: 1) business results — increase revenue, 2) leader behaviors — define clear roles, and 3) team interactions behaviors — improve staff relations. Were they linked and customized to her situation? Her leader and team behaviors were linked: we suspected that if she further clarified her team's roles, some of their conflicts with each other would evaporate. But how would that increase revenue?

As an executive coach, an important part of your job is to probe, and repeatedly emphasize, the interdependencies among the three Key Factors. Rarely should you accept a leader's first answer. By repeated questions regarding the links among the factors, you can help the leader focus on the crucial items under each factor, namely the ones that give leaders the most leverage and the greatest chance of success. Your collaborative skepticism, probing until you reach the essence of the factors, builds in leaders the growing confidence that they have identified what is most critical to their situation. *You* do not convince them; *they* convince themselves of the links by their own repeated refinements.

Anne perceived that the team members needed her to clarify her expectations so that they could prioritize their work better. The team lost energy to conflicts — both hidden and explicit – which slowed the implementation of all their plans. Clarifying expectations and collaborating to resolve differences mobilized Anne and her team to close in on their business goals.

Define the Measures: How Will You Know When You Get There?

Any item identified by the leader needs not only to be linked to the other factors but also must be measurable. Four simple categories to use in measuring business results are time, money, quality, and quantity. The measurable goals on the leader and team factor lists must be specific, observable, and repeatable.

See Figure 2 for a "menu" of items that fit into each factor[3]. The menu is ala carte: the leader can choose the items that are most relevant to her situation and most interdependent upon each other. Not all of these menu items, however, are specific or measurable enough. They may be in the ball park but you will need to work with the leader to hone them further.

Anne's Measurable Factors

In Anne's situation, to say that the team needed to "improve staff relations" was not specific enough to direct team members to engage in behaviors that served the goal of improved relations. To recommend that team members paraphrase each other's points of view in meetings was a *specific way* to improve team relations. Paraphrasing may seem an overly simplistic exercise. But when the right set of simple interdependent behaviors are chosen and applied simultaneously, they prove to be the key behaviors necessary to break through a logjam.

Figure 3 lists the specific three Key Factors that Anne chose to identify and manage. In terms of business results, Anne had numerical revenue goals for her business unit. She also believed that her team could best meet revenue goals by redesigning their sales process. The timeline they had to achieve both the redesign and their revenue goal was one year.

Usually the leader and team behavior lists contain 3-5 items each. This allows for the individual behaviors to build upon one another and form a synergy of key interactions that will make the difference for the business. On Anne's leader behavior list, the first four

Figure 2. Three Key Factors Menu
Identify, Connect and Lead Your Highest Priority Factors

BUSINESS RESULTS

Money	**Time**	**Quality**	**Quantity**
↑ Sales	↓ Project Length	Meet Quality Standards	↑ Production
↑ Revenue	↓ Production Time	↓ Defects	↑ # of Services
↑ Profit	↓ Down Time	↓ Relapse	↑ Service Vol.
↓ Discounts	↓ Task Time	↑ + Media Visibility	↑ Customers
↓ Employee Absent.	1st to Mkt. Innov.	Meet Environ. Standards	↓ Inventories
↓ Production Costs	↓ Approval Time	↑ Customer Satisfaction	↑ Market Share

TEAM ACTIONS	**LEADER ACTIONS**
Paraphrase to clarify understanding.	Give goals and expectations.
Give opinions, raise concerns.	Ensure understanding.
Give input outside their function.	Gain commitment.
Manage conflicts.	Encourage differences.
Seek decision clarity.	Clarify decision style.
Hold peers accountable about mutual agreements.	Give corrective feedback.
Own mistakes and initiate problem-solving.	Acknowledge achievements.

Figure 3. Anne's 3 Key Factors

BUSINESS RESULTS:

GOAL

Achieve Revenue Goal
Through Redesigning
the Selling Process.

Timeframe: 1 year

TEAM INTERACTIONS:

- Give input outside your function; support each other's functions.
- Identify differences and engage in discussion until closure is reached.
- Paraphrase each other's points of view.
- Hold each other accountable: Initiate discussions regarding unmet expectations/agreements.

LEADER BEHAVIORS:

- Declare & enforce clear expectations with due dates.
- Determine single point manager.
- Explicitly discuss team's clarity & commitment on organizational strategy.
- Set decision making style & facilitate closure on decision discussions.
- Encourage debate & problem-solving by asking for varying points of view.

items outlined specific ways in which she could continually clarify roles for her team. All team interaction items addressed the issue of improving staff relations. These two lists identified the critical actions they all needed to make on a daily basis in order to achieve business success.

When you believe you and your client have successfully created a *measurable* list for each Key Factor, you can take the "movie camera" test — if the leader and the team were to engage in these behaviors during day-to-day interactions, could someone watching a movie of these interactions identify the desired behaviors? Could an observer recognize the behavioral expectations set forth by the leader?

This level of specificity can aid the coach as she encourages the leader and team to enact their plan on a continual basis. Both the executive and the coach can inquire about frequency and quality. How many times do they see these behaviors in meetings? Are they consistently and effectively used in every team meeting, whether the leader is present or not? Are expectations clear and do team members seek the leader's support or clarification? Reinforcement of these specific and observable behaviors begins to affect how the team does business.

These lists are not *the* exhaustive or complete list for any team that needs to increase revenue. Each situation is unique and therefore customized. Though these may seem to be obvious behaviors for achieving business goals, they were built from the ground up so that the leader was convinced that *this* particular combination would make a difference. It does not matter that many of them happen to also appear on generic leader competency lists. For the same reason that leader competency lists rarely stir people to transform their leadership, leaders and teams tend not to mobilize around a generic list as effectively as they mobilize around *their* lists.

Truth in Advertising: Leaders Will Balk

In many ways working with a leader to identify the three Key Factors seems so straightforward as to be simplistic. However, dealing with a real world leader feeling pressure in the workplace is another matter entirely. Executives are so compelled by forces internally and externally to "act first and think later" that they have a hard time settling down enough to be thoughtful, specific, and integrated.

Often, when you ask executives to identify the three Key Factors regarding a business issue, they either look at you blankly, shrug the exercise off as a waste of time, or claim that they already have all that in place. These reactions indicate an anxious leader rather than an irrelevant exercise. A coach needs to develop a thick skin to an executive's resistance to thoughtfully engage with the three Key Factors.

One way to begin a productive discussion of the three Key Factors is to start with the Key Factor that energizes the leader the most. The sequence is not important; you can start with leader behaviors as easily as starting with either business results or team behaviors. Though Anne was quite willing to take ownership for improving her and her team's performance, sometimes I work with executives who are fixated on laying blame on their teams. In those situations I reflect and amplify that energy by asking for a list of all the ways in which the team does not function well. The executive typically has no problem creating a list, e.g., 1) they don't take initiative, 2) they fight with each other, 3) they are unprepared for meetings, etc.

The list can quite easily convert into categories for the team interactions Factor by simply replacing the negative actions with positive ones, e.g., 1) they take initiative, 2) they collaborate with each other, 3) they prepare for meetings. This gives the coach and leader a starting point to make specific, proactive, and measurable behaviors for each item on the team interactions list. It's then easier to ask leaders what behaviors *they* must exhibit in order to create an effective team. Your client can next identify the leader behaviors factor that will create a synergy between the leader's and the team's interactions.

Defining the three Key Factors requires discipline on the part of leaders (and coaches!) to face the ambiguity of executives' work situations. The process to finalize the three Key Factors with a client is an iterative one. The exercise is one of self-definition – the clients create their own platform on which to build a successful enterprise and will know specifically whether they succeed or fail in each area.

Anne's first reaction to the three Key Factors was that they were probably another "canned" coaching tool. It wasn't until she began practicing with them and using them that she saw the value in the tool and how it could help her with her team and business results. She said, "An important learning for me was that, although the three Key Factors list was a generic learning tool, *my* Key Factors were completely customizable."

