

Organizational Benefits of Coaching

**Why Businesses Choose Coaching and how
Coaches Deliver their Services**

March 2009

Survey Results

Executive Coaching
Client & Coaches
Perspective



*What you leave behind
is not what is engraved
in stone mountains, but
what is woven into the
lives of others.*

- Pericles



Executive Summary

There is a growing awareness by Corporations and Individuals of the benefits of Executive Coaching. This report sets out the results of parallel surveys MindTram ran to assess 1) the views of Corporations and Executives (those being Coached or the 'Coachees') and 2) the Profile and Delivery of Coaches (those providing the services).

The Report highlights key areas of insight for: - a) Coachees concerning areas that other people whom are being coached want to develop their skills by the relationship with their Coach, the expectations set by employers of Coachees. It also provides some insightful comments on the Return of Investment from Coaching and who instigates the Coaching relationship. b) for Coaches the results may assist them enhancing the promotion of their services towards prospective Coachees and their employers.



The survey took part over a 6 week period. Commencing mid January 2009 and used several methods for collecting the survey. These tools included telephone, email and most notably over the Internet using the survey tools provided by Survey Monkey

(<http://www.surveymonkey.com>). **Section 1** of the report covers responses from **237** Coaches to 5 questions concerning age, number of years Coaching, Affiliations and methodology for 'hosting' the Coaching sessions. **Section 2** of the report includes responses from a total of **867** respondents, of whom 249 were Executives who are either presently or who have been Coached within the last 2 years, 382 Human Resource (HR) Professionals and 236 Leaders (CEO's Department Heads, Supervisors) responsible for those being Coached.

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Coaching in Context

If you are reading this report thinking all is good and well balanced in your life or business, think carefully. The old saying ‘If it ain’t broken, don’t fix it” should be left for plumbing and kept well away from how we lead our lives and run our businesses. We can always fix them, we can always make our lives and businesses better. Recognizing this individuals and organizations are turning to Coaches to help them improve the performance of executives so that they can lead a better life and in turn add more value to their organizations.

In most coaching engagements, the objective is to help successful people become even better. Effective coaches go to great lengths to emphasize and develop the unique potential of the people they work with, thereby maximizing their performance. They question and challenge their clients in order to help them modify their behavior. They encourage their clients to be more open to change. They help their clients gain confidence and improve their Emotional Intelligence. They foster creativity, team behavior, accountability, and commitment. They help their clients become more responsible corporate citizens. Given these strengths, it’s not surprising that leadership coaching improves the bottom line.

Coaching, is aimed at changing behavior, and increasing skills, professional development, and performance (Gray, 2006). Coaching can help a client improve current job effectiveness, prepare for higher levels of responsibility, manage work-related stress better, and clarify or modify career goals (Battley, 2006). The focus of coaching is on improving organizational efficiency, effectiveness, and impact (Morgan, Harkin and Goldsmith ed. 2005). As such, an effective coach has considerable commercial acumen, an understanding of psychology and organizational behavior, and employs counseling techniques to work with individuals and teams to make them as cohesive and effective as possible in their work environments. Individuals and businesses have come to the same conclusion: They want help, and they want results that last. Coaching delivers this; the results last and the outcomes can be significant.



“Our chief want is someone who will inspire us to be what we know we could be”

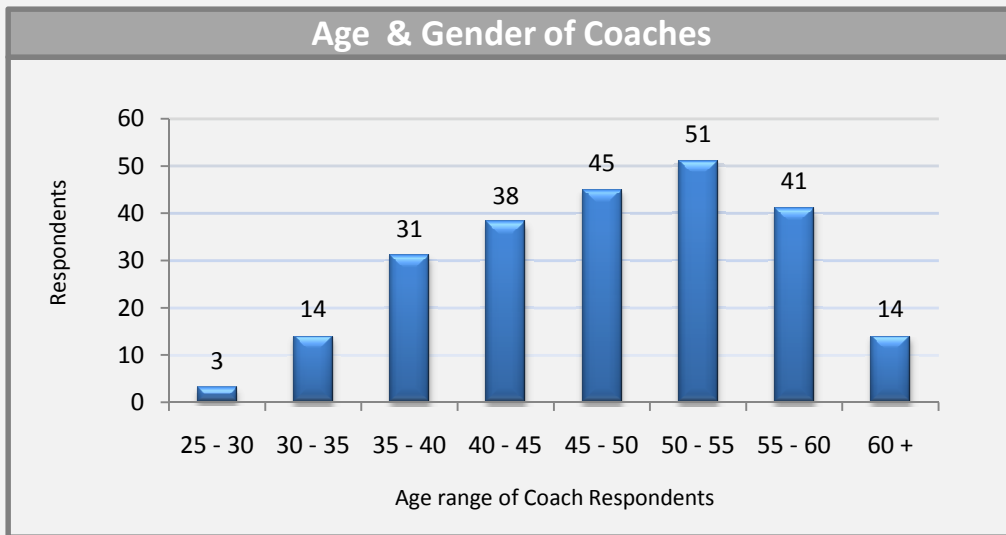
- Ralph Waldo Emerson

Brief Overview of Coaches Profiles

A total of **237** Coaches responded to 7 questions concerning type of Coaching offered (e.g. Executive Coaching, Team Coaching, Life Coaching, etc.) gender, age, number of years Coaching, Affiliations, who initiates the Engagement and methodology for ‘hosting’ the Coaching sessions. The Survey was conducted predominately by the use of <http://www.surveymonkey.com>, by Coaching Groups on the professional social site LinkedIn and the Fortune 100 Coaches Network. We are truly very grateful to these wonderful people that took the time to complete the survey and provided valuable feedback by mail and phone to qualify the responses.

