

# STRATEGY & LEADERSHIP

## **Leadership: The Strategic Challenges**

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# Executive Leader Coaching as a Strategic Activity

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**Abstract** This article explores the strategic validity of executive leader coaching. The authors offer the definition of executive coaching and the distinguishing factors of this professional industry and present three primary strategic interventions that executive coaches make in upgrading the performance of leaders, executive teams, and the organization as a whole. Included are the strategies of developing leaders, implementing strategic plans, and the attraction, retention, and development of human talent in the organization. The authors quote leaders in the field of coaching as well as business leaders whom they have coached.

**Keywords** Leadership, Implementation, Retention

There's a new strategic resource in town: executive leader coaching. Although coaching has been around for some time, in the last few years it has become a strategic weapon in helping leaders meet the needs and fill the gaps demanded by our highly complex, global business world. In fact, if you listed the many challenges of the current business environment, you would find that strategic coaching is one answer to most of them.

Just as an athlete would never participate in the Olympic Games without a coach, leaders who seek the success of their organizations greatly benefit from such a coach. Many of these leaders say they could not have achieved their successes in the short time allowed were it not for their coaches.

## Why Executive Leader Coaching?

The world of leaders moves at warp speed. Companies are hurtling through space like a ship on a mission that could change before the destination is reached. While traveling at the speed of light, the leader must work at peak performance levels to anticipate change, prepare people for it, and develop additional leaders who contribute to the journey and meet or exceed established goals. Facing such challenges, leaders often find it difficult to manage without

a coach who demands excellence in every play of the game and helps leaders discover how they can achieve that excellence. Executive coaches are the strategic partners who tap into the genius talent of the leader, shadow the leader's progress to calibrate mid-course corrections, and optimize the speed and efficiency at which accomplishments are made.

According to Ray Lamb, senior executive coach at IBM's Global Executive and Organizational Development, "The coach who is working at the top of the organization, with the skill and reputation for asking challenging and demanding questions, can do much to ensure that executives face up to their long- and short-term commitments, and as a by-product help make the world of work a more fulfilling and enjoyable place." This is a tall order and yet, executive coaches are passionate about how they coach about strategic goals as well as personal fulfillment issues of the leader.

## Who Are Executive Coaches?

According to a senior group of executive coaches who participated in the 1999 International Executive Coaching Summit, executive coaches must possess a unique combination of maturity, professional skills, and human relations qualities, including:

- A firm grounding in business knowledge, as well as a thorough understanding of the world of the leader.
- Highly developed communication proficiency that enables them to operate comfortably in the executive's environment.
- Working knowledge of systems dynamics and adult and leadership development.
- A stature and reputation that commands respect, with a commitment to lifelong learning.
- Ability to blend into the social environment of the leader while still challenging blind spots and demanding that performance be constantly upgraded.

One such coach is George Ritcheske of CoachWorks Leadership Group in Dallas. After receiving an MBA at the University of Michigan, George became involved in the trenches of leadership in the large, public accounting firms. Now as an external leadership coach, he continues to coach other leaders to achieve their strategic objectives and become the best leaders they can be.

Linda Miller, president of Corporate Coaches Inc., in Kirkland, Wash., partners external and internal executive coaches with leaders. Miller knows the type of high-caliber coach that leaders are searching for, although she says most companies or leaders are still unclear about what they should be requesting. She explains, "What is clear is that leaders benefit from the objective, honest, and direct input they receive from leader coaches."

### **The Strategic Importance of Executive Coaching**

According to Cheryl Belles of Deloitte & Touche in Chicago, "Coaching bridges the gap from tactical to strategic efforts and not only prevents diminishing return on investment but actually improves return on ongoing and future investments exponentially."

Business leaders and their executive coaches agree that the top three strategic issues in today's competitive world are: developing leaders, implementing strategic plans, and attracting, retaining, and developing key contributors. Together, these three factors drive the current and future success of the company.

*Development of Leaders.* Just as there is a demand for coaching to enhance the best leadership practices, a different kind of leader is required to face the challenges of business today. The old "command and control" leadership approach no longer works. According to John Kotter, "Style is not the leadership issue. Substance is, It is about core behaviors on the job"[1]. What is needed then is a leadership brand that includes a set of leadership behaviors or practices to create an environment in which individuals want to follow. Executive leader coaches become leadership partners around this set of practices and hold the leader accountable for shifting to strategies that work.