Assess Other Variables

In order to identify a return on investment for the coaching engagement with the leader, it is essential to explore with the executive the other variables besides coaching that will affect the likelihood of success - the ability to accomplish all three Key Factors. This will be important when a formula that only accounts for the coaching variable is calculated at the end of the coaching engagement.

I have learned to ask the leader to create a list of four variables:

1) variables *internal* to the organization *that improve the chance for success*, including the strengths and assets of the team or organization,
2) *internal* organization variables *that detract from success,*
3) variables *external* to the organization *that benefit it*, and
4) *external* variables *that may jeopardize its success*.

Executives sometimes need to be reminded to consider positive internal variables because they are so used to assessing negative threats that they forget what they have in their favor.

There should be a list of many items for each variable. A sampling from each of Anne's variables is: 1) *an internal strength*: she had a team of skilled people who understood the business challenges they faced, 2) *an internal challenge*: executives higher in the organization made decisions that diminished the ability of Anne and her team to control outcomes, 3) *an external opportunity*: there was untapped revenue in the market place, and 4) *an external challenge*: other formerly reliable segments of the market were cutting business because of a dip in the economy.

Truth in Advertising: What It Takes to Get There

Since the focus of this article is on a Benefit/Cost Ratio calculation, it is beyond our scope to detail the specific executive coaching implementation methodology that helped Anne and her team to achieve results in all three Key Factors.[4] However, I will give a broad sketch of the work I did with Anne and her team that helped her get the results she needed.

We worked with the three Key Factors constantly throughout the coaching process. After setting them in the beginning, they remained as a standing agenda item for nearly every meeting afterwards. Midway through the process we discussed progress on each factor and whether Anne and her team were likely to achieve them. At the end we had a formal conversation assessing results for each of the three Key Factors (see next section).

Other elements came into play in the executive coaching engagement. Working with a colleague, we did live team coaching with Anne and her team members while they were all present and working on business issues at their meetings. We helped her sequence a series of concentrated efforts, from communicating the three Key Factors to her team, to getting feedback from team members on whether the factors were on target, to gaining commitment to them, to helping them communicate more directly with each other. The executives with whom I work have team members who are leaders themselves. This offers the added benefit of teaching team members leadership skills that they can then apply to their own staffs. We focused on three ongoing learning challenges — 1) the leadership challenges and behaviors that Anne found emotionally daunting; 2) her ability to "learn live" with her team so team members were willing to take on more of their own challenges; and 3) a shift by the leader and the team to more effective co-created patterns of interacting with each other.

Executive coaches must assist leaders as they face those challenges that are personally and emotionally daunting. In some ways, you know the leader behaviors factor is incomplete until coach and leader identify behaviors that are a stretch for the leader and thus often avoided. Executives are more willing to face their own leadership challenges when they see how necessary these very behaviors are to achieving specific business results. Anne showed courage in several areas — to enter uncharted territory for her and her team, the tenacity to stay the course, and the willingness to learn about herself. Thus, the coaching engagement was satisfying for all involved – the leader, her team, and her coaches.

The Benefit/Cost Ratio: Clarify the Connection
At the end of the contract with your client (or for ongoing projects, at the 8-10 month timeframe) you can review the results for each of the three Key Factors and begin to see the benefit from the coaching endeavor. First, ask your client for specific measures they did or did not accomplish regarding the business results. Then return to the team behaviors list — to what extent did the team enact them? How does the leader know that? How often and where do they show up? Lastly, coaches should use the same line of inquiry for the leader behaviors.

A question you can ask repeatedly during this discovery conversation is, "*What connection do these behaviors have with reaching your business results?*" As I mentioned before, your job is to be a collaborative skeptic. You ask questions like a good anthropologist, who may have an inkling, but who still asks the naive questions. For example, "*How did improved decision-making increase your market share?*" If there truly is a connection, they can tell you, but you may have to continue to ask them to show you the connection from the behavioral factor to the results factor to identify the link. As a coach, you should keep pursuing the connections until your client has convinced you that there is a link. In the meantime, they have deepened their own confidence in the links among all three Key Factors. Let's review Anne's situation to see what results she achieved (Figure 4).

Anne's Results
Anne achieved $244.8 million revenue for the year, which was 10 percent better than the year before. This is impressive—given that her peers in the region were 6-14 percent lower than Anne in achieving their year's revenue. Also, the selling process that Anne's team designed was not only approved but also incorporated into the corporate planning department.

Anne accomplished all her goals in her own leadership behaviors and those of her team. They impacted nearly every meeting they had. In fact, the leader and team factors show unanticipated improvements beyond her expectations. In addition to meeting the stated goals for team behaviors, they proactively redesigned the staff meeting to improve problem solving. The team continued to hold these meetings when Anne could not be there, and they proactively asked for deadlines. Anne learned how to aid the team in resolving their issues by referring them back to each other when they avoided interaction by approaching Anne. Because of her team's improved effectiveness and her financial results, she received increased support from her boss.

As further evidence that Anne and her team exceeded their behavioral goals, the team received the regional "Team of the Year" Award, and Anne was promoted to another leadership position within the company. Her new division was rife with challenges, and she brought me in to begin three Key Factors work and the live team coaching process with her new team. Using the three Key Factors in a whole new area, Anne said, "Now, my second time around, is a whole different story in terms of owning the customization process to create the three Key Factors list for this team, as I have personal experience with the results. With every coaching session, the three Key Factors felt more real and

Figure 4. Anne's Results

BUSINESS RESULTS:

GOAL
Achieve Revenue Goal through Redesigning Selling Process.
Timeline: 1 year.

ACTUAL RESULTS:

Revenue: $244.8 million.
(performed 6-14% better than other departments in the division for the year)

Selling process approved and used by corporate planning department.

TEAM INTERACTIONS:

- Give input outside your function; support each other's functions.
- Identify differences and engage in discussion until closure is reached.
- Paraphrase each other's points of view.
- Hold each other accountable. Initiate discussions re: unmet expectations/agreements.

Plus:

- **Proactively ask for deadlines.**
- **Redesigned staff meeting allows time to resolve issues. Can continue even in the absence of the leader.**
- **"Team of the Year" award.**

LEADER BEHAVIORS:

- Declare & enforce clear expectations with due dates.
- Determine single point manager.
- Explicitly discuss team's clarity & commitment to organizational strategy.
- Set decision making style & facilitate closure and decision discussions.
- Encourage debate & problem-solving by asking for varying points of view.

Plus:

- **Effectively work with triangles -- redirect staff to talk directly to each other.**
- **Increased support from boss.**
- **Promotion to another leadership position.**

actionable. Time and practice are absolute key ingredients for making the three Key Factors come alive, spurring a leader and team into action."

Solidifying the Connections among the Three Key Factors

It was through my questions such as, *"How do you know that* ***you and your team's behaviors*** *made a difference in the bottom line?"* that many of the behaviors over and above the set goals came to light. Because Anne and the team focused so persistently on their behavioral factors, they created new synergies that allowed them to achieve their revenue results.

By remaining conscious of the decisions they were making and the specific commitments necessary within each phase of their work, Anne and her team were able to create efficiencies that affected their bottom line. Anne is convinced that without managing specific behavioral leader and team factors, she would not have achieved her results. She named specific decisions that executed the three Key Factors well and directly led to her business results. Her ability to focus on these customized behaviors sowed the seeds for success. She knew what her team was like before the three Key Factors focus, and now she had evidence in their daily interactions that underscored the changes achieved by incorporating the three Key Factors into their work routines. In my practice, I have also incorporated the use of pre- and post- surveys of the leader and team behaviors which track their frequency before and after the contract.

Benefit/Cost Ratio: Quantifying the Impact

Once Anne identified and showed that the behavioral Key Factors led to bottom line improvement, it was necessary to assess how much the coaching contract impacted her results. What percentage can be attributed to the executive coaching variable as opposed to the other variables that Anne named earlier?