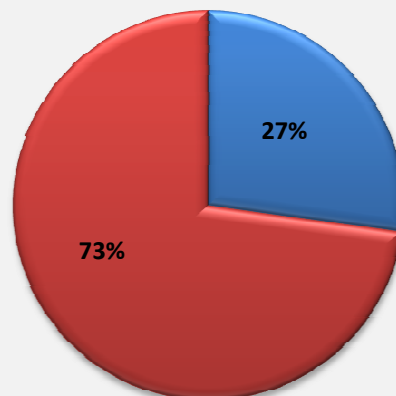
Our research builds on previous studies released in 2009 particularly those from the January issue of Harvard Business Review (Diane Coutu and Carol Kauffman) and Sherpa Executive Coaching (<http://www.sherpacoaching.com>).

Our goal with this section, i.e. the section dealing with responses from Coaches, was to examine a range of factors which may a) assist Coaches tailor their business offerings to clients by potentially ‘differentiating’ or re-aligning their services and b) provide buyers of Coaching services with a broad overview of how services are offered. The respondents also help provide a rough outline of a Coaches Profile.



■ Male ■ female

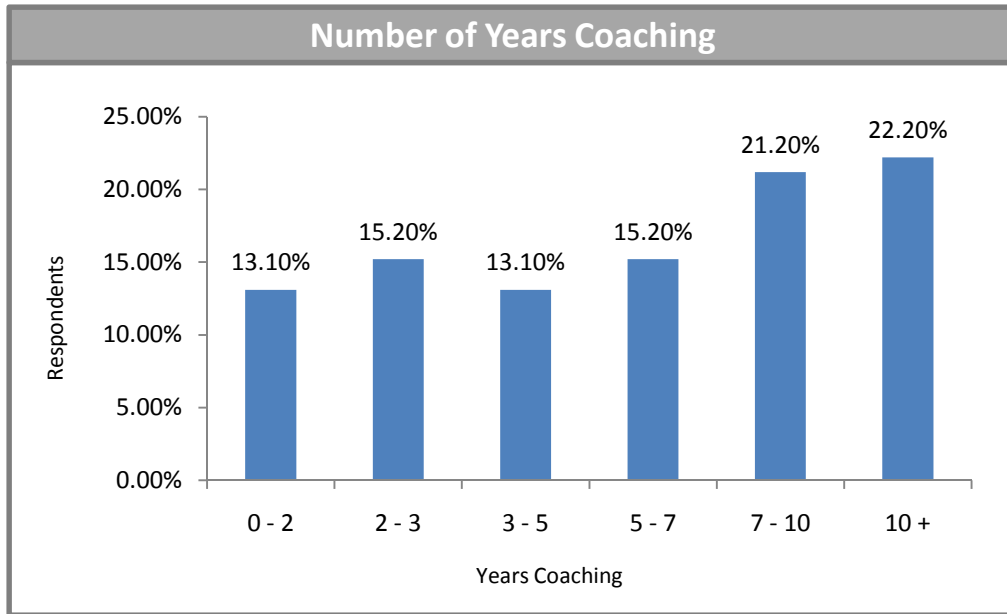
A significant majority (nearly 75%) of Coaches that responded to the survey were female, which is also borne out by statistics from Coaching Bodies. And the age group indicates a high percentage (nearly 80%) over the age of 40, possibly due to the value of life and business experience gained by the Coach.



SECTION 1



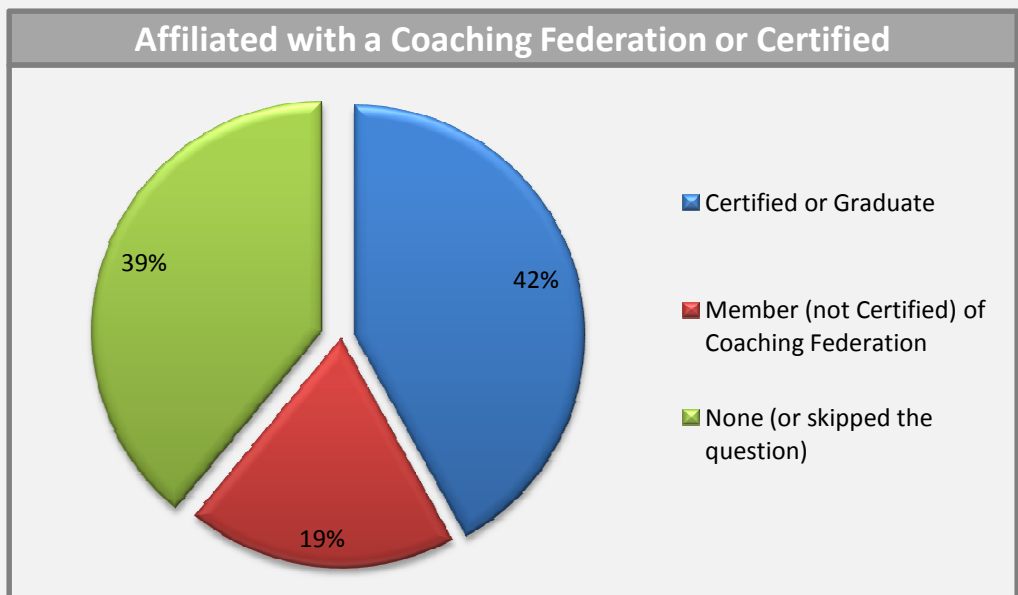
Brief Overview of Coaches Profiles



The vast majority of Coaches that responded to the survey have been Coaching for more than 5 years. Although a large number of high calibre people are entering the Profession as demand for Coaches increases and Coaching Qualifications become more readily available through education institutions and other specialist Coaching bodies.

