The International Consortium For Coaching In Organizations

CoachLeader Update

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Coaching Leadership

A note from ICCO's President

Dear Colleagues,

Whether you run the coaching program of an organization or actually deliver coaching, this issue will bring you immediate benefits: Cambria Consulting's Ellen Kumata reflects on their well-known ROI Study; Dr. Bill Bergquist guides Coaching Directors on how to make the case for this learning modality in their organization; and Dr. Linda Page distills the learnings of a case study from a recent ICCO symposium in Washington, DC, which shows an executive's committed journey towards values-based action.

With your help, ICCO is truly finding its point of view in the virtual and real world: *We are in the business of creating generative environments for conversations that further sustainable growth in organizations and people through coaching.* In what other professional context do practitioners, administrators and clients shape the future together? You must put a Symposium and ICCO's TeleForums on your calendar. The learning is intense, immediate and personally impactful, no matter where you intersect with the coaching profession!

ICCO members: Please continue helping us make the *CoachLeader Update* your publication. Informal conversations can begin on our new blog, ICCO Speak, and find their way into this publication!

What's on *your mind?*

Warmest Regards,

Agnes Mura

President

Upcoming ICCO Events:

SYMPOSIA:

You are invited to these exclusive events, whose attendance is limited to a maximum of 30 participants in order to ensure in-depth work, intimate dialogue and meaningful networking opportunities.

Toronto - October 11-13, 2007
Leveraging Cultural Differences in the Global World
Symposium Fees:

$395.00 members rate
$550.00 non-members
Two lunches and several snacks are included

To register for this event, please click here: REGISTER HERE.

Other upcoming Symposia are Oslo, Norway in January; Los Angeles, CA in February, Chicago and Dallas in 2008.

TELEFORUMS:

Please join us for our next TeleForum on:

Tuesday, September 18th, 2007 from 12:00—1:00 PM EST

Topic: Improving Retention and Engagement of New Leaders With Onboarding Coaching

Members may send an email to info@coachingconsortium.org to receive the phone number to call into. Guests may sign up for a nominal fee of $25 HERE.

Visit us often at www.coachingconsortium.org for updated NEWS and EVENTS and click on "JOIN" to become a member!

Establishing the Value of Executive Coaching: ROI Insights for Coaches and Their Stakeholders

By Ellen Kumata

It's been a little more than two years since Cambria Consulting, Inc. launched what continues to be the only ongoing study of the impact of executive leadership coaching in large organizations: the Coaching Impact Study™. What was clear then – and is still the case today -- is that coaches and their coachees understand the value of coaching but other key stakeholders remain confused and, in some cases, skeptical of the return on investment of this effort.

I witnessed this first-hand at a global financial services firm where I was one of many coaches participating in a complex and successful program to which the company had committed multiple millions over several years. After a new CEO came onboard and searched in vain for metrics or quantifiable evidence of a return on that investment, he dismantled the effort and ended the good work.

Anecdotal and empirical evidence showed that many factors had improved in the organization, e.g. retention of high potentials, executives seeking developmental coaching and discussing their development plans with both their manager and direct reports, feedback being sought after rather than avoided. Could the results, both quantifiable and anecdotal, have been better collected, communicated and understood by the executives, their coaches and their supervisors? Undoubtedly. Would a clear preliminary business case with tracked metrics that were aligned with the business' objectives and strategic goals have helped the program continue? Very likely.

The critical need for both well-defined goals that are linked to business outcomes and better communication with stakeholders are two of the preliminary findings in our study. We've captured input from over 100 coaching "triads" – coach, coachee and supervisor – representing several global and U.S. companies. The data underscore the challenges our industry faces, as coaching shifts from a remedial to a strategic role – challenges of raised expectations regarding the delicate balance each coach faces in responding to the individual's and the organization's needs, and the mandate to add value.

For the purposes of our study, we defined value broadly Return-On-Investment (ROI), as we've construed it, can include an engagement's effect on operating financial results, on business results such as market share or organizational growth, on strategic initiatives like transition management or culture change, and on human capital development and organizational effectiveness.

Respondents have told us which capabilities and behaviors (see the accompanying "A Coach's Taxonomy: Targeted Capabilities and Behaviors") they would most like to improve, and which outcomes would have the most value for them. This list can serve as an eye opener for many coachees and supervisors. Often, coachees and their managers have only a vague notion of what areas coaching can impact. Because they do not have experience in the field, it is up to the coach to help define the focus and help the executives being coached and their supervisors make the connection to the business results.