The underlying premise of the CoachWorks approach is that leaders are most effective when they first develop themselves and then develop others, who in turn develop those who report to them. When a leader models practices that others can follow, the entire organization is inspired to meet the vision held by the leader. The leader, therefore, creates a thumbprint, or legacy, in which everyone in the organization can become his or her best self. The CoachWorks model is called Legacy Leadership™ [2]. When leaders engage in the five best practices of this model, they are *living* a legacy every day, rather than leaving a legacy for those who will follow them tomorrow.

Legacy Leadership coaches leaders to be:

- *Holders of Vision and Values*, where there is commitment to a compelling vision, and where values are observable in everything they do.
- *Creators of Collaborative Innovation*, where processes

are in place for key contributors to create the future in highly collaborative and innovative ways.

- *Influencers of Inspirational Leadership*, where positive influence breathes life into the workplace and everyone is inspired to contribute their best selves.

- *Advocators of Differences*, where people are valued for their internal strengths rather than their external appearance, with the realization that it takes all of us with our unique talents working together to be successful.

- *Calibrators of Accountabilities*, where all behavior is measured against performance goals, where there is room to learn from challenges, and where there is flexibility for initiating mid-course correction as changes occur.

The CoachWorks approach asks coaches to practice the behaviors of Legacy Leadership themselves as they foster and develop strategic leadership abilities in others. This type of leader coaching works because the coach models the practices that leaders will practice. Coaches who use this approach are rare, but they are growing in numbers as the coaching industry evolves.

From a strategic perspective, the development of a leader has a broadband effect on the organization. When a leader is operating at peak performance, much of the chaos is removed, communication is clearer, and there is a constant improvement in corporate performance. Coaching, when combined with the commitment of the leader, is the key to success in this strategic area.

*Implementing Strategic Plans.* A good plan is not enough. Companies often make a sizable investment of time and money to develop a viable strategic plan only to put it on a shelf next to last year's plan. Sometimes, the key bullet points of the plan are transferred to business-card-sized laminations that employees can carry around in their wallets and handbags. Neither of these practices promotes action. Activating a plan and staying focused on implementation is the most difficult task leaders must accomplish. The executive coach can help by holding the leader accountable for accomplishing the goals. Consistent coaching keeps leaders focused on task, while holding that compelling vision out for all to reach.

Leadership coach George Ritcheske says, "Too often executives are leaders by position, rather than leaders by direction. Positional leaders attempt to manage execution of the plan without engaging people at all levels of the organization in dialogue around what the strategic direction means to them or without finding out what they need (i.e. tools, training, knowledge) in order to align their day-to-day practices with the strategic direction. Coaches challenge executives to become strategic direction leaders by coaching them to convey their vision in a compelling way and to engage folks at community meetings to understand the purpose of the company's change of direction. Then coaches work with leaders and managers to create new methods, processes, and inspiration to operationalize and implement the new direction against measurable outcomes."

One of Ritcheske's clients, Jeff Kellogg, president of

Chateau Communities in Denver, offered feedback on his leadership coaching team. "We engaged executive coaches for leadership integration when we created our new company through merger three years ago... [O]ur coaches helped us accomplish in two days what would have taken us five days on our own. And those five days most likely would have been drawn out over six months. So, our coaches not only helped us save time, but they accelerated the impact of our leadership actions."

People accomplish more when they are coached. Executive teams typically lack processes, methods, strategies, or goals that could help them to be highly effective. The coach provides sample processes and methods to integrate into their interactions so that they become a highly skilled team, accomplishing strategic objectives in a more effortless manner.

*Attracting, Retaining, and Developing Leaders.* A recent *USA Today* cover story screamed the headline, "Overwhelmed CEOs Leaving in Drove" [3]. Listed among the seven primary factors making the chief executive's job tougher was: "Tech companies are wooing the most talented workers in a tight labor market." Indeed, companies around the world are doing everything they can to attract the talent they need. Keeping that talent while the company experiences extraordinary change is another issue.

Home Director is addressing this problem head-on. The two-year-old company was recently spun off from IBM. Home Director executives found that the key ingredient for attracting leaders and employees to transfer from IBM was that coaching was in place and that coach Jane Creswell was willing to stay on board. "These responses indicated to me that when justifying coaching as a corporate initiative, I just let the coaching and the results speak for themselves," says Creswell.

Mary Walker, chief executive of Home Director, says, "Our goal was to create an entrepreneurial atmosphere within our organization in IBM. We were able to motivate our employees to stay focused on utilizing their strengths to create a viable business, which resulted in the spin-off of our company. The secret was the coaching."

Creswell, now vice president of organizational development at Home Director, says, "We've been able to attract highly talented people with very different personalities who work really well together through coaching. Recruiting extremely good talent gives us a strategic advantage that's only feasible through coaching. To keep that strategy intact, we made coaching an even more important part of how we run our company by having the human resources department report to the coach."