The Coaching landscape is growing and as a result many Coaches have indicated that they are careful in selecting which body to affiliate with or seek certification through. Additionally in recent years Business Schools and Universities have started to offer Coaching programs. Furthermore many coaches have entered the profession after studying Psychology or themselves being the recipient of Coaching, after all one of the goals of Coaching is to help those being Coached to Coach others. Of those that indicated they are members of a Coaching Organization (19%), 17% indicated they are in the process of being certified.

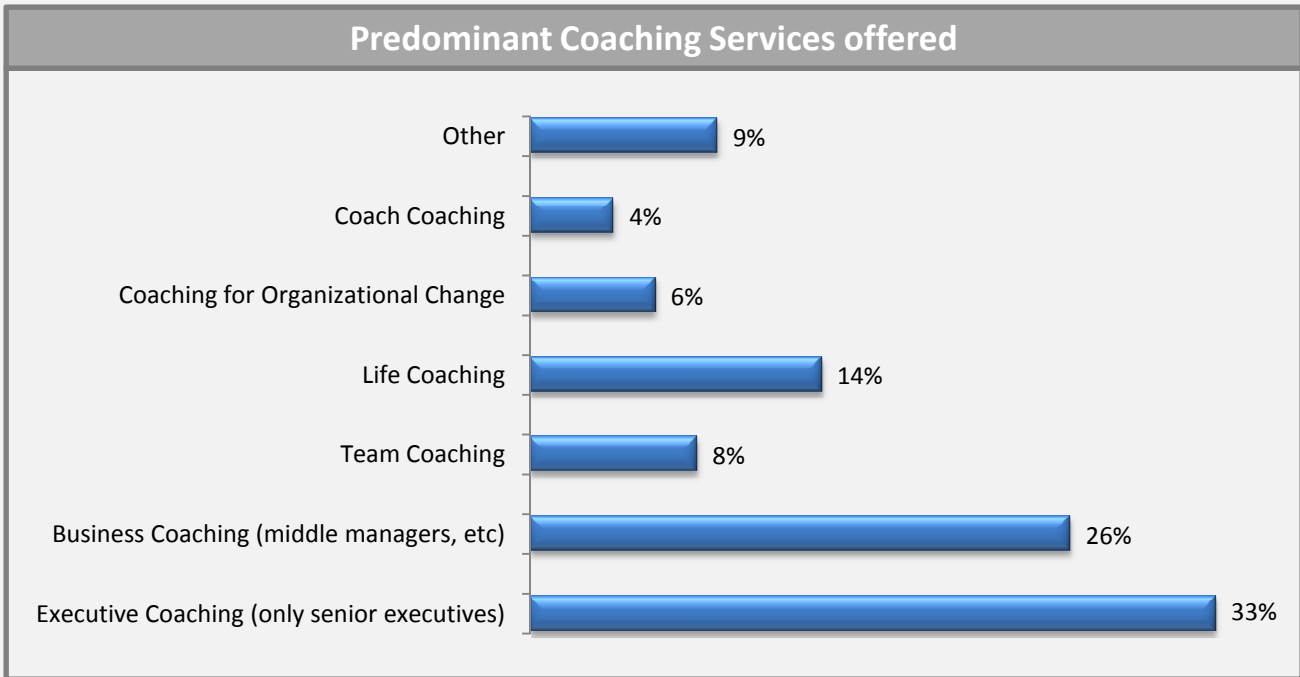
It is worth noting that of the Coaches that indicated they were not affiliated with or certified via a Coaching body, e.g. 39% - 23% of these (approximately 21 Coaches, or nearly 10% of all respondents) indicated that they have been Coaching for more than 7 years.



- Certified or Graduate
- Member (not Certified) of Coaching Federation
- None (or skipped the question)