Often leaders are so pleased with their results that they enthusiastically exclaim, "*100%! The coaching is 100% of what got us there!*" This comment is reminiscent of happy participants immediately after a training class giving a high rating because they had a good experience. It is not necessarily tied to the training's effectiveness. Therefore, it is our job, once again, to be skeptical about the "grade inflation" our clients give because they are satisfied with the coaching engagement.

You must ask clients not only to connect one Key Factor to another, but also to assess to what extent the internal and external variables they had named earlier impacted their results. I see it as my duty not only to remind them of all the variables that could have affected their results but to paint them with bold strokes. I once told a client who claimed the coaching variable was 100% of the impact, "You can't give me 100% of the credit — your leadership alone was a huge variable. *You* made it happen. What are you, chopped liver?" Through deeper questioning, healthy skepticism, and light hearted humor, I helped the client to knock down the percentage they gave to coaching as they more seriously considered the host of variables at play. This increases my credibility as a hard-nosed business partner. I am not looking for an unjustified compliment but rather a realistic picture of the business variables and the coaching impact.[5]

Anne was able to weigh all the variables in her situation and to acknowledge the competent team she started out with, the opportunities in the marketplace, and her own business market instincts.After some careful consideration she assigned the coaching effort a 25% contribution to their success. She underscored that, though the other variables weighed in at 75%, she and her team would not have managed them to success without coaching. They absolutely needed the 25% coaching variable to get them the rest of the way. As one client said, "We would have gone 60% of the way ourselves, some expert consultants helped us achieve another 20%, and you delivered 20%. But without that 20%, we wouldn't have made it. There was no in-between — we had to either reach the goal completely or fail. Given what we were dealing with, without the coaching we would have failed."

By now the leader is confident that the percentage of the impact attributed to coaching is realistic. Based on my clients' evaluations regarding the percentage of impact among all variables, the impact executive coaching has had on bottom line results averages between 20 and 33 percent.

Now let's go back to the numbers. The formula I use to calculate Benefit/Cost Ratio that accounts for the coaching impact as only one variable affecting the outcome is:

$$\frac{\text{business results x \% impact of executive coaching}}{\text{cost of executive coaching}}$$

I calculate an intentionally conservative Benefit to Cost Ratio to offset any doubts clients may harbor for the lack of a conclusive one-to-one statistical correlation between the behavioral Key Factors to the business results Factor. Rather than using the coaching impact as 25 percent of total revenue ($244.8 million), we took just the portion of Anne's revenue that was the difference in percentage between her performance and the next best department's revenue, which was a 6 percent difference (since many of Anne's internal and external variables are shared by all departments in Anne's division, you can think of other departments as a kind of control group that did not have the variable of executive coaching applied to their efforts for the year).[6] Six percent — the difference in performance- was $14.69 million.

Now we can plug Anne's numbers into the formula (the coaching costs of the contract were $76,025):

$$\text{Benefit/Cost Ratio: } \frac{\$14{,}690{,}000 \text{ x } .25}{\$76{,}025} = 48{:}1$$

The benefit to cost ratio is 48 to 1 — Anne received 48 times the financial benefit that she paid out for the coaching effort.[77]

The client is aware that we do not include all the benefits they actually receive, which further reinforces the worth of the coaching investment. I also personally enjoy knowing that the beneficial waves of the coaching effort will continue to break on the beach after my work with the client is done. The leadership, team, and process skills gained through coaching were transferred to other business issues, but were not counted in the analysis. Another benefit not calculated includes the contributions that Anne and members of her team make to groups elsewhere in the company as they join other teams.

Conclusion

As I mentioned in the introduction, as an experienced practitioner you can use this practical analysis with your clients so they convince themselves of the value of their executive coaching investments. Figure 5 outlines the entire process. It requires a subset of the analogous skills that you use as an executive coach to develop your clients: deep listening to uncover crucial facts, striving for concrete behaviors over accepting generalities, and understanding how organizational components interact with the external environment in order to recognize critical areas for development.

The rewards of using this approach are many. Leaders are more likely to remember to use the behaviors they *know* give them results. They are more likely to expect their teams to interact in specific ways that create results. Executives are more likely to invest in using you as a coach in the future when they have a new team or more challenging set of results to achieve. Clients are happy to be strong references for your executive coaching practice if it specializes in linking leader development to business results. This set of rewards for using the Benefit/Cost Ratio strategy builds a healthy portfolio for executive coaches who consider themselves business partners with their clients.

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Figure 5. Overview of the Benefit/Cost Calculation Process for Executive Coaching

Step 1: Coach the leader to **identify the 3 Key Factors** the client wants to work on and improve that relate to a business need in the organization, and a change in leader/team behaviors.

Step 2: Customize and **hone the 3 Key Factors** until they are specific, measurable, and interrelated.

Step 3: Ask the leader to **identify other variables** that impact the client's results, internal and external advantages and obstacles.

Step 4: Check in and **assess progress** toward achieving the results and enacting the behaviors of the 3 Key Factors throughout the executive coaching process.

Step 5: **Evaluate Benefit/Cost Ratio.** The client --

(a) identifies **final results*** and assesses any interconnections or synergies created from improved leader and team behaviors on the business results.
(b) identifies results in **dollar amounts** and other bottom line metrics regularly used in the organization.
(c) recalls the significant **internal and external variables** that impacted the business results.
(d) names the **percentage of impact** that the executive coaching had on the results, relative to other variables.
(e) **calculates the benefit/cost** of the coaching variable:

$$\frac{\text{business results} \times \text{\% impact of executive coaching}}{\text{cost of executive coaching}}$$

You then have the benefit/cost ratio.

Example of Anne's Case: Multiply the percentage of impact of the executive coaching (25%=0.25) and the business result number (0.25 x $14.69 million = $3.67 million). Take that result and divide it by the cost of the coaching ($3.67 million ÷ $76025 = 48). You then have the benefit/cost ratio (48 to 1).

* When I say "final results" I realize that you may continue to work with the client and/or the results are intended to be ongoing. At some point, however, it's time to evaluate progress. For significant changes to occur in all three Key Factors, I find that 8 - 10 months is the timeframe most frequently used for evaluation.

achieve challenging business results. Her book, *Executive Coaching with Backbone and Heart*, is one of Amazon.com's best-selling executive coaching books.

End Notes

[1] For a concise study that includes different approaches to measuring the impact of executive coaching see McGovern, Lindemann, Verganas, Murphy, Barker and Warrenfeltz. (2001). Anyone who has responsibility for the HR function and wants to contribute more to identifying process and human capital ROI, see Jac Fitz-enz (2000).

[2] Why do I prefer Benefit/Cost Ratio? A ratio — e.g., 10 to 1 — is more immediately accessible to clients. It is easier to grasp and visualize ("Oh, I got ten times more out of this project than I paid into it. That's great!"). ROI as expressed in a percentage — e.g., 1000% — takes an extra mental step (except for math minds) to see, relatively, how much was paid out to what was received.

[3] See Mary Beth O'Neill, *Breakthrough Results with Backbone and Heart*, 2003, www.mboExecutiveCoaching.com.
The co-editors consider this table an elaborated version of Table 5.1, found in Mary Beth O'Neill. *Executive Coaching with Backbone and Heart*. San Francisco: Jossey-Bass, 2000, p. 105.

[4] The Executive Coaching Training Seminars explore in depth the methodology of working with the three Key Factors and the leadership development of executives. For more information, go to www.mboExecutiveCoaching.com.

[5] Anderson (2003) also addresses this issue by asking the client the *percentage of confidence* they have in their estimate when linking the bottom line results to any human performance intervention. You can multiply the actual impact by this percentage.

[6] Anderson and Anderson (2005) list ways to isolate effects, e.g., control groups.You could also compare Anne's performance to her own performance from the year before (as you recall, she brought in 10 percent more revenue than the year before). You can see, then, that the 6 percent difference from the next best performing peer's team in the same year is the more conservative number.