At other companies, like GTE in Dallas, executive coaching is a strategic initiative for talent retention and development. Nancy Philabaum, executive coach and director of leadership and senior culture initiatives, says, "The reason coaching is included under the strategic category, as opposed to the customer, operations, or financial categories, is because coaching helps retain the talent we need to be successful in the future. It also

contributes to our leadership bench strength." She indicates that the number of companies using this strategy is increasing every day.

Indeed, companies are changing the way they think about what have previously been called "soft initiatives." Having individuals feel valued, to be contributing and innovative, and demonstrate "ownership," while meeting their professional needs and unleashing previously untapped abilities, is a critical strategy for the very survival of companies these days. The old idea of "use 'em up, burn 'em out, throw 'em away" does not work in today's marketplace. Coaching provides the answer for engaging people's talents while they learn and develop new skills simultaneously. Coaching also encourages inspired use of time and encourages people to stay and contribute because they know they are valued. Coaching is the way of attracting, developing and retaining talented individuals.

### **Standardizing the Coaching Industry**

Although the demand for coaching services and resources is strong today, there has been little standardization or certification in the industry. However, just as there once was no standardization in the fields of medicine or consulting, the field of executive leader coaching is making its way by identifying itself, its standards and boundaries, its competencies and experience bases.

In a recent article in *Fortune*, Warren Bennis of the University of Southern California School of Business was quoted as saying, "Who qualifies as an executive coach? At the moment, just about anybody. I'm concerned about unlicensed people doing this"[4]. Lucy Kellway continued the discussion in the London *Financial Times* by saying, "Now, in addition to the personal trainer, you also need an executive coach to prove that your career is as impressive as your body"[5]. She went on to say, "In order to become one [an executive coach] you need no qualifications, experience, or training whatsoever."

Bennis and Kellway were not the only professionals concerned with certification issues. The International Coaching Summit convened in late 1999 for the purpose of defining executive coaching and distinguishing between such coaches and all other coaches. Sponsored by the International Coaching Federation (ICF), the group of high-level coaches delineated specific proficiencies, competencies, and personal characteristics of those who are capable of working with organizational leaders. (See the sidebar, "Top Ten Characteristics of an Executive Leader Coach.") Results were published as a white paper entitled "Summary Findings from the International Executive Coaching Summit: A Collaborative Effort to Distinguish the Profession," which can be found on ICF's Web site ([www.coachfederation.org](http://www.coachfederation.org)).

The paper defines executive coaching as follows:

Executive Coaching is a facilitative one-to-one, mutually designed relationship between a professional coach and a key contributor who has a powerful position in the organization. This relationship occurs in

areas of business, government, not-for-profit, and educational organizations where there are multiple stakeholders and organizational sponsorship for the coach or coaching group. The coaching is contracted for the benefit of a client who is accountable for highly complex decisions with wide scope of impact on the organization and industry as a whole and who wants a strategic coaching partner to help achieve results. The focus of the coaching is usually around organizational performance or development, but may also have a personal component as well. The results produced from this relationship are observable and measurable, commensurate with the requirements the organization has for the performance of the person being coached[6].

### The Final Answer

The surge in requests for executive coaching has reached epic proportions, because it is believed to be a highly effective strategic intervention that can help leaders to be more successful in shorter periods of time. It is not just another initiative. It's here to stay, because business realities demand it.

#### Top Ten Characteristics of an Executive Leader Coach

- Respected reputation for coaching executives with fiduciary responsibility to multiple stakeholders.
- Values stewardship of human, financial, and intellectual capital as well as social resources.
- Has thorough understanding of the world of the leader.
- Broad understanding of leadership and adult development.
- Working knowledge of complex systems and system dynamics with ability to intervene in the system.
- High level of proficiency in communication processes.
- Advanced coaching skills and capabilities.
- Highly creative and innovative with a bent for lifelong learning.
- Ability to ask tough strategic questions and point out blind spots.
- High standards of personal and professional ethics.

The industry of coaching is advancing in its development of training, certification, and ethical boundaries. Large numbers of executive coaches are meeting to advance the cause and distinguish for the business world the characteristics, experience, reputations, proficiencies, and ethics of their work so that organizations will know what to request of the coach of their leaders.

Executive coaching is the strategic key to opening the doors to high-level performance in all areas of leadership. It is often the determinant factor of a company's success as well as the personal and professional success of the individuals being coached. As Ray Lamb of IBM says, "Strategic? Absolutely! Coaching is and will continue to be so!" ■

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