Brief Overview of Coaches Profiles

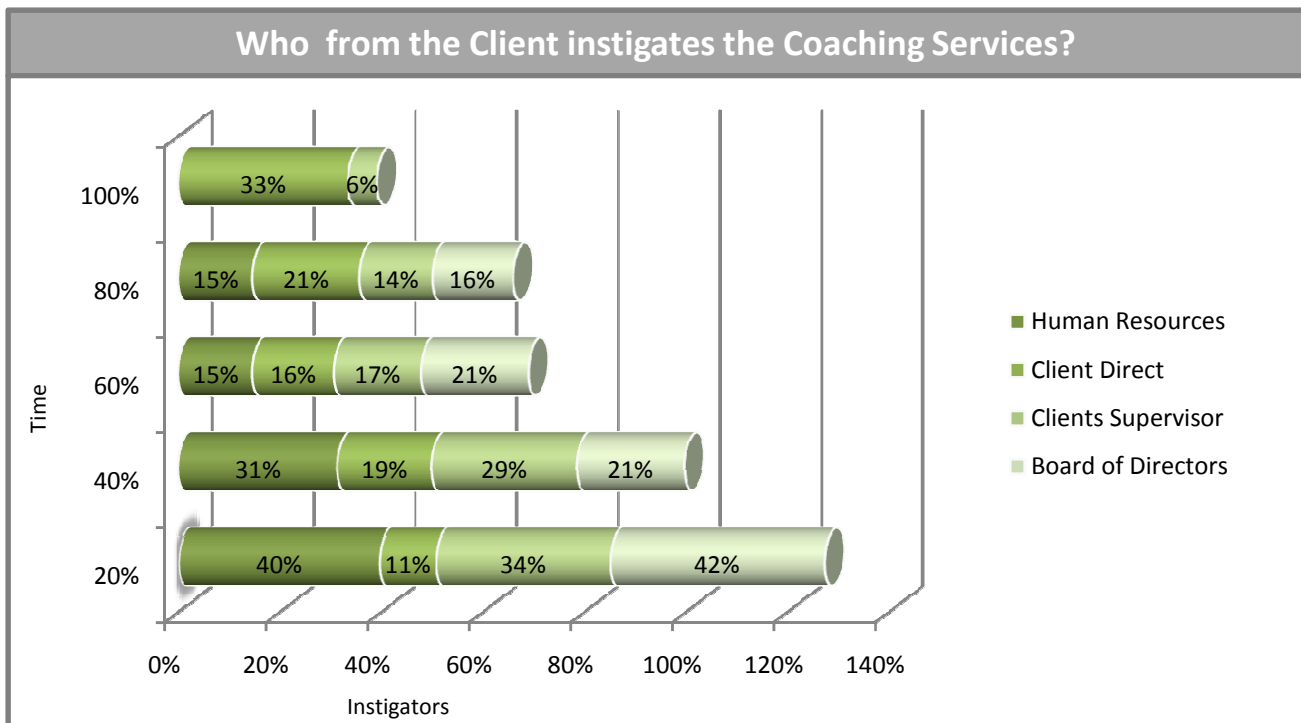
This section of the survey asked Coaches to indicate their main Coaching service, i.e. the predominant one. It should be noted that the majority of Coaches offer their services in **ALL** these domains, except Coach Coaching (i.e. providing training for Coaches) which is offered by a smaller percentage of the respondents.



The respondents indicated that the Client direct is the person that instigates the assignment in the majority of cases:

Client Direct – 100% of the time in 33% of cases, 80% of the time in 21% of the cases. Versus Human Resources. The next highest overall was the clients (person being Coached) supervisor, followed by Human Resources.

This is a very interesting point which differs quite a bit from previous studies. Subsequent follow up with many coaches clarifies this statement, regardless of the size of the organization recruiting the Coach.



How Coaches deliver their services

Coaching is a confidential relationship between the Client and the Coach. A coach will quickly build rapport and trust with the client by consciously creating the emotional context that is necessary for the client to explore the possibilities of new thinking and new actions. The Coaches ability to explore (by asking probing questions) engage and encourage through motivation coupled with the growth of online tools and communication is reflected in the increasing use of telephone and video conferencing as the main method of Coaching meetings as opposed to face-to-face meetings.

Telephone Coaching may in fact be the most appropriate option due to clients and Coaches schedules, time zones and save on the need to travel; providing Clients a wider ability to connect whilst ensuring a solid and more flexible working relationship that will surface issues (raw data gathering), address issues (through feedback from colleagues, direct reports, etc.), solve problems (action planning), and follow through (results).



What you may have learned so far from this report is that, for the client, Coaching is addressing the whole human being, the aim of good coaching is both the desire for better results and increased well-being, of the client. The Coaches that responded to the survey indicated they deliver a cross section of Coaching because they know that Coaching is a way of learning that addresses the clients capacity to relate with and engage others in a shared future. That encourages clients to self-reflect. That teaches optimism, self-regard, empathy, and compassion. It teaches courage, how to value others, and how to value oneself appropriately.

Good Coaches know that emotions drive most activity within organizations. Applying this specifically to organizational life, the goal of the executive coach is to facilitate the generation of the right emotional context to support the actions consistent with the goals and desired outcomes of the individual client and the organization.

One area that this survey has not covered in detail is the area of Coaches as avid learners. However we have noticed a sharing and learning community amongst Coaches who are continually striving to learn, to boost their knowledge and, pass on this learning to their clients. Additionally it can be said that Coaches bring significant passion and commitment to their work to help bring meaning and 'success' to the lives of their clients and those with whom they interact.



"Leaders first of all have to develop themselves and all the leaders I've seen who have failed, have failed to lead themselves"

Bill George (former CEO & Author)



SECTION 2

It's a new era for leadership in business. Economic, social, and cultural pressures demand that business leaders, at all levels in an organization, find better ways to align their leadership vision, core values, and everyday actions to produce needed, valued results at work as well as at home, in the community, and for the individual.

The focus of Coaching is on growing the capacity of leaders as a whole person. The challenge is to use leadership skills to leverage synergies across the domains of life — traditionally seen as conflicting — which can, with a shift in mindset and the development of new skills, become allies in producing results that matter.