7 Jack and Patricia Phillips. [See Phillips (2002), Phillips, (2003), and Phillips and Phillips (2004)] use the following ROI formula to calculate return:

$$\text{ROI} = \frac{\text{program benefits - program costs}}{\text{program cost}} \times 100$$

I would use this formula for clients who prefer to work with net benefits and ROI percentages in calculating return. For them, the ROI formula has more credibility. However, I would still multiply the net benefits by the % of the coaching impact so that coaching only receives the portion of credit that variable deserves.

Phillips and Phillips also advocate using "fully loaded" coaching costs to calculate the ROI or Benefit/Cost Ratio. This includes not only the coaching fees and coach's travel expenses, but also facilities costs, employee travel expenses (if applicable), and the salary and benefits costs attributed to the time the leader and team took out of their work days to engage in the coaching effort.

I see this as a judgment call of the client with whom I have the contract in any given coaching engagement. Some clients want the fully loaded costs and some do not. In Anne's case, she actually found the fully loaded costs less compelling. When I asked if she wanted to use them she said, " I only want to see the coaching travel expenses and fees. The other costs I would incur anyway — I take my team to quarterly off-site meetings and I'm paying the same salaries and benefits no matter what they are doing." The case would be different for those clients who measure and want to specifically increase staff productivity — then tracking fully loaded costs is much more relevant.

I offer these multiple options (ROI % vs. Benefit/Cost Ratio, fully loaded costs vs. only coaching costs) so you have an Jack

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Measuring ROI in Executive Coaching

Jack J. Phillips, Ph.D. and Patricia P. Phillips, Ph.D.

At first glance, the thought of measuring the ROI in coaching appears to be a novel idea or an impossible mission. Both views are inaccurate. With increased use of executive coaching, many executives are questioning its value, particularly as coaching expenditures grow. Although coaching assignments are planned and executed with good intentions, not all engagements produce the value desired by either the individual being coached (participant) or the sponsor who often pays for it. Measuring return on investment (ROI) in coaching is now used by some organizations – and coaches – to show the value in terms that managers and executives desire and understand. This article describes how the ROI Methodology™, used globally in 40 countries, collects six types of data – including ROI – to show the complete success of coaching.

Why ROI?

Several issues are driving the use of ROI to measure the success of executive coaching. Among these are:

1. Visibility. Executive coaching has taken on increased visibility in recent years. This visibility in corporate offices and attention in the press has brought new levels of scrutiny. A highly visible or perhaps even controversial project sometimes must be held to higher of levels of accountability, including demonstrating the value with credible ROI data.

2. Accountability Trend. An accountability trend is developing across all types of organizations, functions, programs, and projects. Many executives are demanding results from different processes and projects – asking for the actual ROI. It's a logical argument – money is invested so there should be a return on the investment.

3. Costs. Coaching is expensive and the costs of coaching have continued to rise. A top notch coach charges very high fees and some organizations offer coaching to all their managers and executives. The total bill is not only increasing, but is significant. Increased costs translates into the need for additional accountability often at the ROI level. Executives ask the basic question: Do the monetary benefits of coaching overcome the costs of coaching?

4. Soft Skills Concern. Because executive coaching falls into the category of "hard-to-measure" or "hard-to-value" processes – typical of soft skill efforts – executives are more concerned about the return on investment. It's an easy request in a very soft area. Executives do not understand how, or if, the ROI can be developed. Consequently, they ask for it.

5. A Familiar Term. The concept of ROI is a familiar term for executives who manage businesses or parts of businesses. ROI is used for investments in plants, equipments, and other companies. So why shouldn't it be used for other major investments as well? Also, executives with MBAs and management degrees have studied the concept of ROI, know how it's developed, and appreciate the usefulness of the concept.

6. A Long History of Use. The concept of ROI has been used for over 300 years as a business tool. It is not a new fad passing through the organization. Instead it is an old, familiar friend that is now used in unfamiliar places such as human capital, quality, and technology.

These and other influences are prompting executives to raise the issue of ROI in executive coaching. The good news is that it is being developed with limited resources, providing a credible value reflecting the payoff of an executive coaching assignment.

The ROI Methodology TM

The ROI Methodologyä is ideal for measuring the success of coaching. Developed and refined in the last two decades by Dr. Jack J. Phillips[1], the methodology collects six types of data, including the actual ROI. This process has been used by over 2,000 organizations to show the success of a variety of human resource development programs, including leadership development, executive development, management development, and executive coaching. It has been well documented with over 15 books translated into 25 languages. Over 2,500 individuals have been certified to implement the ROI methodology internally in their organizations. Approximately 5000 ROI studies are conducted each year, globally. The process has been formally implemented in over 40 countries. A global professional network with 600 members has been organized to share information. The methodology is comprehensive, consistent, and credible. Its success and use are based on five elements, described next.

Elements of the ROI Methodology

How to increase accountability can be viewed as a puzzle that has been solved over time. The challenge is to develop a comprehensive measurement system with credibility and acceptance to a variety of groups. Figure 1 shows these various elements.[2]

The Evaluation Framework

The evaluation framework details the specific types of data arranged in a chain of impact that must occur if coaching is to add business value and ultimately ROI. These represent hard and soft data items collected at different time frames often from different sources. Figure 2 shows the definitions of these types of data presented as levels of data.[3] These levels build on Kirkpatrick's four level framework for evaluating learning and development. We add a fifth level for the actual ROI.

At the first level the participant and the coach react to the engagement. A variety of data items are collected at this level with particular focus on such measures as

1. Relevance of the coaching to the current work assignment,
2. Importance of the coaching to my job success,
3. Intent to use what is learned in the coaching engagement,
4. Effectiveness of the coach, and
5. Amount of new insights gained from the coaching process.

Although measures can be developed, these are the more critical ones that show the success of coaching.

At level two learning is measured usually on the self assessment scale. New knowledge, skills, and understandings are developed.

Level three translates into behavior change, as the application is being monitored. Here the actions, steps, processes, and behaviors are captured following and during the coaching assignment.

At level four, business impact measures are the consequences of the new behavior. This coaching assignment should influence one or more key measures, such as productivity, quality, costs, time, customer satisfaction, and job satisfaction.

Finally, an ROI value is generated, as the cost of coaching is compared to the monetary benefits of the business impact measures. At this point in the process only the levels of data are identified as the normally occur in a chain of impact. A process model is needed to provide consistency in options in collecting, processing, and reporting data.

Process Model

Figure 3 shows the different steps in the process model. Every evaluation approach should have a comprehensive model that offers a step-by-step

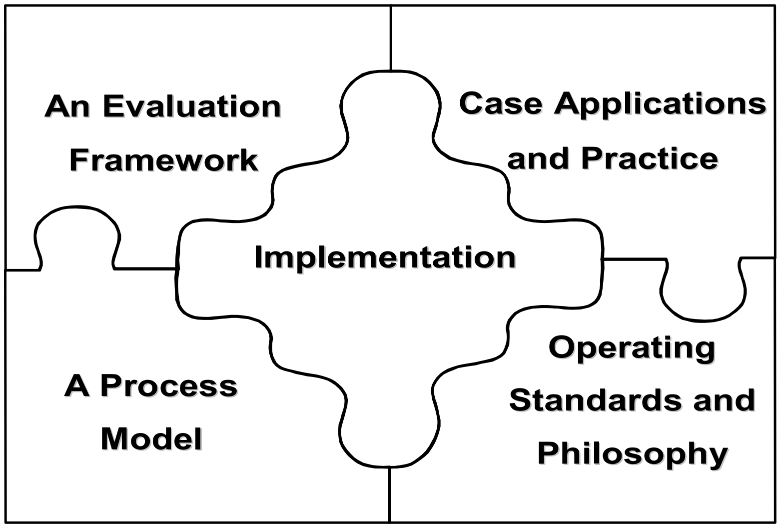

Figure 1 - Elements of the ROI Methodology

Evaluation Levels	
Evaluation Level	**Measurement Focus**
1. Reaction and Planned Action	Measures participant satisfaction with the program and captures planned actions.
2. Learning	Measures changes in knowledge, skills, and attitudes.
3. Application and Implementation	Measures changes in on-the-job behavior and progress with application.
4. Business Impact	Captures changes in business impact measures.
5. Return on Investment	Compares program monetary benefits to the program costs.

