

## **ABSTRACT:**

Coaching is early not a fad but a clear trend in leadership communication. However, most organizations are unclear about coaching, what it is and how it should be integrated into organizational systems. The following discussion addresses those issues and outlines clearly how to promote development in an organization by using a coaching system.

*In organizational change, the boundaries between coach and player blur. Leaders must give as well as receive high quality help. One way to do this is to establish a cadre of coaches in which people can learn how to coach by helping others.*

*The Dance of Change, Senge, et al.*

## **Why Coaching?**

**COACHING INDUSTRY SHOWS GROWTH:** Through a survey of more than 300 companies nationwide (USA), Manchester Inc., a career management and management consulting firm, found that 59% of organizations currently offer coaching or other developmental counseling to their managers and executives. Another 20% of organizations said they plan to offer such coaching within the next year.

*Bill Wiggernhorn from Motorola University said that companies need 4 things for their employees: "learning maps, time to make the transition, access to technology, and **we need to provide coaches.**"*

Leaders and decision makers in organizations today are hard pressed to continue to search for and implement the holy grail of organizational effectiveness. Management fad after management fad rolls up on the organizational shore only to spread across the organization and then again recede in anticipation of yet another surge. Yet, leaders in organizations are scrambling for talent as uncertainty, ambiguity and complexity reign.

Currently, companies are seeking to revitalize strategic management with scorecard approaches, developing capacities to meet the requirements of fragmented markets, continuing downsizing through outsourcing and looking to

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recent work on emotional intelligence to augment approaches to executive and management development.

An analysis of more than 300 top-level executives from fifteen global companies showed that six emotional competencies distinguished stars from the average: Influence, Team Leadership, Organizational Awareness, Self-Confidence, Achievement Drive, and Leadership (Spencer, L. M., Jr., 1997).

Emotional Intelligence is thus another wave of knowledge adding itself to the barrage of management initiatives. Trainers and consultants are scrambling to find ways to build emotional intelligence into their programs. Nevertheless, we find that the core methodology used to “increase” emotional intelligence is coaching. Underneath sound leadership, outstanding interpersonal practices and the management of certain organizational conflict is the methodology of coaching.

Here are 3 key action steps summarized from experience and research on brain science, emotional intelligence and change as stated by Dr. Richard Boyatzis recently in an Advanced Seminar on Emotional Intelligence:

- Keep in Touch
- Be Positive
- Focus on Learning

Coaching is about creating the capacity for appreciative and supportive interaction that leads to the achievement of business results. Effective conversation sets the stage for significant discussion about issues of leadership development, personal and organizational change and creating capability through high functioning people with enhanced emotional competence. For years, most organizational pundits have known that it is not how much you know but how well you relate to other people in the organization that *really matters*.

*Research by the Center for Creative Leadership has found that the primary causes of derailment in executives involve deficits in emotional competence. The three primary ones are difficulty in handling change, not being able to work well in a team, and poor interpersonal relations.*

*A study of 130 executives found that how well people handled their own emotions determined how much people around them preferred to deal with them (Walter V. Clarke Associates, 1997).*

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Effective coaching works with executives and others to develop their effectiveness in working with change. It helps them identify when teamwork is important and to use their skills to foster it. Coaching builds skills and capacities for effective working relationships. Coaching--implementing and modeling coaching competencies--paves the way for decision makers to create higher levels of organizational effectiveness through dialogue, inquiry and positive interactions that create awareness, purpose, competence and well-being among participants. Coaching is NOT another feel good exercise based in soft skills that has no correlation to the bottom-line.

## **Executive coaching as a transfer of training tool:**

### Effect on productivity in a public agency

A study examines the effects the executive coaching in a public sector municipal agency. Thirty-one managers underwent a conventional managerial training program, which was followed by 8 weeks of one-on-one executive coaching. Training - which included goal setting, collaborative problem solving, practice, feedback, supervisory involvement, evaluation of end-results, and a public presentation - increased productivity by 22.4%. Training and coaching increased productivity by 88%, a significantly greater gain compared to training alone.

Public Personnel Management; Washington; Winter 1997; Gerald Olivero; K Denise Bane; Richard E Kopeirnan

## **Employee Satisfaction = Customer Satisfaction**

An article in the Harvard Business Review, [Jan-Feb 1998 entitled The Employee-Customer-Profit Chain at Sears, by Rucci, Kirn and Quinn, (Reprint 98109)] a model was developed indicating that 5 units of increase in employee attitude led to 1.3 unit increase in customers' positive impression resulting in 0.5% increase in revenue growth.