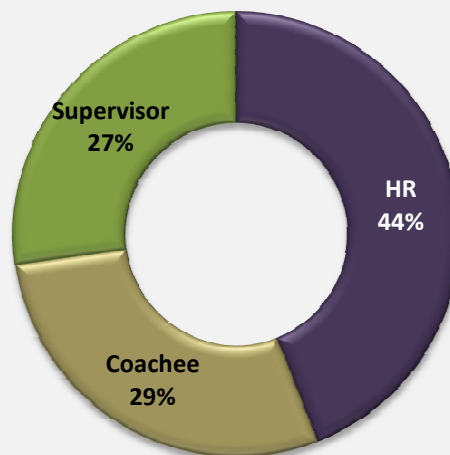
Coaching is a proven method for how to integrate work, home, community, and self – and to improve performance in all parts. This results from the powerful combination of increased authenticity (being real), integrity (being whole), and creativity (being innovative).

To ascertain if Clients were seeing these benefits and what impact it had Section 2 of this report outlines the results of a survey assessing feedback from individuals that have been Coached and those whom instigate Coaching services or supervise people that have been Coached.

Brief Overview of Respondents from Within Organizations

A total of 867 unique respondents completed Section 2 of the survey from within Organizations. The selection criteria for respondents was specifically targeted towards only those organizations that have used or are using Coaching so does not provide quantifiable data on a percentage of companies that utilize coaching.

Positions of Respondents



All respondents acknowledged the engagement of a Coach within the last 2 years.

- 249 were Executives who are either presently, or who have been, Coached within the last 2 years
- 382 Human Resource (HR) Professionals; and
- 236 Leaders (CEO's, Department Heads, Supervisors) responsible for those being Coached.

Geographically the respondents were spread equally with around 42% from the United States, 42% from Europe, 12% from Australasia and 4% from the Middle East.

The respondents came from a diverse section of Industries. 60% were employed within subsidiaries of multi-national organizations and the remaining 40% within head-office corporations. The organizations where the respondents were employed ranged in size from 150 people to greater than 10,000. Albeit a large number of Coachees were in companies or divisions of multi-nationals with less than 500 employees (37%) and less than 2000 (39%).

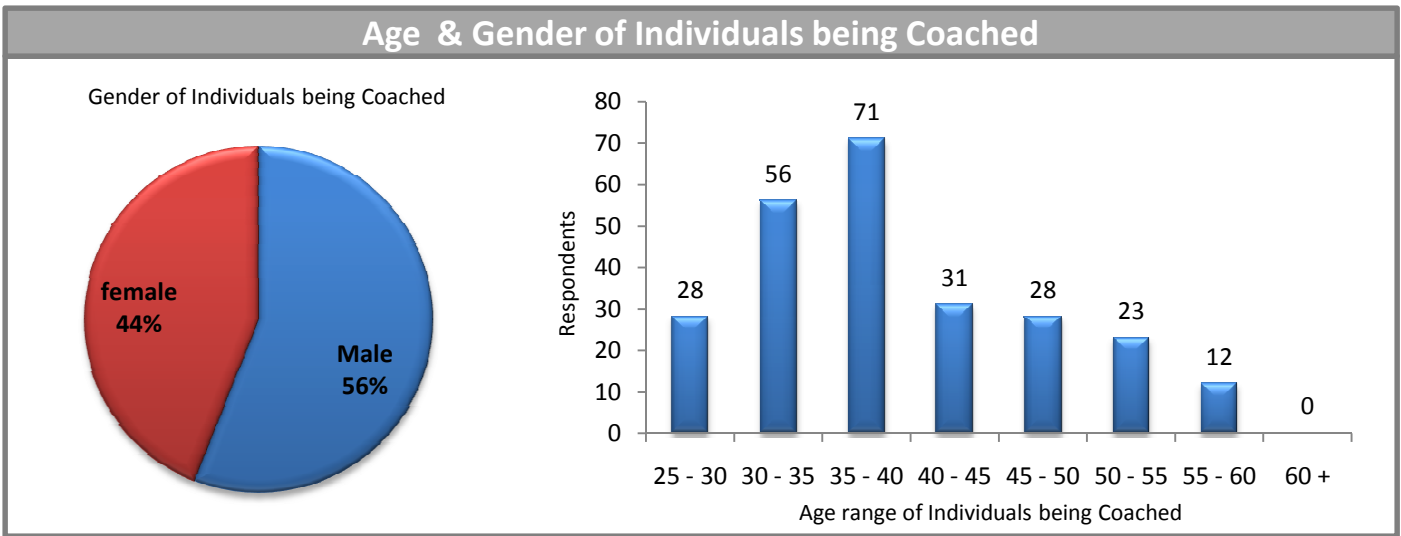
“The major appeal of Coaching among our top management and executives is a recognition that Coaching is a powerful and highly effective approach to productivity and leadership excellence”.