Figure 2. Evaluation Levels and Measurement Focus

sequential process. For each step in the model options should be available to accomplish that part of the process.

Because the situations can vary significantly, a variety of options are needed to cover all the possible types of coaching programs and scenarios. However, for the coaching environment some of the options are minimized and these are discussed later under key steps.

Standards

Every process needs standards. In the ROI Methodology,* standards presented in Table 1 provide the rules for collecting, processing, analyzing, and communicating data.[4] The standards, labeled Guiding Principles, are not only the rules but represent a very conservative approach as well.

Table 1. Guiding Principles

1. When a higher level evaluation is conducted, data must be collected at lower levels.
2. When an evaluation is planned for a higher level, the previous level of evaluation does not have to be comprehensive.
3. When collecting and analyzing data, use only the most credible sources.
4. When analyzing data, choose the most conservative alternative for calculations.
5. At least one method must be used to isolate the effects of the solution.
6. If no improvement data are available for a population or from a particular source, it is assumed that little or no improvement has occurred.
7. Estimates of improvement should be adjusted for the potential error of the estimate.
8. Extreme data items and unsupported claims should not be used in ROI calculations.
9. Only the first year of benefits (annual) should be used in the ROI analysis of short term solutions.
10. Costs of the solution should be fully loaded for ROI analysis.
11. Intangible measures are defined as measures that are purposely not converted to monetary values.
12. The results from the ROI Methodologyä must be communicated to all key stakeholders.

In almost every case the standards are aimed at being very conservative in the analysis, essentially understating the results of the coaching project. This conservative approach translates into executive buy-in for the data and for the coaching project. Without buy-in, the study would be virtually worthless. The standards represent the most important part of this overall comprehensive evaluation system.

Application

Individuals who are involved in coaching and who desire more accountability are encouraged to use this process to show the impact of coaching. A quick success story is very important. The good news is that there are case studies already published and tools and templates are available, including software and many reference books (including the ones at the end of this article). Not knowing how to do it should not be a legitimate barrier today. Individuals who have a need to pursue ROI can achieve it, often with minimal resources.

Implementation

Implementation addresses a variety of issues about the routine use of the ROI Methodologyä in a coaching environment. This issue addresses how data will be communicated, how often studies are needed, who actually conducts the studies, and other issues that often hinder the routine use of the methodology. Implementation issues are addressed in several of the books.[5]

Key Steps

The following issues pertain directly to the use of the model in the executive coaching environment and show the most likely scenarios to achieve success with ROI. (See Figure 3 for the process steps.[6])

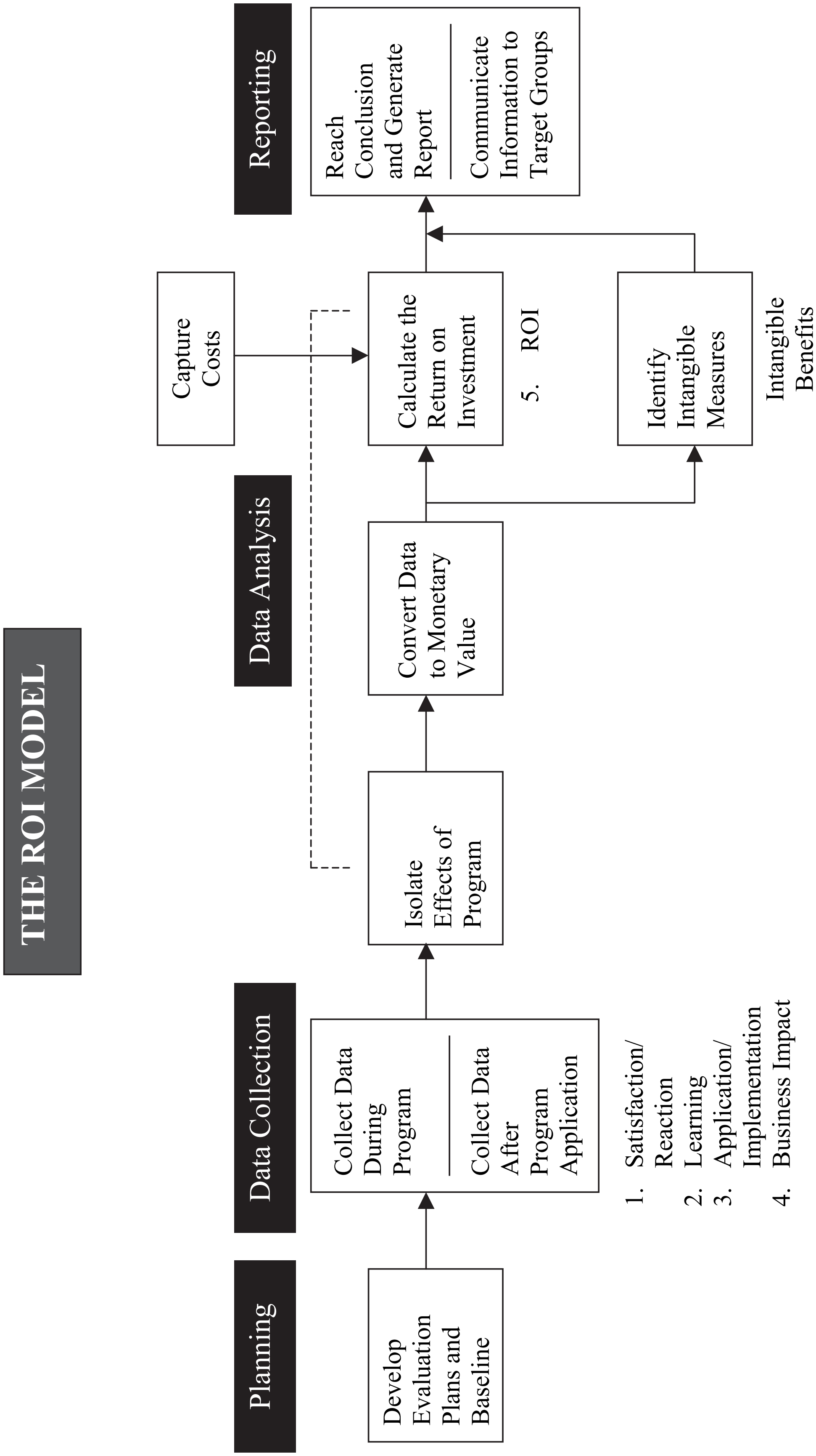

Figure 3. The ROI Methodology

Objectives: Shifting the Engagement To the Right Level

The beginning point for ROI development is to establish objectives based on the commitment between the coach, the client organization, and the individual being coached. Many engagements are based on behavior, as individuals outline specific behaviors they are interested in changing through the coaching process. However, for coaching to add significant business value, it should be based on a business need. Thus, if the ROI in coaching is desired, the initial engagement should be elevated to the business need level. Let's explain. Figure 4 shows the alignment of the up-front needs assessment with evaluation data.[7] If the initial coaching engagement is based on job performance needs (behavior), the most appropriate level of evaluation is application.

If the initial engagement is pushed to the business needs level, it becomes easier (and sometimes even routine) to evaluate at the impact level. Subsequently, the ROI is developed from the impact data. It is not very difficult to convert a job performance need (behavior) into a business need. The coach should guide the participant to the business need by asking "so what?" and "what if?" questions. The coach is attempting to pinpoint what will happen if a specific behavior changed. In some cases, it means that a specific business measure, such as productivity, cycle time, quality, project delivery, or retention will improve. When a business impact objective is established, the coaching assignment has the best opportunity for developing the actual ROI.

In the needs assessment, preferences refer to the structure and process of the coaching engagement (e.g., timing, duration, location, format), taking into consideration the preferences of the coach, the person being coached, and the client organization. Satisfaction objectives refer to reaction of all parties on topics such as relevance, importance, usefulness, effectiveness, and perceived value.