So the shift to a strategic role has brought coaching into the spotlight. This evolution has put greater responsibility on program managers to strategically manage coaching initiatives and ensure that the linkage between the coaching and the coachee's business results is made visible, both short- and longer-term. This puts a responsibility on everyone involved in the design of the coaching relationship to identify, monitor, analyze and share the results of the engagement in business terms.

We have also found that when the value of coaching is (or is perceived to be) low, the weak link in the design of the assignment is the insufficient involvement of the coachee's supervisor. This study has helped me as a coach to analyze how I engage with my coachee's supervisor. The findings show me that when the supervising manager and coachee agree on the focus of the engagement and its impact on the business, the manager is likely to report a positive return on investment. In other words, if the manager is part of the process and knows what behavior changes and results he is looking for as outcomes of the coaching, he can track the changes and see the impact. If the supervisor is not part of the process, he's unlikely to report the same kind of positive impact.

What can we, as coaches, do to close this gap? Our Coaching Impact Study™ points in several directions.

Establish a discipline of defining strategic expectations for the coaching with your coaching program manager. The Program Manager is your key strategic partner. This is the first step towards ensuring that all stakeholders (coach, coachee, supervisor) understand that the coaching is intended both for individual and organizational development. The recognition of a link between the coaching and business results is critical to the long-term success for the coaching program. Getting signoff and setting expectations on this aspect will also allow the coaching confidentiality parameters to be appropriately clarified for all involved.

Regularly engage your coaching program manager. As a coach, you need to engage the program manager at the beginning, during and at the conclusion of each engagement. These briefings allow you to review your objectives, progress and outcomes, without which the coaching program manager lacks the context for building the business case for the coaching program. It's critical that your communication be framed in business terms that correspond to the coaching program strategy.

Do not assume your coachee's supervisor can see or track the changes. Our study shows that, while most coachees and coaches tend to view the targeted capabilities/behaviors and the human capital/business outcomes in a similar and encouraging light, managers have a less positive view (other than how they assess their own commitment to the coaching process, which is high). The findings here are preliminary, but one contributing factor is probably a lack of engagement. Coaches and program managers need, in effect, to ensure that the *supervisor's attention is regularly directed to the objectives the coachee is working on,* in order to see a difference in the coachee's behavior, style or output. Each interaction in which the supervisor's eye is directed to the "before and after" strengthens the manager's investment in the effort and is an occasion for linking the results to strategic goals.

Work with your coachee's manager to identify performance targets at the engagement's start. This is the time to define what the expected changes are worth to the company, compared to the "cost of doing nothing." Surveyed coaches and coached executives, for the most part, estimate the value of a year-long engagement at well above the cost of the engagement . Managers, on the other hand, are much more likely to see it as less. This reinforces the need to enlist the manager as a contributor to the coaching process, in setting out the objectives of the engagement, and the metrics or milestones with which everyone involved will measure the progress.

Link an organizational perspective to individual development. In our survey, coachees and coaches put the highest value on strengthening self-development and self-awareness as coaching outcomes. There needs to be measurable benefit to both individuals (e.g. career progression) and organizations (e.g. stronger bench strength for succession planning; increased trust accelerating business results). A strategic, systemic view of coaching on the part of our clients should come to this bottom line: the leadership skills a coach is helping to sharpen are both "what's-in-it-for-*me*" and "what's-in-it-for-*us*."

Leverage the use of technology. Helping program managers become more strategic in their roles will be supported by advances in management tools and technologies. These tools will make reporting outcomes easier, offer transparency around coaching activities, and reduce the administrative burden on the program manager. A number of such tools are already reaching the marketplace -- for example, Cambria's Coaching Director™ -- and their use helps to ensure that key program milestones – such as opportunities to include the supervisor in the coaching process – take place in every engagement.

Simply put, the early findings of the Cambria survey show that the supervisor's voice must be solicited and heard throughout the assignment. *Without the manager's ongoing engagement and understanding, measuring progress will be difficult, and communicating the value creation even more so.* Going forward, coaches and coaching program managers will need to demonstrate that they are business partners who serve as catalysts for organizational – and not simply individual – development. Like most business challenges, this is one fraught with opportunity. How well we seize it will determine the future of executive coaching.

