

Benefits of Executive Coaching

By Victoria Green, Ph.D.

Morale and productivity grow as employees become empowered to assume greater levels of responsibility.

The main objective of executive coaching is to help leaders enhance their capabilities and maximize their potential. Executive coaching trains individuals who are already established in their careers to be more successful. In order to understand how coaching helps turn good leaders into great leaders, we must first understand what makes a leader “great.”

Through extensive research, psychologist Daniel Goleman found that to be a great leader one must have a high level of emotional intelligence or a high Emotional Quotient (EQ). Though academic IQ is important, EQ is what differentiates star performers from good performers. In fact, EQ is the best predictor of management performance. Emotional intelligence is the measure of your self and social awareness. Self-awareness is the ability to accurately identify your emotions and their impact, as well as understand your motivations. It is also the ability to appropriately manage your emotions, which includes controlling disruptive impulses such as anger and stubbornness, thinking before acting, refraining from being judgmental, and maintaining standards of integrity. Social awareness involves recognizing emotions in others, and the ability to listen to others and put their needs ahead of your own. It also involves having a proficiency in building and managing relationships and eliciting a desirable response from others.

These skills are often not innate and must frequently be taught or instilled. Most executives in senior positions are very busy and are unable or unwilling to step back from their day-to-day activities to examine and improve upon their emotional functioning. Leaders must sometimes be coaxed away from their schedules and in some cases need help in overcoming resistance to change. Executive coaching creates a forum in which to engage in sustained self-examination. It is important that the execu-

tive coach be highly trained in the dynamics of change and intervention.

Many executives might argue that they have progressed through their careers without needing to work with a coach to examine and improve their functioning. Their intelligence, passion, and technical skills have worked well for them. However, forging ahead and working around shortcomings puts a cap on their development. Many executives reach a threshold which they can only cross by exposing blind spots and overcoming their shortfalls. Individual coaching brings those blind spots into focus and allows executives to develop additional skills that create greater flexibility in their leadership style, thus improving their ability to be resilient and effective.

Individual coaching allows for immediate, personalized, and objective feedback regarding real life situations, as opposed to a formalized training program in which executives frequently participate. Coaches provide individualized assessments of skills and create game plans for improving areas of weakness. Using an external professional coach provides a confidential, objective assessment of functioning and provides suggestions for alternative behaviors that are not biased by the organization’s politics or culture.

Another way in which executive coaches can assist leaders is by providing a safe environment in which to discuss business issues, organizational problems, and leadership challenges. They can facilitate critical thinking by acting as a “sounding board,” providing objective feedback and insights. They can ask the probing and provocative questions that peers and subordinates wouldn’t dare ask. Executive advisors also help executives to develop the courage to make difficult decisions that are typically deferred and neglected by providing the necessary support and guidance.

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Executive advisors frequently provide assistance in broader areas of organizational dynamics. They can assist in the development and implementation of performance review systems, provide guidance in organizational restructuring, and address succession planning. Executive coaches can provide unbiased evaluations of staff, as well as assess the compatibility of new hires with the culture of the organization. Frequently, organizations' top leadership is unaware of potential pockets of conflict that could escalate into damaging situations. Executive coaches are in the unique position to identify these scenarios and facilitate their resolution.

Executive coaching can be equated in many ways with athletic coaching. Even the most gifted and highly skilled athletes need and have coaches. Athletic coaches provide technical expertise, serve as a mentor, and provide emotional support to help the athlete reach optimum success. As athletic coaches are necessary for an athlete to fully realize their potential, executive coaches are necessary for leaders to fine-tune their leadership skills to reach their pinnacle.

There are clear benefits when leadership is coached into higher levels of functioning. Morale and productivity grow as employees become empowered to assume greater levels of responsibility. The retention of top talent should be improved and there should be a decided reduction in the lawsuits which emanate from poor management. In short, effective and sustained coaching should lead to greater organizational resilience and have a desirable impact on the bottom line.

The use of coaches in organizations has dramatically risen in the last decade and more data is emerging on the benefits. Many are seeking coaches and reporting that they are useful. The International Coaching Federation (2002) found that 70 percent of surveyed coaches stated that their coaching experience was "very valuable," with an additional 28.5 percent indicating it was "valuable." Manchester conducted a study on the effects of coaching (2002) and found that executives reported a significant improvement in working relationships with others within the organization and with clients. Hay Group conducted an extensive survey in 2002 and found that

81 percent of respondents stated that poor interpersonal skills in the leadership adversely affected organizational climate and 86 percent stated that leadership behavior improved with coaching. Based on results of a previous Hay Group research study, organizations link 30 percent of organizational performance to climate. Although Return on Investment (ROI) studies are few, initial findings suggest a significant increase in organizations' bottom line. For example, Manchester stated in their 2002 study that organizations report a 500 to 1000 percent ROI increase as a result of coaching.

Profitability can be increased by coaching in various ways. For example, coaching can increase the capacity of leaders to handle more complex responsibilities, and increase teams' energy and motivation, and enhance creativity devoted to profit-generating activities. Various expenses can be decreased, such as a reduction in legal expenses incurred by avoidable conflicts, and a decrease in recruitment and training costs due to reduced staff turnover.

More and more companies are hiring coaches in an effort to be more proactive about functioning to highest capacity and avoiding potential problems instead of just reacting to them when they occur. An organization that works with an effective coach can benefit by being more resilient in this dynamic economic environment, improving the morale and well-being of the organization, increasing retention of top talent, improving the capacity of high potential people to assume greater and more complex responsibilities. All of these improvements in functioning can directly lead to a more successful and profitable organization.

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