Planning for ROI Is Essential

A coaching impact study begins with planning for data collection and analysis. Two planning documents are recommended: a data collection plan and a data analysis plan. In the data collection plan, specific types of data are identified corresponding to the levels of evaluation and objectives. For each objective, the data collection method, timing, and source are selected. The analysis plan focuses strictly on the business measures and addresses issues such as isolating the effects of the coaching on the business measure, converting the business measures to monetary value, identifying costs, and reporting data.

Collect Six Types of Data

Although several data collection methods are available, the most likely scenarios are to collect data directly from the individual being coached through a follow-up questionnaire, interview, action plan, or performance contract. The most efficient and cost effective method, the questionnaire, captures data about the progress (or lack of progress) from the individual being coached – and perhaps the coach, as well. Specific changes in behavior are captured along with accomplishments. The most important part of the questionnaire – normally referred to as chain of impact questions – is where the individuals detail a specific impact chain to show the value of the contribution. All six types of data can captured in the same questionnaire. The interview can be more flexible than the questionnaire, yet more time consuming and expensive. The same set of questions can be used in the interview, but with an opportunity to probe.

The action plan is very appropriate for coaching. With this approach, the individual being coached develops action items that will be implemented during and, perhaps, after the coaching session. The action plan not only indicates behavior changes (i.e., particular steps in the action plan), but shows the business impact that will be driven with the behavior change. The business measures are defined and converted to monetary terms, possibly with assistance from the coach.

	Needs Assessment	Coaching Objectives	Evaluation	
5	Potential Payoff	ROI	ROI	5
4	Business Needs	Impact Objectives	Business Impact	4
3	Job Performance Needs	Application Objectives	Application	3
2	Skill/Knowledge Deficiencies	Learning Objectives	Learning	2
1	Preferences	Satisfaction Objectives	Reaction	1

Figure 4. Linking Needs, Objectives, and Evaluation

The performance contract is the action planning process with a pre-engagement commitment. The individual being coached and the coach reach an agreement on the measures that need to change as a result of coaching. In some cases, the immediate manager of the person being coached is in the loop.

Only Take Credit for the Coaching Impact

One of the most critical challenges is to isolate the effects of the coaching assignment on the impact measures. While some coaches may assume that any behavior change and subsequent impact is directly attributed to coaching, it may be possible (and probable) that other influences are driving the same measure. Thus, as a change in business measure is documented, it is important to take the extra step to isolate the effect of the coaching on that measure. Although ten strategies can be used, including control groups and trend lines, the most logical strategy for isolating the effects of coaching is to use participants' estimates.

In this situation, the individual being coached indicates the percent of improvement linked to the coaching after other factors have been itemized (i.e., all the factors that have contributed to the improvement in the measure). Recognizing that this is an estimate, another step must be taken: adjust for the error of the estimate. Here, participants are asked to indicate the confidence of the estimate that's been provided on a scale of 0-100% where 0% is no confidence and 100% is certainty. The estimate is then multiplied by the confidence factor to determine the final estimate figure.

Converting to Money

Converting data to monetary value appears to be another difficult issue, but may actually be one of the easiest. When a specific measure has been identified that is connected to the coaching assignment, it is often a very simple and routine matter to convert it to monetary value. While at least ten approaches are available, three are typical in coaching situations.

Find a standard value. For some measures, a monetary value has already been attached to it. For example, one turnover of a staff member can be quite expensive. Preventing a turnover can save a significant amount of money, thus a standard, accepted value for one turnover statistic may already exist in the organization, developed for other purposes.

Use expert input. Ask someone who works with the measure on a routine basis to provide an estimate based on their expert reference point. This expert may be the individual who collects the data or generates the report about the data.

Use participant estimates. Ask the individual being coached (participant) to estimate the value. Because it is a familiar measure, there may be a credible basis for the value. This estimate can be adjusted for the potential error of the estimate by capturing a confidence percentage (0% = no confidence and 100% = complete confidence).

Tabulate All the Costs

The costs of coaching are needed for the ROI calculation. The cost of the coaching assignment should be fully loaded – including both direct and indirect costs. Typical costs include fees, materials (if any), time, travel, administrative, and evaluation. The time for coaching engagements should include the coach (unless the coach is paid a fee) and the individual being coached. In some cases for internal coaches, there may be a cost for developing the coaching process and this cost would have to be prorated to the number of individuals being studied. Coaching assignments are usually not that expensive, so a fully-loaded profile adds to the credibility of the ROI value.

Calculate the Return on Investment

The return on investment is usually calculated in two ways. The benefits/cost ratio (BCR) is the monetary benefits of coaching divided by coaching cost. In formula form it is:

$$\text{BCR} = \frac{\text{Benefits}}{\text{Cost}}$$

The return on investment uses net benefits divided by costs. The net benefits are the monetary benefits minus the costs. In formula form, the ROI becomes:

$$\text{ROI (\%)} = \frac{\text{Net Benefits}}{\text{Costs}} \times 100$$

This is the same basic formula used in evaluating other investments where the ROI is traditionally reported as earnings (net benefits) divided by investment (coaching costs).

Let's consider an example of the benefit/cost ratio and the ROI. A project involving a coach with ten people who are being coached generates monetary benefits of $288,000. The coaching costs $74,000, including the direct expenditures, the cost of the time involved, and other miscellaneous expenses. The benefit/cost ratio is 3.89. The ROI is the benefits minus the costs divided by the costs:

$$\frac{\$288{,}000 - \$74{,}000}{\$74{,}000} \times 100 = 289\%$$

Thus, the two values are directly related. For a shortcut method, it's possible to take the benefit/cost ratio, subtract one (1), and multiply that result by 100 to obtain the ROI as a percentage.

Identifying the Intangibles

Intangible benefits associated with the coaching assignment should be captured. Intangibles are those measures that are not converted to monetary values, and usually items such as job satisfaction, stress reduction, conflict reduction, increased teamwork, few complaints, and other hard to value measures. Intangibles are very important and represent the sixth type of data in the ROI Methodologyä.

Report Data to a Variety of Audiences

The final step in the process is to report data to a variety of stakeholder groups. Each potential audience should be analyzed in terms of audience needs and the most effective method of communication for the audience. In the very first study, a face-to-face meeting with key sponsors is desired and provides an opportunity not only to communicate the results of the study but also to gain support for the method used to conduct the study. A variety of options are available ranging from a detailed impact study to an executive summary to a one page description.

The important point is to tailor the communications to the target audiences. Keep it as brief as possible. More communication time may be necessary early in the process to gain commitment to the methodology, assumptions, and industry standards as well as an understanding of the data.

Tips for Evaluating Coaching

In summary, the use of ROI in coaching is growing rapidly. ROI can be a very complex process, but doesn't have to be. When used to evaluate coaching several important tips are important to keep in mind.

1. **Ensure that the engagement focuses on a business need**. As discussed in the article, it is critical for the engagement expectations be pushed to the business level. Otherwise the ROI may be negative.
2. **Both the coach and the person being coached should be committed to providing data**. This upfront early commitment is critical to secure the quality and quantity of data needed. These are the two primary data sources and, although records can be checked, there is nothing more credible than information obtained directly from those whose performance has changed.
3. **Keep the process as simple as possible**. The ROI Methodologyä can morph into a complex process if not managed properly. Keep it simple and make it very conservative and credible.
4. **Follow the methodology**. The process outlined in this article and contained in several of the books on ROI is a very disciplined process. It is a sequential, step-by-step methodology that must be strictly followed. Leaving out a part of the process compromises the integrity of the study and will perhaps lower the credibility of the outcome.
5. **Communicate results**. The presentation of results is very critical. The appropriate target audiences should be selected and communication used to obtain buy-in for the methodology as well as buy-in for the data.
6. **Use the data**. Evaluation data usually indicate changes are needed. Needed adjustments should be implemented. Improvements should be instituted to make the project more successful in the future.