A Coaching Engagement's Taxonomy: Targeted Capabilities and Behaviors

Coaches have the opportunity to work with clients on a wide variety of capabilities and behaviors whose strengthening or improvement can deliver measurable, impactful value to the client organization. Those capabilities include:

- Big-picture/Detail Balance
- Building Enthusiasm
- Building Relationships
- Building Team Morale
- Business Acumen/Knowledge
- Business Results/Execution
- Career Advancement
- Client Focus/Service
- Collaboration/Teamwork
- Communication Skills
- Conflict Management/Resolution
- Decision Making and Judgment
- Delegation/Empowering Others
- Developing Self
- Developing/Coaching Employees
- Diversity Considerations/Sensitivity
- Executive Presence
- External Visibility/Image
- Field Presence/Field Experience
- Following Others
- Fostering Innovation
- Global/International Perspective
- Goal Setting
- Influence
- Internal Visibility/Image
- Interpersonal Skills
- Job Satisfaction and Enjoyment
- Leading/Driving Change
- Listening Skills
- Managing Performance Issues
- Meeting Facilitation
- Negotiation Skills
- Partnering across Boundaries/Silos
- Personal Energy/Optimism
- Productivity/Time Management
- Project Management
- Quality of Work Product
- Self-Awareness/Self-Reflection
- Self-Confidence
- Sense of Urgency/Responsiveness
- Setting Direction and Vision
- Strategic Thinking
- Stress Management
- Technical Skills Mastery
- Work/Life Balance

Ellen Kumata is the Managing Director of Cambria Consulting, Inc., a Boston-based firm where she also leads the Coaching practice. Ms. Kumata is co-author of "The Coaching Impact Study: Measuring the Value of Executive Coaching", with Barry Schlosser, Derek Steinbrenner, and James Hunt, published by *The International Journal of Coaching in Organizations*, 2006.

How to Make the Case For Organizational Coaching In Your Own Organization

William Bergquist, Ph.D

How do we build a convincing argument with regard to the use of coaching strategies in our own organization? Given that coaching is still an innovative intervention, there are four levels at which evidence can be gathered—and they specifically relate to the ways in which an innovation like organizational coaching is accepted and adopted (diffused) in an organization. As we discuss the levels available in making the business case for coaching (Document, Describe, Determine, Diagnose), we relate each to the type of audience it most appeals to, and explain how an innovation like coaching can best be *diffused* in an organization.

Level One: Document

We can document coaching: we need only look around us—organizational coaching does exist in our organizations and is not just a fad. Organizational coaching strategies have "stickiness." They are likely to remain viable for many years in most organizations that have adopted one or more of these strategies as a vehicle for personal, group or organizational improvement. Documenting them comes out of a very old (pre-scientific) *archivist* tradition. Archivists just look at and gather up what can be found all around them. It is a matter of observing and remembering through tangible evidence.

Diffusion of Innovation: The Level One argument for the use of organizational coaching—the fact that it now tangibly exists in our organization—is sufficient for its adoption (acceptance and use) by a small population in your organization that are usually called *innovators.* They typically represent 1-5% of the population in most organizations. These men and women make use of anything that they can find around them that is new and interesting. They are "opportunity junkies" and don't need much of an incentive to try out a "new thing" such as organizational coaching. These people are the innovators, not necessarily the inventors. (The inventors are often academicians, R&D folks or "loners" who really don't care much about what anyone else is doing.)

Convincing Argument in Your Own Organization: What do you need to document the existence of organizational coaching in your organization? Try the following:

- *Build a portfolio* that contains documents (emails, course designs, video-recordings of coaching sessions, testimonials, etc.)
- Publish and distribute a small, polished document that identifies the availability of the portfolio. The portfolio shows people that organizational coaching is available in your organization and that it is likely to linger as a viable strategy—alongside and potentially complimenting other "innovative" strategies such as: (1) leadership development, (2) 360˚ feedback, (3) institutional planning and (4) organization development.

Level Two: Describe

The use of description comes out of the "*naturalist*" tradition. Naturalists just look at what can be found all around them and describe it and classify it. They provide distinctions, taxonomies and descriptive case studies. Several taxonomies have been developed that distinguish between different types of coaching strategies and the organizational issues which each of these strategies most effectively addresses. The field of organizational coaching is now beginning to mature—it is perhaps on the edge of becoming a disciplinary or interdisciplinary mode of human service.

Diffusion of Innovation: The Level Two argument for the use of organizational coaching – that it can be described, categorized and classified - is very appealing to those members of your organization who might be called *early adopters*. They usually represent about 5-10% of the population in most organizations. Early adopters want to know what coaching looks like and how it is engaged. They want a description, including detailed case studies, so that they can replicate this strategy most effectively. Like the innovators, they don't need much of an incentive to try out a carefully narrated organizational coaching strategy, but they would like a taxonomy which guides them in deciding which of several coaching strategies to engage in response to a specific organizational issue.