## ***What is Coaching?***

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Coaching is many things to many people and like leadership, where Bennis and Nanus found 850 definitions while researching their book [*LEADERS*, 1987], has many dimensions and definitions. For the purposes of this discussion, *coaching is an interaction that occurs between people that produces desired performance, change or transformational results by promoting personal and organizational awareness, purpose, competence and well-being.*

In many companies and industries coaching is showing up in several ways. One is through the use of external coaches to work with key or targeted individuals (CEO, high potential executives, problem managers). Second, some companies have hired internal executive and management coaches. Third, they have trained their own management and executive staff in coaching skills. While all of these are valuable initiatives, each has unique implications.

Providing coaching to key executives and managers is often used both as a developmental strategy and as performance improvement. It may also be offered as a “perquisite.” A strategy for keeping key talent may be to provide difficult to replace talented personnel with a company-paid coach. This tends to be more expensive and when these difficult and costly to recruit personnel leave the company, they often take their coaches with them. In the second case, internal coaches may be seen as more cost effective. A problem with this approach is that the coaches are still a part of the system and are often ignored by higher level executives who might benefit from coaching. When this happens, other executives and managers question the value or reliability of the service. Finally, companies train personnel in coaching skills. This sets up the difference between a coach and a person coaching.

A person coaching engages in an interaction towards performance, change and transformation using coaching skills and practices. This person *often* has responsibility or authority in relation to the person being coached. Sometimes this is known as a mentor relationship, particularly when the person coaching has no direct authority over the person being coached and may be a manager once removed.

A coach is a person participating in a mutually voluntary interaction with ***neither responsibility, accountability nor authority*** over the outcomes of the person being coached. In either case, coaching is focused on enhancing performance, generative change and development of the whole person not separate from the systems of which they are a part. This holistic approach is vital in complex situations where uncertainty and ambiguity are the norm.

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It is easy to mistake a coach for a person (leader, manager, teacher, trainer, mentor, etc) coaching as they both use the same skills, however the critical issue is that of responsibility, accountability and authority over outcomes. This key differentiation separates coaches from leaders, mentors, managers, teachers, trainers, facilitators and counselors coaching. This difference is important because it shapes the nature of the coaching relationship. Only with a *coach* is the focus solely on the agenda of the person being coached as a part of a business or organizational system.

*Everyone should coach, however everyone should not and cannot be a coach!*

## ***The COACH2™ Model***

Coaching has the capacity to improve productivity and adaptability across any organization when it is properly designed, implemented and supported by leadership. Any of the strategies can bring about benefits within a business. Each relies on a core set of coaching competencies. Simply, coaching has at its core, three basic competencies that can be measured through various means to establish coaching effectiveness: Connection, Clarification and Commitment.

**Connection** is about forming a relationship between the coach and the person being coached and those issues of importance, motivation and development. This connection establishes a shared space in which the coaching interaction can take place. It helps lay a foundation including establishing resonance or attunement.

**Clarification** constitutes the bulk of most coaching conversations, however without connection to what is important, required or essential, it is anemic. In clarification openings are surfaced, focused, defined, analyzed and interpreted. The person being coached may identify their emotional or intellectual connection with the subject so the subject is explored. Alternative action steps are identified, projected and selected.

**Commitment** represents the point of choice. It is an indication that the client is ready, willing, able and a fit in the situation to implement the change they seek. The choice is about a plan of action and may include definition of steps, time commitments and a method for applying criteria for success. The critical nature of commitment in a coaching interaction is that commitment is volunteered, suggested and or maintained by the person being coach, NOT the coach! In management situations, where managers coach, committed is sought as the

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agenda is shared by both manager and subordinate. This distinction is critical to avoid “shared agendas” that turn a coach/person being coached into a manager/person being coached relationship. This issue is covered in a discussion on *Responsibility, Accountability and Authority in Coaching*.

While coaching methodologies differ in terms of their expression, foundation and practices, a simple or a sophisticated coaching interaction dances with the following non-linear process identified with the word opportunity: OPPOR + unity = openings, possibilities, plans, outcomes and results. **Openings** are desired changes or outcomes. **Possibilities** are alternative strategies. **Plans** are tactics and steps for achieving outcomes. **Outcomes** are the results that are sought. Alternative outcomes and future order consequences are explored. Commitment to **RightAction™** and **RightResults™** are discussed and undertaken following the coaching session.