Carl, CIO Insurance Subsidiary, Switzerland

SECTION 2

Brief Overview of Coachees

A Coachee is the person being coached



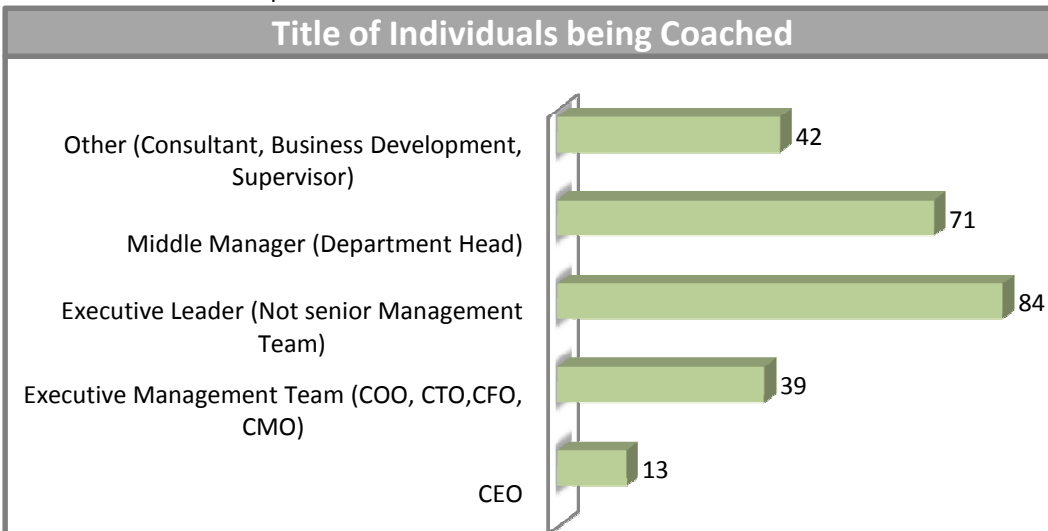
Important Note - Both the leaders and HR indicated that they accept the majority of training focus rests on developing talent from lower managerial levels and whilst they acknowledge the importance of leadership development it was secondary to managerial development.

The vast majority of Executives that responded to the survey indicated that they were responsible for sourcing training programs and developing themselves beyond ‘on the job development’. They indicated that whilst they were managers or developing managerial potential they received much support and direction in development skills and training yet little was offered once they moved into a ‘Leadership’ position.

These leaders also indicated that they discovered Coaching after word-of-mouth recommendations from peers .

“The benefits come because Coaching is about supporting people to get what they and their employer want, rather than telling them what to do or doing it for them”.

**Janet, HR Director
Engineering Company**



“Coaching has helped me because it required serious and deep introspection; and intensive dialogue about what really matters. This got to the root of issues to help me find long term solutions”.

Anna, Director FMCG Company Germany



Expectations - Alignment still needed

Thomas Teal wrote the Human Side of Management way back in 1996 in the Harvard Business Review declaring that “Organizations expect a great deal from their Executive Leaders. For starters, they ask them to acquire a long list of more or less traditional business skills in finance, cost control, resource allocation, product development, marketing, manufacturing, technology, and a dozen other areas. They also demand that they master the management arts - strategy, motivation, persuasion, negotiation, writing, speaking, presenting, listening. In addition they ask them to take responsibility for organizational success, make a great deal of profit and share it generously. They also require them to demonstrate the qualities that define leadership, integrity and character - things like vision, fortitude, passion, sensitivity, commitment, insight, intelligence, ethical standards, charisma, resilience, courage, tenacity even humility. Finally, they insist that they should be friends, mentors or guardians, perpetually alert to all stakeholders best interests”.

In other words they have to have the skills of St. Peter, Alexander The Great and Houdini. As is shown Leadership is more art than science and it consists of very concrete actions. Yet the basis for all leadership and management is good self-leadership.

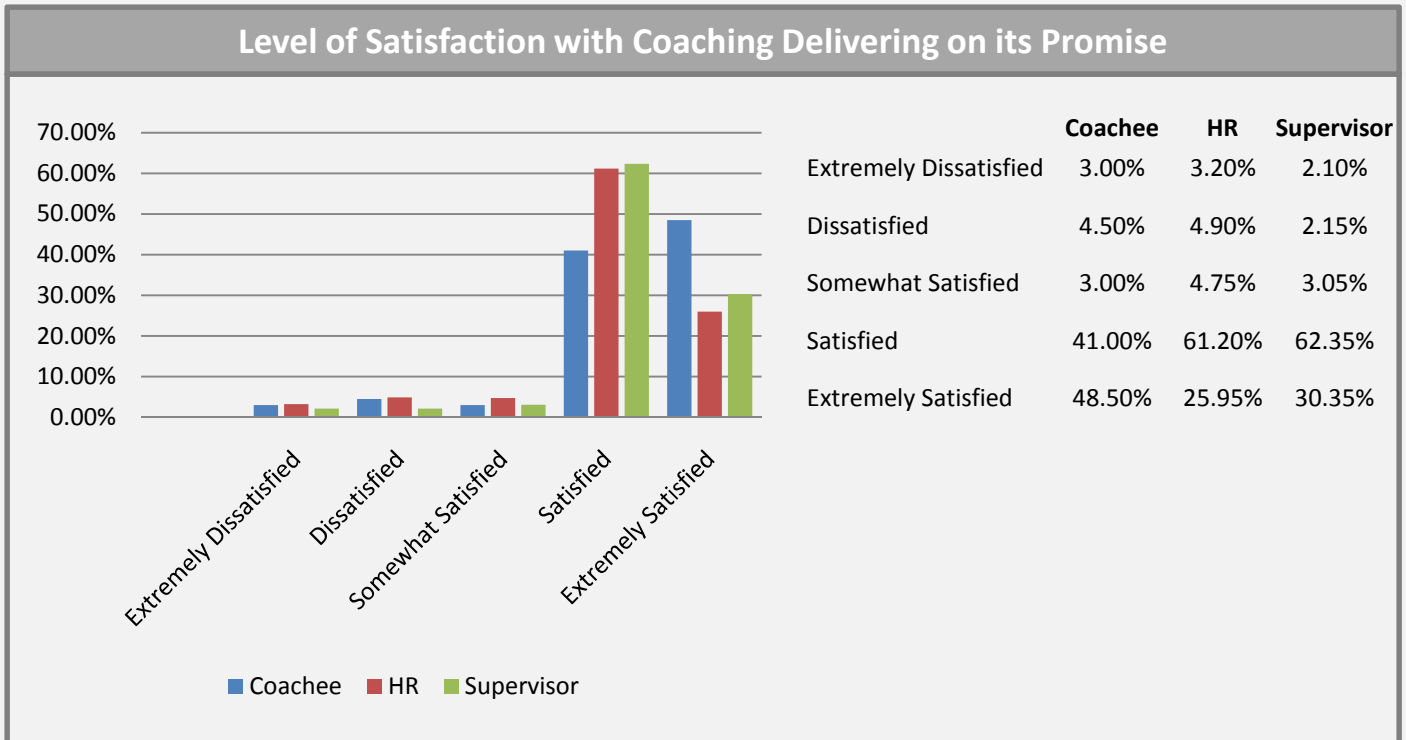
Expectations of areas to be Developed from Coaching			
	Coachee	Supervisor	HR
Interpersonal skills (people communication, Ego Imbalance,)	15%	12%	7%
Intrapersonal skills (self-awareness)	14%	11%	10%
Self-confidence	12%	6%	8%
Strengths development	11%	8%	7%
Weakness mitigation	9%	15%	16%
Motivating Others	8%	3%	5%
Emotional Intelligence	9%	15%	11%
Personal Well Being (including values)	7%	8%	6%
Work / Life Balance	6%	4%	9%
Delegating & Developing	5%	11%	12%
Creativity	4%	7%	9%