Convincing Argument in Your Own Organization: To create a convincing argument at this level,:

- Provide a detailed description of the coaching services being offered
- Include a description of the outcomes that can be expected from these services.
- Build one or more hypothetical coaching engagements, complete with sample dialogues between client and coach and examples of how a client might make use of the insights gained from the coaching sessions.

Level Three: Determine

The use of strategies to determine program outcomes comes out of the *empirical* tradition. Empiricists look at the impact of one thing on another. They are interested in identifying the causes and effects of various phenomena and often use statistical analyses to determine causation or at least inter-dependency. The field of organizational coaching is now beginning to generate what is sometimes called "summative evaluations" - formal assessments regarding the level of success of a program or the achievement of certain desired outcomes. These evaluations are sometimes qualitative in nature: testimonials or case studies with clear and positive outcomes. In other instances they are quantitative: changes in styles or perspectives (often as measured by personality inventories) or changes in performance levels or appraisals made by other people (often as measured by a 360˚ feedback instruction).

Diffusion of Innovation: The Level Three argument for the use of organizational coaching – that it creates distinct results - appeals to a population in all organizations that is called *the early majority*. Typically, 30-50% of population in most organizations belongs in this category. Members of the early majority want to see evidence of coaching effectiveness before participating in a coaching program. This evidence need not be quantitative in nature; it can be based on qualitative data that are "trusted" by the early majority. Trust in this instance is based on a widespread belief that the data are being collected by either neutral sources or those who are committed to the program, but are open to new learning with regard to this program's failures.

Convincing Argument in Your Own Organization: The steps in building a Level Three argument are:

- Identifying the criteria for measuring success of the organizational coaching program. This success is defined either by Return on Investment (amount of money devoted to coaching program as related to revenue generation or cost savings assignable to the coaching assignment) or Return on Expectations (what the client system expected the outcome(s) to be from the coaching session).

- Developing and systematically implementing assessment tools that relate directly to the criteria of success. Base the determination of outcomes on these assessment measures.
- Measuring both before and after the coaching program has been initiated to determine if this program has added value to the base line.

Level Four: Diagnose

The use of diagnostic strategies comes out of the "*analytic*" tradition. Analysts want to know why something happened or why something did work. It is not enough just to know that the program did work or that it successfully met certain expectations (Level 3). This level of analysis, sometimes called "formative evaluation" is still largely under-utilized. This diagnostic process involves ongoing measurement and dialogue regarding why an innovation is or is not achieving certain desired outcomes. Using the parlance of the "learning organization" movement, this is learning from our mistakes and not repeatedly making the same mistakes. Using the parlance of the "appreciative inquiry" movement, this means learning from our successes.

Diffusion of Innovation: This Level Four argument – identifying why coaching works and against which challenges - is particularly relevant with regard to the *late majority* in an organization. 30-40% of the population in most organizations can often be identified as members of the late majority. Those in the late majority do things (such as obtain a coach) not because they understand what is happening, but because this is the "right" thing to do (the "band wagon" effect). Without good diagnosis, there is a high possibility of misuse of innovation at this point casualties occur. It is particularly important at this phase to understand why something works, to better prepare users and screen out inappropriate uses.

Convincing Argument in Your Own Organization: This level of analysis can be achieved through several initiatives:

- Solicitation of appreciative narratives ("catching people when they're doing it right.")
- Dialogues regarding why this level of success was achieved.

One can also make use of sophisticated quantitative tools, such as multivariate analysis and factor analysis to tease out the contributing factors (often called moderator variables) such as amount of experience of client in a leadership role or specific coaching strategy being used. Eventually, highly sophisticated tools will be used that mix together qualitative and quantitative methods. These tools include cross-impact analysis, spread of impact analysis, organizational mapping (causal loop diagrams), and computer modeling (*I-Think*). Many of these tools will be highlighted in future ICCO initiatives.

Convincing the Un-Convincible

There is a final group of organizational members. They are the *laggards* or the *recalcitrant*. This difficult constituency represents 5-15% of the population in most organizations. They will never support this "new thing" – unless they can be co-opted. They often hate what the innovator is doing and the innovation that they wish to implement, because they themselves are former innovators. Thus, when they see a new innovation that could be successful, it reminds them of their own failure and they don't want someone else "showing them up." We co-opt laggards by inviting them into our design process. We gather their recollections and lessons learned, along with documents, descriptions, summative evaluations and formative evaluations from the innovations they introduced or championed that did not work. How can they contribute their wisdom to the current innovative initiative (in this case, organizational coaching)? How can they finally be part of a success? How can their talents be finally appreciated?