**RightAction™** = Right people, doing the right things, in the right way, at the right time for the right reasons = **RightResults™**

**RightResults™** = the fit between customers and stakeholders.

Coaching has five essential abilities under girding the methodology: listening, observing, discerning, modeling and delivering.

- **Listening** is the capacity to hear what is being said and where it is coming from.
- **Observing** is about how it is being said and the location in time and space.
- **Discerning** is about clear processes for making meaning that recognize the context dependencies and developmental level of the client.
- **Modeling** involves constantly demonstrating ways of thinking and feeling that help the client see and hear the coach using the model which enables the client to “try on” ways of being and thinking.
- **Delivering** involves the ways the coach provides content to the coaching process.

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Delivery includes five coaching inputs critical to coaching effectiveness: *feedback, questions, statements, challenges and ideas*. These provide engagement in the coaching process that range from past through present into the future—utilizing specific charge and tonality to enhance non-verbal cues.

Utilizing this model from the customer interface through the executive suite can enable an organization to take on the tough work of personal and organizational performance, change and transformation. When linked to an approach to building emotional competence, coaching can produce major bottom line results.

*After supervisors in a manufacturing plant received training in emotional competencies such as how to listen better and help employees resolve problems on their own, lost-time accidents were reduced by 50 percent, formal grievances were reduced from an average of 15 per year to 3 per year, and the plant exceeded productivity goals by \$250,000 (Pesuric & Byham, 1996). In another manufacturing plant where supervisors received similar training, production increased 17 percent. There was no such increase in production for a group of matched supervisors who were not trained*

(Porras & Anderson, 1981).

These supervisors were trained in skills that are essential to coaching effectiveness. The company achieved these gains because they recognized and understood that creating competitive margins is not just about technology. It is about systems and people, as well. This training addressed the competencies of people.

## **Where does coaching fit?**

### **Development Requires Coaching Methodologies**

*Companies must mobilize a new approach to talent management predicated on four imperatives. The good news is that those already addressing, even excelling at, one or two of these imperatives will have an easier job ahead of them.*

**The four imperatives are:**

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- *Create a winning "value proposition" for top talent*
- *Elevate talent management to a burning corporate priority*
- *Source talent broadly, and*
- *Creatively develop talent aggressively*

*We do not underestimate the difficulty of what is suggested here. The change will be jarring; enormous effort will be required. But those willing to do what it takes to find and grow a great cadre of senior executives will realize a genuine, sustainable competitive advantage.*

Frogs in a Wheelbarrow

<http://207.237.113.94/features/frogs/index.html>

McKinsey & Company

Coaching provides an essential ingredient for meeting these four imperatives. By providing coaching to executives and high-potentials the company demonstrates its commitment to a talent development process that is creative and focused on the unique strengths and requirements of each individual. At the same time, coaches can provide the link between individual and business aspirations by supporting a development focus that is aligned with company requirements.

The most effective coaching will help clients identify the relationship between their own development and requirements of the business. There is a natural tension between these two streams that a coach can serve and clarify by helping the client penetrate through assumptions, exploring scenarios and testing action. Furthermore, a coaching approach can help executives explore the development implications of business requirements and objectives in a powerful way through team coaching focused on what is truly an excellent and meaningful executive team effort.

## **Productivity and Creating the Right Environment with Coaching**

*Creating an environment conducive to ongoing productivity improvement is the responsibility of senior management.*

The right environment has many factors, not the least of which is the relationship between employer and employee. While it is likely that the days of life-long employment are past, building the capacity for productive relationships is even more important when talented personnel have choice about where they will use their talents.

“A recent statement by Gallup Organization indicated that employees don’t leave their work, they leave their supervisor....”

## **The Ideal Employer...**

has an organizational climate and a management team that provides a work environment in which everyone has a chance to grow and mature as individuals in a team environment. They do this by satisfying their own needs, while working for the success of the organization. Individuals see the best opportunity for realizing their needs by directing their own efforts towards the achievement of organizational and group needs.

Implicit is the belief that people can be self-directed and creative at work, if they are properly motivated. Such people therefore will be more profitable to the organization, the work group and the individuals involved.