A disconnect still that stands out between each of these 3 respondents can be to a large respect attached to our different needs or the disconnect between what we perceive our needs are and what others perceive our needs to be. A Coach is skilful in managing these disconnects.

Abraham Maslow has said that “Proper management of the work lives of human beings, of the way in which they earn their living, can improve them and improve the world and in this sense be a utopian or revolutionary technique”. Abraham Maslow (1908-1970) was –and is – one of the world’s most esteemed experts on human behavior and motivation. Maslov translated the science of the mind into the art of management in “Eupsychian Management”, first published in 1962 and again 37 years later as an updated version called “Maslow on Management”. Maslov Had quite radical thoughts (at that time) about management. He wrote about enlightened management policy which assumes that all people have the impulse to achieve; everyone prefers to be a prime mover rather than a passive helper; everyone wants to feel important, needed, useful, successful and proud; there is no dominance-subordination hierarchy.

Abraham Maslow said: "The man or woman who truly is influenced by enlightened management should become a better husband or wife and better father or mother, as well as a better citizen in general".

Benefits of Coaching – Coachee Perspective

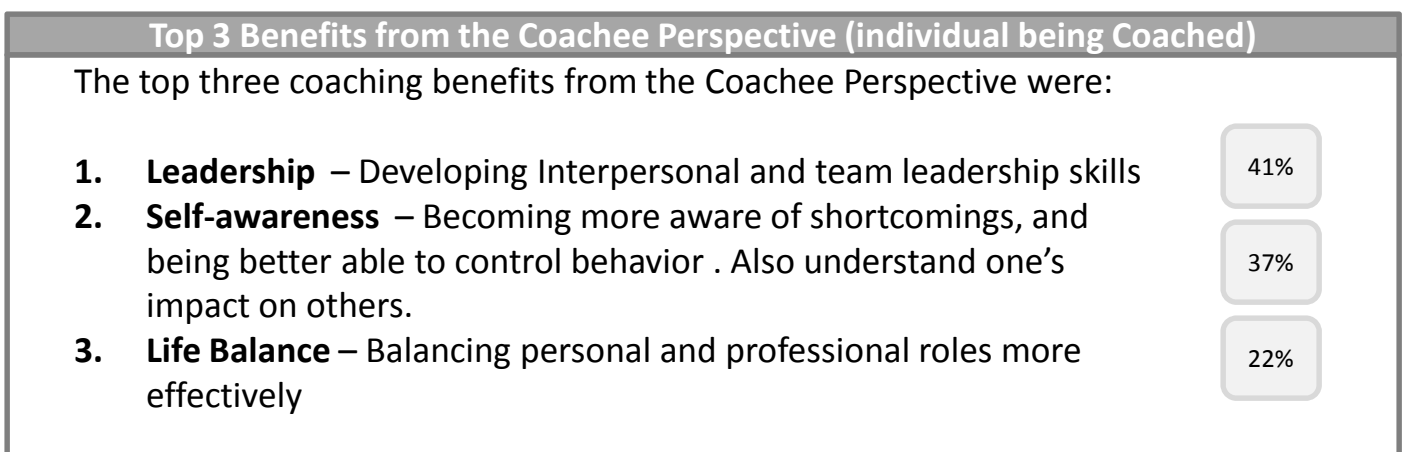


Individuals being Coached indicated a very high level of satisfaction whilst supervisors and HR indicated a slightly less level of 'Extremely satisfied' but indicated a high level of Satisfaction of Coaching over all.

Coaching exceeded my expectations. I really doubt I'd still be here without coaching; in the face of really difficult changes in management. I got regular, reliable feedback of how I was doing during this period.

We could fill this section with affirmations of what respondents said about the positive nature of Coaching. The facts are overwhelming that Coaching continues to drive tangible bottom line results by helping leaders, first of all know themselves through penetrating questions, and secondly the commercial acumen of Coaches gains trust with leaders and helps them to grapple with and overcome day-to-day issues.