Now It's Your Turn

Hopefully, these ideas and the four D's, will spark your own thinking and analysis about the various groups you must convince about the value inherent in organizational coaching, and the distinct steps you can take in building the case for successful coaching services in your own organization. ICCO members help each other gather data and build their arguments.

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Further Reading:

Everett Rogers, *Diffusion of Innovation*, New York: Free Press, 2003.

Malcolm Gladwell, *The Tipping Point: How Little Things Can Make A Big Difference.* Little, Brown, and Co., 2000.

Mary Beth O'Neill, "An ROI Method for Executive coaching: Have the Client Convince the Coach of the Return on Investment," *International Journal of Coaching in Organizations*, 2005, 3(1), 39-52. [Reprinted in International Journal of Coaching in Organizations, 2007, 5(1), xx-xx.]

William Bergquist and Richard Wale, *Masterful Organizational Coaching: An Appreciative Approach*. [To be published Fall 2007]

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Taking Action to Sustain Our Values

By Linda J. Page

The concept of "planetary sustainability" may appear to be too abstract and scientific or too "special interest" and idealistic for everyday business concerns of productivity, profitability, and stock price. But more and more, concepts such as these are showing up on the business agenda, along with questions of values and how they guide action.

ICCO Symposium Case Exploration 3A (available on the ICCO website: www.coachingconsortium.org) reports on a senior leader of an international consulting firm whose scientific background and desire to shape a legacy caused him to take a serious look at the sustainability of the planet. What do his experiences have to say to organizational leaders and their coaches about ideals, values, and practical action within the corporate context?

First of all, during the case exploration at the Symposium, John put the definition of sustainability into his own words: "it means that the planet's resources will be there to sustain human life." Taking an abstract definition and rewording it to make it meaningful to our own experience is a first step in considering its merits. Once we have put a concept in our own language, we have created a mental framework for gathering facts and opinions, for comparing options, and for organizing our emotional reactions so we can make choices that are both well-informed and consistent with our values. Without that linguistic scaffolding, we cannot even become conscious of relevant facts, much less design strategies to deal with them.

Second, John went public. Clearly, from his report in the Case Ex, the question of sustainability had deep emotional resonance for him. Surveys show that emotional control is one of the most highly-valued personal trait for executives; so John might have concluded that he should pursue this issue privately, only in his own mind and heart. But, in fact, his emotional commitment showed itself as the kind of passion that rallies people around a leader's vision. John trusted the Symposium participants with his hopes and his doubts and was rewarded with a number of suggestions regarding ways to help his company leverage its worldwide presence in contributing to sustainability. John's intuition that his social networks were key to this leveraging effort was supported by the response of his new network—the Symposium.

Third, John was willing to think in systems terms. That is, rather than focusing on the sustainability goal "out there," he was able to see his own self-image as part of what needed to be examined and changed. With the help of the Symposium coaching group, he expanded the idea of his role and came away with action steps that were more likely to allow him to "touch the world." Part of the power of organizational coaching is that it permits self-examination by the person whose job it is to externalize issues. Physicists tell us that the observer is an integral part of the processes being observed. By becoming aware of this truth, leaders can consciously direct their attention to those processes they want to change, and examine how their own internal habits are either part of the problem or the solution. They can thus observe/change these, too.

Finally, John acted on the stage that was available to him and in concert with the values of that theater. He might have taken his interest in sustainability as a sign that he should leave his corporate life and volunteer for eco-activism. No disrespect for those who choose that path, however, John held to the goal of leveraging his own company's resources, knowing full well that revenue and profit were still key parts of the consideration. This is a lesson for leaders at any level and in any size organization: we limit our effectiveness by excusing ourselves from acting on our most cherished values because we are too senior or too junior, because of family commitments, because our organization has too much or too little clout...

By recognizing the emotional signals that indicate our values, by defining those values in our own words, by opening ourselves to the contributions of others, and by acting on our values where we are and in the very roles we hold, we move closer to creating what's really important to us.

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Dr. Linda Page is the President of the Adler School of Professional Coaching, Inc. and serves as ICCO's Archivists for Symposia. She is also the Chair of the Alliance of Psychotherapy Training Institutions, and a Founding Board Member of the Graduate School Alliance for Executive Coaching.
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