## **The Ideal Employee...**

- Is properly selected, oriented trained and developed
- Has a development plan
- Expresses growth on essential competencies
- Takes responsibility for their own actions
- Places self-awareness ahead of blaming others
- Understanding how to make good decisions
- Aligns and attunes with organizational strategy
- Supports the values of the organization
- Supports, learns and shares learning with others
- Has a teachable point of view they share with others
- Values work, customers and fellow employees
- Continuously seeks to improve
- Self-motivated and correcting

## ***Coaching & Emotional Intelligence***

*For 515 senior executives analyzed by the search firm Egon Zehnder International, those who were primarily strong in emotional intelligence were more likely to succeed than those who were strongest in either relevant previous experience or IQ. In other words, emotional intelligence*

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*was a better predictor of success than either relevant previous experience or high IQ. More specifically, the executive was high in emotional intelligence in 74 percent of the successes and only in 24 percent of the failures. The study included executives in Latin America, Germany, and Japan, and the results were almost identical in all three cultures.*

[http://www.eiconsortium.org/business\\_case\\_for\\_ei.htm](http://www.eiconsortium.org/business_case_for_ei.htm)

## How are coaching and emotional intelligence linked?

*Emotional Intelligence requires self-awareness, interaction and feedback over time. In the following excerpt from the best practices information at [www.eiconsortium.org](http://www.eiconsortium.org) it is clear that coaching effectiveness is required in every guideline cited.*

The following 22 guidelines represent the best current knowledge about how to promote emotional intelligence in the workplace. They apply to any development effort in which social and emotional learning is a goal. This would include most management and executive development efforts as well as training in supervisory skills, diversity, teamwork, leadership, conflict management, stress management, sales, customer relations, etc.

These guidelines are based on an exhaustive review of the research literature in training and development, counseling and psychotherapy, and behavior change. The guidelines are additive and synergistic; to be effective, social and emotional learning experiences need not adhere to all of these guidelines, *but the chances for success increase with each one that is followed.*

The guidelines are divided into four phases that correspond to the four phases of the development process: preparation, training, transfer and maintenance, and evaluation. Each phase is important. You will notice that coaching is about the how (the way knowledge and information are exchanged) more so than the what (the knowledge itself).

*Emotional intelligence is based on the effective utilization of emotional competence and the manner in which the exchange of this competence occurs through coaching methodologies.*

Daniel Goleman and Cary Cherniss developed these guidelines for the Consortium, with the assistance of Kim Cowan, Rob Emmerling, and Mitchel

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Adler. If you are interested in the full technical report that includes all the supporting research for each guideline, you may view the full technical report online or download the document in Word 6.0/95 format from. The address of the Consortium's Web site is [www.EIConsortium.org](http://www.EIConsortium.org).

The Fetzger Consortium Guidelines for Bringing Emotional Intelligence into an Organization, explained through the methodology of coaching by Mike Jay.

*[After each guideline in bold italics, the clear principle of coaching is identified.]*

1. **Assess the organization's needs:** Determine the competencies that are most critical for effective job performance in a particular type of job. In doing so, use a valid method, such as comparison of the behavioral **events**, interviews of superior performers and average performers. Also make sure the competencies to be developed are congruent with the organization's culture and overall strategy.

***Coaching establishes a "relationship" with the people in the organization who must be interviewed and coaching core competencies--connecting, clarifying and committing are utilized during the assessment process along with the exchange of information tied to behavioral events. Organizational assessment can be orchestrated at the introduction of the coaching system. This aids the equity required for people to understand that it is not "them" which is being singled out, but the entire organization is undergoing assessment and consideration.***

2. **Assess the individual:** This assessment should be based on the key competencies needed for a particular job, and the data should come from multiple sources using multiple methods to maximize credibility and validity.

***In order to create the necessary relationship with individuals, coaching interactions are utilized to facilitate the delivery of new knowledge to the individual in an appreciative and supportive manner in order to lower resistance to utilizing the knowledge from assessments. Knowledge gained from assessments is then discussed in a high trust conversation that allows for deeper discussion of often-difficult issues of personal change.***

***Assessment, in whatever fashion chosen is leveraged through relationship between the coach and the person being coached***

***through frequent connection, desired clarification and commitment to improve over time.***

**3. Deliver assessments with care:** Give the individual information on his/her strengths and weaknesses. In doing so, try to be accurate and clear. Also, allow plenty of time for the person to digest and integrate the information. Provide the feedback in a safe and supportive environment in order to minimize resistance and defensiveness. But also avoid making excuses or downplaying the seriousness of deficiencies.

