

Coaching

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**“Leaders are visionaries with a poorly developed sense of fear
and no concept of the odds against them”**

~Robert Jarvik

Robert Jarvik, surgeon and inventor of the Jarvik artificial heart,

made the above comment about leaders, but I think it’s just as relevant and applicable to the entrepreneurial spirit.

Similar to any career, entrepreneurial endeavors are a journey; you really measure their success or failure at the end, not at the milestones. Like corporate leadership, entrepreneurs can also pursue a very lonely path. I want to explore a concept that has held some cachet in corporate America, but hasn’t gained significant visibility or traction in small business – the concept of executive coaching.

Annika Sorenstrom, Tiger Woods, Venus Williams; besides being world class athletes, what do they all have in common? They all have a coach. If world class athletes have coaches, why wouldn’t it be appropriate for those in the business world to avail ourselves of coaching?

The issue of coaching is interesting and especially valuable in the context of business. My premise is simple: coaching, properly defined and applied, is a competitive if not essential advantage, especially for those in the small business environment. The first key differentiation is between “executive” and “personal” or “life” coaches. A personal or life coach’s role is to help focus on life goals and ambitions, creating appropriate “balance” in your personal life and all related factors. This type of coach serves as an external “conscience,” holding the entrepreneur accountable to execute those things standing between him or her and self-actualization, realizing full potential as a person.

“...the focus is to help the client thrive in professional life and maximize effectiveness in the workplace.”

An executive coach’s role is focused on helping to develop or increase skills that make the person more effective in a given job. This includes balancing and integrating personal and professional attributes and considerations, but the focus is to help the client thrive in professional life and maximize effectiveness in the workplace (everything from internal meetings to partner negotiations).

I’m not putting a value judgment on one coach or the other. In fact, there are clearly dimensions that overlap. My focus in this article is on the merits of executive coaching.

The most common reasons organizations hire executive coaches is to strengthen an executive or manager’s skills in one or more of these four areas:

- Handling or managing change
- Working well within a team environment
- Interpersonal relationships
- Developing or enhancing “executive” presence (speaking ability, communications, etc).

You can see in the above target skills determine selecting the right resource and specific coaching

Why Entrepreneurs Need Coaching:

Whoever coined the phrase “It’s lonely at the top” must have had the entrepreneur in mind. It doesn’t get any lonelier. Entrepreneurs, as individuals, are the business in many cases. They have direct reports, family, maybe even a board; but there is no “organization” to hire a coach if they need additional resources, or even to require or suggest benefits from coaching. They face the same issue as the “corporate” CEO; however, the entrepreneur often doesn’t have access to the same resources. I have found most the successful entrepreneurs that I have worked with to have a number of characteristics in common; they are visionary, driven to the point of obsession, have a high need for control, and in business dealings these entrepreneurs may tend to be more loners. They have built the business from the ground up, they made the decisions and founded the key relationships – often alone.

Skills like delegation, collaboration, and process management don’t come naturally to entrepreneurs. They will seek advice from technical advisors such as accountants, attorneys, but many of the business skills learned in corporate America aren’t part of an entrepreneur’s experiential base.

I have seen them struggle with issues such as delegation, staff selection, succession planning, and team or collaborative-based decision-making. Bluntly, many of the “technical” advisors have limited experience outside of their core competency areas. The relationship between entrepreneurs and their clients grows from trust and time, not always broad expertise. I find that their advice tends to be biased from their specific expertise.

I will freely admit my “core competency” is in the management of people. I have designed hundreds of human resource management systems with the elements of hiring, selection, training, performance management, and related skills.

‘It’s lonely at the top.’

As an entrepreneur and C-level executive, I was also required to broaden my skill set to include other functional skills including marketing, finance, and sales. Given my corporate experience, I’m comfortable reaching out to – and collaborating with – those areas of expertise. This makes me a bit of an anomaly as an entrepreneur and it’s also an attribute. In my capacity as a COO, I orchestrated the disciplines of

marketing, finance, IT, and HR into an effective symphony.

“...600% return on the dollars...invested in executive coaching”

As businesses move forward and evolve, an entrepreneur will find that it's critical to do several things:

- Recognize and link “human” processes and business results.
- Develop and strengthen relationships with the “team”, including succession planning for oneself and other key staff.
- Be able to clearly articulate personal mission and vision, especially as the business grows and becomes less “personal”.
- Create feedback opportunities for staff to discuss their needs and opportunities for development (i.e. their investment in business growth and success).
- Delegate portions of responsibilities to allow a clear view of the “30,000-foot” level and a sharp focus on the long-term success of the business, not the day-to-day.

I also believe that in smaller or closely-held businesses, some of the issues targeted by executive coaches are even

more critical. In the small organization every hire is a key hire, every decision is a key decision. A significant erroneous business decision doesn't mean I don't get my “bonus,” it means I might lose my life savings and my home. I have found from personal experience the “golden parachute” I have from my business seems a little more like it was constructed from that liner in chewing gum wrappers.

A few significant statistics support the value of coaching:

- A return-on-investment study from Fortune 1000 companies showed an average of a 600% return on the dollars they invested in executive coaching. They saw specific improvements in productivity, quality, organizational strength, and customer satisfaction.
- Another study showed a 529% ROI directly attributable to coaching and other intangible benefits. When they included the savings from decreased turnover the number was 788%.

I don't know about you, but those are the kind of numbers that get my attention, and that of my bankers and my accountants!

In conclusion, I think the case for executive coaching is pretty clear, as is the issue for hiring the right coach for the individual and the situation. I won't presume to define the "right" coach, but here are helpful tips:

First, two effective questions entrepreneurs should ask prospective coaches:

- What kinds of clients do you work with effectively?
- What kinds of clients do you not work with effectively?

The second tip I have for entrepreneurs (with apologies to the various entities out there that are "certifying" coaches) is what I and others believe are essential competencies in an effective executive coach:

- They must be competent at coaching and influencing others.
- They must be self-aware, empathetic, excellent listeners, and have the ability and willingness to give candid, balanced feedback in a nonjudgmental or confrontational way.
- They must be trustworthy. An entrepreneur will need to be able to trust the coach with intimate, sensitive information about the business
- They must have at least a baseline understanding of the business sector and business in general. A coach with no experience in business practices, organizational dynamics, and other business disciplines won't have a solid foundation from which to work.
- They must have the integrity and strength of character to stand up to a strong-willed entrepreneur, even if it means losing that person's business.