Final Thoughts

Developing the ROI in coaching is very straightforward, following the methodology defined in this article. A very credible impact study can be developed using a systematic, step by step approach to define levels and types of data, collect and analyze data, and report the data to key audiences. The methodology uses very conservative standards (guiding principles) for analysis and has been utilized to develop thousands of studies, including dozens in the coaching environment.

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Dr. Patricia P. Phillips is CEO of the ROI Institute, a research and consulting organization focused on accountability issues in training, HR, and performance improvement. Patricia conducts research on accountability issues and works with clients to build accountability systems and processes in their organizations. She has helped organizations implement the ROI Methodology and has been involved in hundreds of ROI impact studies in a variety of industries. Patti has a Ph.D. in International Development and a Master of Arts Degree in Public and Private Management. She is certified in ROI evaluation and has authored several books on the subject.

Endnotes

1 See, for example, Darelyn J. Mitsch (Ed.). *In Action: Coaching for Extraordinary Results.* Alexandria, VA: American Society for Training and Development, 2002; Jack J. Phillips. *Return on Investment in Training and Performance Improvement Programs. 2nd edition.* Woburn, MA: Butterworth-Heinemann, 2003; Jack J. Phillips. *Accountability in Human Resource Management.* Woburn, MA: Butterworth-Heinemann, 1996.
2 This figure appeared in the handout by Jack J. Phillips. *Myths and Mysteries of ROI.* Presentation at ISPI Conference, Tampa. FL, 2004, p. 6.
3 This table is adapted from the one found in Jack J. Phillips. *Return on Investment in Training and Performance Improvement Programs. 2nd edition.* Woburn, MA: Butterworth-Heinemann, 2003, p. 9.
4 This table is expanded from the one found in the handout by Jack J. Phillips. *Myths and Mysteries of ROI.* Presentation at ISPI Conference, Tampa. FL, 2004, p. 10.
5 See Jack J. Phillips. *Return on Investment in Training and Performance Improvement Programs. 2nd edition.* Woburn, MA: Butterworth-Heinemann, 2003; and Jack J. Phillips and Lynn Schmidt. *The Leadership Scorecard.* Woburn, MA: Butterworth-Heinemann, 2004.
6 From Jack J. Phillips. *Return on Investment in Training and Performance Improvement Programs. 2nd edition.* Woburn, MA: Butterworth-Heinemann, 2003.
7 Adapted from Jack J. Phillips, Ron D. Stone and Patricia P. Phillips. *The Human Resources Scorecard: Measuring the Return on Investment.* Woburn, MA: Butterworth-Heinemann, 2001.

Mike's Musings

Hints and Help from Mike Jay

Coaching Effectiveness

One of the things I've found interesting over my professional coaching life—since 1988—is the whole focus on coaching effectiveness. In a prior musing in the 2004-4 edition of this journal, I tried to give people some ideas about how to consider credentialing for coaches.

While it is not wrong to consider coaching effectiveness, it is inefficient to do so directly. Let me explain. For people in organizations who select coaches, they really want effective coaches. I don't think there is a debate on how efficient being effective actually is in organizations. As long as efficiency and effectiveness leads or promotes sustainability, we've got a pretty good formula, play on words aside. Yet, if you focus on coaching effectiveness, your focus just fell on a trailing, rather than leading indicator!

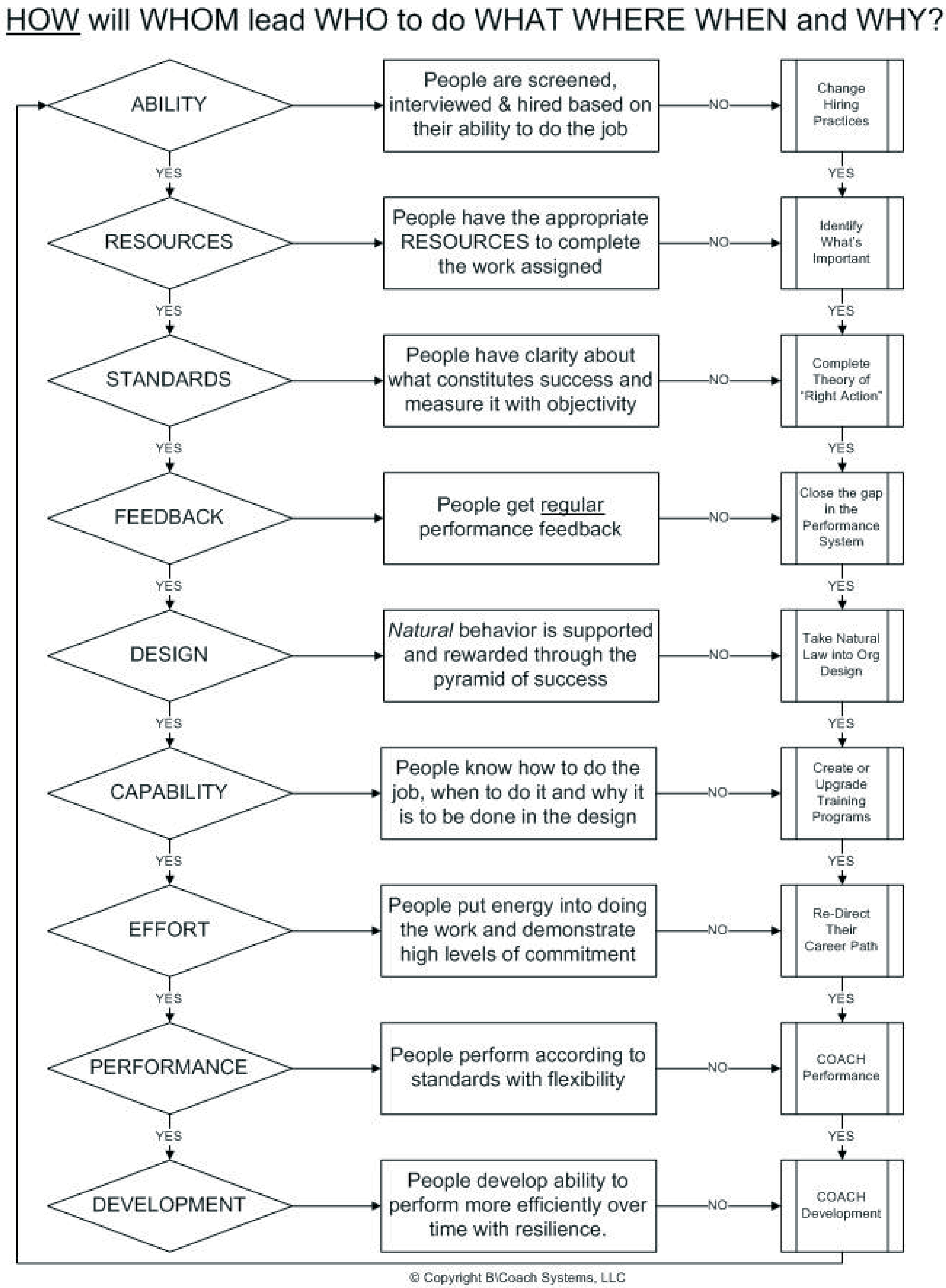
Many studies I read on what coaching produced, or so called coaching effectiveness studies, isn't worth the paper they are written on. While I'm no research expert or for that matter even a trained scientist, like one of my clients from West Virginia told me once, in their colloquial wisdom, "you don't need to be a chicken to know an egg!"

What's more I've seen this propagated through good intention using all of the great authorities in coaching and of course adopted by those "coaching associations, organizations and credentialing bodies; which I too, must claim to be a part of in the end. Essentially the dialogue is around coaching effectiveness and while it's not wrong, it's inefficient to start there. Did I say that already? After all, this is just a musing, isn't it? In any case, let me say what I want to say and let you get on with your life, work and pursuit of happiness.