***The critical aspect of new knowledge and information is the manner in which it is gathered, conveyed, explored and developed over time. Coaching models the effective "care" required in an interaction built upon a relationship that allows for discovery and change through conversations designed upon sound and supportive communication standards.***

***The effects of assessment at the individual level can be enhanced with coaching. Assessments can be broadened to provide and improve self-awareness as it relates to personal discovery, exploration and understanding of traits, motives, function and attitudes over time.***

**4. Maximize learner choice:** People are more motivated to change when they freely choose to do so. As much as possible, allow people to decide whether or not they will participate in the development process, and have them set the change goals themselves.

***Clearly, coaching is a driver in supporting free-will and motivation to undergo a development process that is orchestrated by the person being coached. Since coaching is focused on dialogue rather than authority, the development process can be continually customized to the joint demands for development by the organization and the capability of the individual for development. Coaching is preferred when development of deep emotional competencies are required for personal and organizational change.***

A Baan HR executive offers: "Smart people want to know where they're headed, but don't want to be told how to get there."

**5. Encourage people to participate:** People will be more likely to participate in development efforts if they perceive them to be worthwhile and effective.

Organizational policies and procedures should encourage people to participate in development activity, and supervisors should provide encouragement and the necessary support. Motivation also will be enhanced if people trust the credibility of those who encourage them to undertake the training.

***The essential component of coaching effectiveness is the ability of the coach to create an appreciative and supportive interaction. Motivation to change occurs when support and the desire for change coincide. Coaching creates personal relationships that are required for people being coached to perceive high regard from the person coaching. High-trust coaching interactions created through confidential, result-oriented and frequent contact are key.***

**6. Link learning goals to personal values:** People are most motivated to pursue change that fits with their values and hopes. If a change matters little to people, they won't pursue it. Help people understand whether a given change fits with what matters most to them.

***Discovering what matters to people comes from the ability of the person coaching to create a dialogue with the person being coached that is effective in surfacing what matters. Coaching, through positive and supportive interaction has the ability to explore what people need to feel motivated and how these motives create the energy and leverage for deep change and development over time. This awareness is translated to more focused action and relevance over time to personal and organizational objectives.***

**7. Adjust expectations:** Build positive expectations by showing learners that social and emotional competence can be improved and that such improvement will lead to valued outcomes. Also, make sure that the learners have a realistic expectation of what the training process will involve.

***Critical to coaching effectiveness is the ability to continuously connect, clarify and commit to improvement. Coaching is not a touchy-feely experience where the tough issues are left undiscovered, undiscussed and undervalued. Coaching clearly represents the opportunity to surface the "undiscussables" during positive interactions that require mastery in coaching methodologies. Furthermore, coaching supports the development process provided by training and increases retention of knowledge..***

**8. Gauge readiness:** Assess whether the individual is ready for training. If the person is not ready because of insufficient motivation or other reasons, make readiness the focus of intervention efforts.

***Because coaching creates a relationship with the person being coached, the person coaching is continuously aware of capability in the person being coached. This essential requirement says more about creating coaching interactions on a regular basis than any other research available. Knowing when to challenge and when to offer ideas, questions, feedback and statements is key to understanding the timing and level of development needed and required for profound change in emotional competence. The application of the concepts of ready, willing and able allows us to gauge readiness. Understanding “fit” is best accomplished through frequent contact with “what’s important.”***

**9. Foster a positive relationship between the trainers and learners:** Trainers who are warm, genuine, and empathic are best able to engage the learners in the change process. Select trainers who have these qualities, and make sure that they use them when working with the learners.

***Can we develop emotional competence around empathy, personal compassion and integrity? Of course. Those most efficient in modeling these competencies are people developed through coaching. Continuous awareness, purpose, competence and well-being are the goals of coaching that move hand in hand with emotional intelligence. Coaching models emotional competence.***

***By supporting impact events led by trainers (who have been coached in emotional competence), coaching provides a continuous line of support for improving retention, talent and results.***

**10. Make change self-directed:** Learning is more effective when people direct their own learning program, tailoring it to their unique needs and circumstances. In addition to allowing people to set their own learning goals, let them continue to be in charge of their learning throughout the program, and tailor the training approach to the individual’s learning style.