Coachees indicated far reaching benefits of Coaching but we sought to know what benefits the Coachees believed they achieved the most. We therefore asked them to choose their top 3 from a select list of 15 key Coaching benefits in order of relevance:





"I used the coaching skills I gained to realign everybody's objectives and to tackle concerns with open questions"

David, Project Manager Pharma Company UK

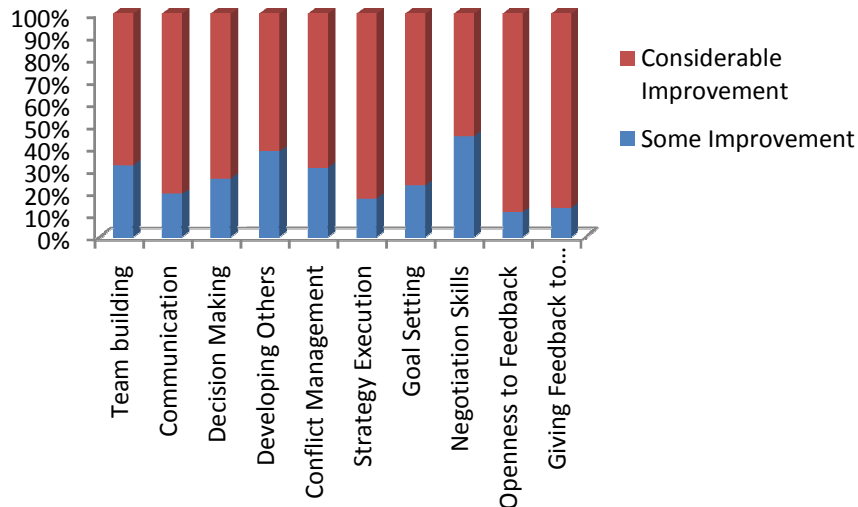
Organization Benefits of Coaching

Organizations exist for a purpose, so leaders must be goal directed. This means that leaders must know where they are going, that is, what they want to accomplish. The leader must also ensure everyone in their organizational department works together toward the common goal or purpose. We asked the HR and Supervisor of the Coaches to select the top 3 skill improvements they saw as an outcome of the Coaching in the Executive.

Top 3 Benefits from the Organization Perspective

- | | |
|---|-----|
| 1. Interpersonal Skills – Communication & Team leadership skills | 43% |
| 2. Humility – Genuine confidence with a balanced ego, recognition of self and others. Increased Courage to voice opinions and share credit | 33% |
| 3. Creativity & Change – An increased willingness to think outside the box to get results | 24% |

Improvement in Skills Development



Regardless of your position or superiority "there can be times when working with the right executive coach on the right goals will make sense".

Susan Battely Author
Coached to Lead

Skills Improvement

All respondents acknowledged a broad level of skills improvement from Coaching. In a separate question and results from other surveys the experience of the Coach from the business world was seen as a critical factor in deciding which Coach to engage. This may also be reflected in the improvements of these core business skills.

ROI of Coaching

One of the most difficult aspects for any training programme is to provide a long term figure for return on investment. There are many articles and reports that outline the ROI for Coaching. This author prefers to ponder the fact that the majority of Coaching assignments come via recommendations. Very few Coaches actively market their services. This may speak volumes for the benefits that organizations and Coachees get from the Coaching process.





"A mistaken idea is all very well as long as you are young; but it's no good dragging it on into middle age."

—Goethe,

Regrettably the current economic climate and organizational failures, is real. Leaders of those companies are often in the press for the wrong reasons.

Many articles and research papers link these high profile failures to lack of 'authentic leadership'. "As in a building, if the original rule is warped, if the square is faulty and deviates from straight lines, if the level is a trifle wrong in any part, the whole house will necessarily be made in a faulty fashion and be falling over, warped, sloping, leaning forward, leaning back, all out of proportion."
—Lucretius.

We don't claim that inauthentic leaders have been at the helm of all failures, yet we believe that the culture or the Tone-at-the-Top of an organization most certainly has a lot to do with them. The quote above is used to emphasize the importance of 'Authentic' Leadership Development.

There's a Zen story of a frog that was swimming happily in a river, minding his own business. Suddenly, he heard a voice calling out to him. Swimming toward the sound, the frog saw a scorpion standing on the riverbank. The scorpion said, "I need to get across the river. Please give me a ride." The frog was skeptical. "I know your type," he said. "Scorpions sting. How do I know you won't kill me if I try to help you?" The scorpion said, "Why would I do that? If I kill you, I'll die too, because I can't swim."

This made sense to the frog, and he agreed to take the scorpion across the river. The scorpion crawled on to the frog's back and the frog slid into the water. But halfway across the river, the frog suddenly felt a sharp sting in his back and, out of the corner of his eye, saw the scorpion remove his stinger. "You fool!" the frog croaked. "Now we'll both die! Why on earth did you do that?" "I couldn't help myself," the scorpion admitted. "It's my character."

Just like the scorpion a person's character (or as some like to call it 'personality') determines motivation and ambition and dictates the way a person relates to his or her internal and external world. It colors the nature and quality of one's relationships with others and influences the way each person pursues his or her goals in life. Personality shapes ideals, values, beliefs, patterns of information-processing, and leadership style. It also affects a person's moral compass—that mixture of moral, ethical, and motivational principles that guides an individual through life.

Individuals that have received Coaching have an opportunity to examine their core values and reflect on 'who they are' – these individuals, their employers and those closest to them have all reported positive changes after the Coaching process.

Report Provided by MindTram

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