If you focus on coaching effectiveness, you'll miss the boat and make a lot of poor selections. Over time, with the help of people like unsung public heroes like Chris Argyris and others, who himself wrote a book everyone in the coaching and consulting business should read called *Flawed Advice and the Management Trap*, I've learned to look beyond coaching effectiveness to client effectiveness. When you begin your journey here two things are going to happen.

1. You'll probably identify the real problem creator vs. surface manifestations (problems).
2. You'll know if coaching is the most efficient solution.

I see more coaching fail because it's not the most efficient solution than for any other reason. It's not that the coach wasn't demonstrating effectiveness, but that the match for the problem and the solution are inefficient. You keep hearing me muse about efficiency and effectiveness, don't you? Ok, what I mean by efficiency has to do with the utilization of resources during throughput—you remember your basic systems course: inputàthroughputàoutput? Effectiveness has to do with alignment of that system to produce what I call RightAction™ — right people, doing the right things, in the right way, at the right time, for the right reasons, *to get the RightResults*™.


HOW will WHOM lead WHO to do WHAT WHERE WHEN and WHY?
ABILITY
People are screened, interviewed & hired based on their ability to do the job
Change Hiring Practices
RESOURCES
People have the appropriate RESOURCES to complete the work assigned
Identify What's Important
STANDARDS
People have clarity about what constitutes success and measure it with objectivity
Complete Theory of "Right Action"
FEEDBACK
People get regular performance feedback
Close the gap in the Performance System
DESIGN
Natural behavior is supported and rewarded through the pyramid of success
Take Natural Law into Org Design
CAPABILITY
People know how to do the job, when to do it and why it is to be done in the design
Create or Upgrade Training Programs
EFFORT
People put energy into doing the work and demonstrate high levels of commitment
Re-Direct Their Career Path
PERFORMANCE
People perform according to standards with flexibility
COACH Performance
DEVELOPMENT
People develop ability to perform more efficiently over time with resilience.
COACH Development
YES
NO
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Take a look at the chart (Figure One) I've adopted over time working in organizations, where I try to help people (through dynamic inquiry, a form of coaching we use) to discover the most efficient and effective solutions.

The key things to notice about this metasystem of efficiency and effectiveness is that it's not the truth, it's just some ideas that will help an organization make certain they get coaching effectiveness. One, because they already have client effectiveness and system effectiveness outlined in terms of what is required to produce RightAction™ and RightResults™ to of course—don't forget—create sustainability.

Now, I made you go through all of that so I could give you the real stuff of this musing. During our last executive coach summit held in Quebec City, Quebec, Canada, I asked the group there to do a little "primary research" exercise with me around coaching. I asked them to pair up and to take four minutes a piece to disclose to each other the answers to four questions. These questions and the results of the survey are catalogued for you at:

www.executivecoachsummit.com/exercise.

Here's the meat of the story if you're pressed for time:

While the results from this exercise are far from predictive, they are interesting in terms of how coaches may talk about what they do, how they do it and to whom they work within the practice of coaching—in other words, how they create coaching effectiveness.

It's relatively clear from the results that there are a lot of ways in which to define, describe, offer and conduct executive coaching. I suspect we would see the same results if we used any group in coaching, credentialed or not, for the same survey.

I have written extensively on the concept of client effectiveness over the years and how *coaching effectiveness* is not a predictor of results with clients due to a variety of reasons. The continued emphasis on coaching effectiveness is inefficient in most cases and asks the wrong question in my view. It's not what the coach is capable of doing, but what the client or recipient of coaching is capable of doing in the context and conditions of the system. This effectiveness is the leading indicator for coaching effectiveness and is the key determining factor for coaching selection—both in its application and its delivery.In the end, it's not coaching effectiveness that counts…as we know from it's definition coaching effectiveness is an effect, not a cause. The ability to generate solutions that are efficient, effective and sustainable, while confronting reality is what really matters.

Here's my muse.

When you hear people and organizations pontificating coaching effectiveness, just realize they haven't differentiated the problem making system enough to really know how to match people and solutions. Coaching Effectiveness is something of a discussion that is jargon that has been made to seem like a principle; when nothing can define it except results over time and *in most cases, it's not likely to be reproduced from client to client in the same manner*.

If you do find something that is reproduced from client to client, it won't be coaching, but good management and leadership—and that's saying something in today's world where the next time you look around, a value-oriented system has usurped your competitive advantage because they aren't worried about coaching effectiveness but generating efficient, effective and sustainable solutions that work; no matter what credentials you have, no matter what school you've been to, or what program you attended. <Rant off.>

Mike Jay

Request for Proposals

2005 International Coach Federation Research Symposium

The International Coach Federation 2005 Research Symposium Planning Committee invites submission of papers for presentation at the November 9, 2005 event in San Jose, California. The theme of the program is Coaching Research: Building Dialogue. We seek to provide a forum for research-grounded conversations between and among academicians, coach researchers and practitioners, individuals and groups engaged in coach training and education to build shared understanding.

Papers presented in the program will be published in the* Proceedings of the 2005 ICF Research Symposium. *All submissions for presentation must be received by Friday, April 15, 2005. The Submissions Committee for the ICF Research Symposium 2005 is particularly interested in submissions that fit one of these categories:

- **Research:** qualitative or quantitative studies of coaching, for example, case or group studies of coaching effectiveness, client or coach characteristics, impact of coaching on life satisfaction, and coach training and education practices and propositions.
- **Theoretical Issues in Coaching:** proposals focusing on grounding coaching in theoretical frameworks or models or developing evidence-based theories of coaching, or the intersection of theory, training and education.
- **Professional Issues:** proposals which pertain to professional issues such as the implications of certification processes for current practice and training, ethical research and practice, and creating an operational definition of coaching.
- **Techniques and Research Methods:** proposals that discuss applications, evidence-based techniques, and assessment measures; discussions of research methodologies applicable to coaching education and research; or discussions of measurement issues in coaching.

Original, unpublished research papers are invited for presentation. For more information and a complete set of proposal guidelines, contact Dr. Francine Campone at fcampone@rushmore.com.

International Consortium for Coaching in Organizations (ICCO): Membership Form

You may complete your application online at www.executivecoachsummit.com/icco or use this form. If you complete this form manually, fill in the information below, check the appropriate membership option, payment method, and amount enclosed. As appropriate, either enclose check or money order or complete credit card information. For check or money order, mail to: ***ICCO*** c/o PSP, 9912 Business Park Drive, Suite 170, Sacramento, CA 95827 USA. For credit card order, either mail to above address, fax to 916-364-5511, or e-mail to pattie@psp.edu.

First Name: ________________________ Family/Surname: _____________________________________

Title *(Optional)*: ________________________ Organization *(Optional)*: ____________________________

Mailing Address: ____

City: ______________________ State/Province: ______ Postal Code: _________ Country: __________

Billing Address *(if <u>different</u> from Mailing Address)*: ____

City: ____________________ State/Province: ______ Postal Code: _________ Country: __________

E-Mail Address: _--________________________________ Telephone Number: ______________________

There are three ICCO membership categories:

(1) *Individual Membership* (for both providers and individual recipients of coaching services)
- ☐ Annual Individual Membership Fee: US$250
- ☐ Student Individual Membership Fee: US$100

(2) *Institutional Membership* (for organizations that utilize coaching services, organizations that provide coaching and those that provide programs for the training of coaches)
- ☐ Annual Institutional Membership Fee (Annual Budget: ≥US$10 M): US$1000
- ☐ Annual Institutional Membership Fee (Annual Budget: <US$10 M): US$600

(3) *Sponsoring Membership* (for individuals and organizations that wish to provide additional support to ICCO and receive, in turn, additional services from and increased visibility through ICCO)
- ☐ Annual Individual Sponsoring Membership Fee: US$500
- ☐ Annual Institutional Sponsoring Membership Fee (Annual Budget: ≥US$10 M): US$2,000
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.

☐ Check Check Number: ______________ **Amount: US$** ________________

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Signature: _________________________________ **Name on Card:** ___________________________________