***Coaching is by far the leader in self-directed and supportive learning because it does not rely on the coach to be responsible, accountable and to have authority over the person being coached. In some cases, the person coaching will also have those directives, but as***

***stated above the case for having coaches (a coach is defined as someone not having responsibility, accountability or authority over the person being coached) leads to self-direction through support.***

***The coach becomes a resource and guide for self-directed learning and development. When the coach can operate independently of personal authority over the person being coached, the relationship becomes self-directed by the person being coached with the encouragement and support of the coach.***

***Another critical factor in developmental coaching is the creation of a learning agenda orchestrated by the person being coached. Using a structured approach to continuous learning, not only involves the person at a deeper level, but adds relevance to the learning through connection to what is important.***

- 11. Set clear goals:** People need to be clear about what the competence is, how to acquire it and how to show it on the job. Spell out the specific behaviors and skills that make up the target competence. Make sure that the goals are clear, specific, and optimally challenging.

***Coaching is effective when the person being coached develops awareness, purpose, competence and well-being. That requires clear understanding about personal and organizational needs, discrepancies created by the misalignment of those needs and the capacity to bring alignment between personal and organizational values and principles into resonancy.***

*“It is incumbent on each of us, to start telling our story in such a way that you can grant magnificence back to your work and back to what you do. If you can’t grant magnificence to your work, you grant magnificence to yourself and have the courage to step out of it into something that is really commensurate to your gifts and is a place where you can really feel like you come alive again at the frontier of your own destiny.*

*David Whyte 1999*

- 12. Break goals into manageable steps:** Change is more likely to occur if the change process is divided into manageable steps. Encourage both trainers and trainees to avoid being overly ambitious.

***Since coaching is designed to be driven by the agenda of the person being coached, even though organizational values and demands are critical, the coaching interaction takes into account the “speed” and capability of the person being coaching to change. Coaches using the COACH2™ Model are effective in creating manageable change because the Coaching Interaction Model used in COACH2 has specific steps that create a preview of plans in order to assess the likelihood of goal achievement created through plans—another step in the interaction. [ <http://www.coach2-the-bottom-line.com> ]***

Coaches have a vested interest in developing people they coach more quickly and more broadly in those issues presented through coaching. However, the speed of development is governed by the developmental capability of the person being coached and should be tested frequently in each step of the change process. Assuring that the person being coached *stays in the lead* during the coaching keeps the development paced correctly.

- 13. Provide opportunities to practice:** Lasting change requires sustained practice on the job and elsewhere in life. An automatic habit is being unlearned and different responses are replacing it. Use naturally occurring opportunities for practice at work and in life. Encourage the trainees to try the new behaviors repeatedly and consistently over a period of months.

***Coaching is an ideal opportunity to both model and implement additional practices that can be learned and assimilated over time. The very nature of coaching explores variances between “espoused theories” (what you say) and “theories in use” (what you are observed doing). Surfacing these variances through openings create the opportunity to change the beliefs driving the discrepancy over time, is critical to success. Continuous modeling of the desirable behaviors accounts for high levels of vicarious learning. The coaching interaction itself presents opportunities for people being coached to role-play and practice in a safe environment.***

- 14. Give performance feedback:** Ongoing feedback encourages people and directs change. Provide focused and sustained feedback as the learners practice new behaviors. Make sure that supervisors, peers, friends, family members – or some combination of these – give periodic feedback on progress.

***Coaches learn and deliver feedback and observations about behavior as a part of the coaching interaction. Because the coaching relationship is built upon trust and credibility, the power of feedback and delivery by the coach is leveraged. When coaches use effective tools in assessment such as “MBTI Step II from Consulting Psychologist’s Press,” “Proscan” from Professional Dynametric Programs, Inc. and ECI (Emotional Competence Inventory), a multi-rater assessment created through the relationship of Daniel Goldman, Richard Boyatzis and The Hay Group, coaches have tools at their disposal that are reliable and valid for assessing feedback from self and others. Of course there are hundreds of effective assessments available and proficient use of the assessment is critical.***

***The COACH2™ Model also encourages the use of Strategy Focused Developmental Coaching Systems which promote the use of 360° conversations established through structured processes of development. [ <http://www.strategyfocusedcoaching.com> ]***

**15. Rely on experiential methods:** Active, concrete, experiential methods tend to work best for learning social and emotional competencies. Development activities that engage all the senses and that are dramatic and powerful can be especially effective.

***The coaching interaction is set in an experiential mode. Appreciative inquiry, dialogue and coaching relationships built through 1 to 1 relationships are critical to creating experiential openings in real life and in real time. These relationships create the foundations for effective coaching conversations over time that provides the type of interaction that can be used to enhance emotional competence over time.***

***Providing a safe, supportive environment for experimentation and failure is key to establishing growing self-confidence over time as people try on new behaviors associated with growth.***

**16. Build in support:** Change is facilitated through ongoing support of others who are going through similar changes (such as a support group). Programs should encourage the formation of groups where people give each other support throughout the change effort. Coaches and mentors also can be valuable in helping support the desired change.

***Ideally, the coaching relationship is the key to support. Positive, challenging and encouraging coaching interactions create the sense of stability as people go through profound change. Coaches become boundary spanners in the organization and while confidentiality is paramount the viewpoint of the coach becomes such that they can be barometers for change.***

***The other key issue is to examine the transition rather than the change. Bridging the transition period or “neutral zone” [Bridges] brings about the necessity for coaching interactions that serve to stabilize the movement during change.***

- 17. Use models:** Use live or videotaped models that clearly show how the competency can be used in realistic situations. Encourage learners to study, analyze, and emulate the models.

***Because coaching is based on modeling, real life models exist as coaches. Coaches are developed with this very issue in mind.***

***Having effective coaches in an organization create the realistic situations where high levels of emotional competence can be modeled and emulated. A high degree of transference in emotional competence can be gained through vicarious learning. Vicarious learning is the essential way most people learn.***

- 18. Enhance insight:** Self-awareness is the cornerstone of emotional and social competence. Help learners acquire greater understanding about how their thoughts, feelings, and behavior affect themselves and others.

***At the core of coaching, the interaction is designed to help the person being coached to become increasingly aware of themselves, their effects on others and their behavior in relation to systems. The critical nature of the coaching relationship promotes ongoing effective dialogue that enhances self-awareness in the person being coached.***

***Through the use of positive inquiry and exploration, insights can be gained as a result of keeping in touch, remaining positive and focusing on learning over time.***

- 19. Prevent relapse:** Use relapse prevention, which helps people use lapses and mistakes as lessons to prepare themselves for further efforts.

***Relapse occurs when a supportive environment is not available over time under conditions of stress and distraction, or a conflict in priorities, etc. Coaching addresses this problem as the person being coached has a referent group, even if that group is only another person. By having a number of coaches in the organization, the leverage created through this referent group helps to support and stabilize change made through impact training. Continuous reinforcement provided by longitudinal coaching enables movement towards changes that would at best occur only sporadically.***

- 20. Encourage use of skills on the job:** Supervisors, peers, and subordinates should reinforce and reward learners for using their new skills on the job. Coaches and mentors also can serve this function. Also, provide prompts and cues, such as through periodic follow-ups. Change also is more likely to endure when high status persons, such as supervisors and upper-level management model it.

***Ideally, the person being coached begins to transparently behave in a manner consistent with their referent group. To the extent that the referent group grows then the new behavior is encouraged. The mere fact that people are coached introduces into the organization coaching and mentoring skills such as better listening, appreciative inquiry through questions, and conflict management and resolution.***

***Continuous reinforcement through coaching relationships over time can help build organizational capability in many positive skills that create opportunities for improving effectiveness by the people being coached. The other hidden benefit in establishing structured coaching systems using COACH2™ and Strategy Focused Developmental Coaching Systems is that a “performance management” structure is created by default! Creating healthy performance management systems are critical to developing self-directed learning and leadership.***

- 21. Develop an organizational culture that supports learning:** Change will be more enduring if the organization’s culture and tone support the change and offer a safe atmosphere for experimentation.

***Coaching systems create cultural evolution. Cultures very seldom change. They evolve, are destroyed and remade, but evolve VERY slowly. This is the reason 80% of all change initiatives fail (Senge, et al, The Dance of Change). A coaching system in an organization***

***continuously infuses the organization with support and encouragement for people to develop over time. As each person being coached evolves their own level of development and emotional competence, the additive effect of others increases the support for organizational evolution. In another article in this series, I write extensively about the need to STOP Designing Change and START Designing Conversations, as a more effective way to support learning, growth and results in organizations.***

**22. Evaluate:** To see if the development effort has lasting effects, evaluate it. When possible, find unobtrusive measures of the competence or skill as shown on the job, before and after training and also at least two months later. One-year follow-ups also are highly desirable. In addition to charting progress on the acquisition of competencies, also assess the impact on important job-related outcomes, such as performance measures, and indicators of adjustment such as absenteeism, grievances, health status, etc.

***Because coaching occurs over time and there is constant accountability to the coaching system, evaluation occurs naturally in effective coaching conversations.***

- ***Longitudinal relationships built on a foundation and need for development require constant evaluation of progress.***
- ***Using assessments such as those indicated above provide accurate indicators of progress.***
- ***Keying effectiveness of coaching to the bottom line performance and capability in an organization provides even broader measures of evaluation that can be used in coaching interactions to provide real situational views of effectiveness.***

## ***Coaching & The Bottom Line***

What is not always clear in organizations is how initiatives of any sort dealing with intangible effects can impact the bottom line. While many examples are provided in this discussion, it becomes critical to reiterate the need for coaching to impact the bottom line. This doesn't de-emphasize the critical value of human being *and doing* in an organization. However, this action and non-action must respect that until the business system becomes efficient and effective enough to support its continued viability and growth in a constantly changing

# Coaching as a Transformational Leadership Competency

environment—attracting sufficient capital; both human and financial—the people in it and the people being served by it will be at a competitive disadvantage.

We might imagine a time where competitive allocation of resources would no longer depend on who is the best. However in a world of scarce resources the most efficient and effective survive. In lieu of that ideal state where enough would mean enough for all, competitive advantage directs our lives.

It becomes necessary to fully integrate and connect development of emotional competence directly to results achieved in the system that lead to bottom-line growth and financial strength over time. Money is often thought of as an antithesis to human development. However, we have to embrace money as an indicator of value in the marketplace. The business realities are not going to go away with “feel-good” programs that continuously focus on people and not the issues of profit. Peter Drucker often refers to profit as the return on invested capital. In the business case, we must always evaluate the return to our human and financial capital in light of profitability and return to economic and human capital.

If coaching can't impact the bottom line, then its use should be discouraged as a business tool. However, measurements of the impacts of coaching and the development of emotional competence are often disconnected from the direct line to the bottom line. It is critical to establish measurements “before” coaching is implemented in organizations in order to account for change induced by coaching.

Another key factor is noticing that emotional competence doesn't occur over night. Sufficient time and slack has to be built into the system to allow for change in competence to occur and become diffused through the organization. At present, most coaching is reserved for high level hires and key executives. Over time the value of coaching in developing emotional competence and retaining key line employees will be realized as business requires more and more decisions to be made at lower and lower levels in the organizations.

The smart company will be one where decisions are made at the customer interface in *zero time*. That requires adaptability produced through emotional competence, capability and knowledge resident at the customer interface. These capabilities will lead to competitive advantage as cycle time is reduced and customer relationships improve over time.

## The Bottom Line

"... the ability to attract and hold on to talented employees is the single most reliable predictor of overall excellence."

--FORTUNE

### *The World's Most Admired Companies*

*"To be successful in today's ever shifting, always competitive market, people count for more – they can make or break the best business strategy; be the driver or brake in adopting new technologies. People are not an implementation issue, nor just an operational or strategic asset. People are the raw resource around which business success revolves.*

*No strategy, however well designed, will work unless you have the right people, with the right skills and behaviors, in the right roles, motivated in the right way and supported by the right leaders. Adopting new technologies without having the right people to use them, wastes billions of dollars of investment by companies throughout the world."*

The Hay Group

## CONCLUSION

In the end, people count. That is the key to the bottom line. Improving adaptability through emotional competence, resulting capability and development through coaching interactions drives the bottom line and the business case for coaching.

*This article edited by Russ Volckmann, PhD. A Certified Business Coach working with company presidents and vice presidents, project and other managers. He was an OD consultant for more than twenty years, published numerous professional articles and is the author of the ebook, [A Leadership Opportunity: An Integral Approach](http://www.c21bookstore.com) ([www.c21bookstore.com](http://www.c21bookstore.com)).*

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The Business Case for Coaching

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