Coaching Practices and Prospects:

The Flexible Leadership Awards Program in Context

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Introduction

The Evelyn and Walter Haas, Jr. Fund commissioned this review of coaching to inform its strategies for supporting leadership development among its grantees. As reported in the following pages, coaching is increasingly popular in both the corporate and nonprofit sectors, and constitutes the single largest expenditure-category among organizations participating in the Fund's Flexible Leadership Awards (FLA) Program.   Given its investment in coaching and its commitment to leadership development, the Fund sought to learn about important trends and key questions in the coaching field and, more particularly, how leaders in the FLA program are using coaching, and to what effect. This report attempts to provide information and insight on all these fronts.

It's the aim of all reports like this to help readers make sense of a sprawling and complex topic by providing a coherent account organized around key themes. But in a case like coaching – where an emerging field is prone to confusion, contradictions, and uncertain claims – it's also important not to make the picture too neat, airbrushing out the very imperfections an investor should confront. Toward that end, this report focuses not only on what is known about coaching, but also what is unknown, uncertain or contested.   It is best read, then, as part primer and part due-diligence report.

Readers of such a report may look for an answer to the question, Does coaching work? But with coaching already an established tool in the leadership development repertoire, the better question may be, under what conditions, and in support of what goals, does coaching work best?

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I am grateful to those who granted interviews for this report, especially five executive directors of participating FLA organizations. The interviewees were uniformly generous and intellectually curious -- an ideal, virtual learning community.

Summary

The Upshot

Coaching is widely used by FLA participants. Their experiences – as revealed in surveys, discussion groups, and research interviews – suggest coaching is not only a favored leadership development resource, but an effective one. FLA's approach to coaching already reflects recommended practice on several dimensions. Informed by the recent research reported here, FLA can improve the prospects for effective, high-impact coaching even further, and can likely establish itself among the most sophisticated sponsors, in either the nonprofit or business sectors, of this increasingly popular practice.

participants in the 21st Century Fellows Program, all of whom receive coaching

The prevalence and origins of coaching

- About 50% of North American companies use coaching, half of them more so than in the past. Of those who don't use it, 40% say they will do so in the future.
- There is no comprehensive data about the prevalence of coaching among nonprofits, although 54% of foundations report they have funded coaching.
- Coaching is the largest single expenditure category among FLA organizations, slightly ahead of strategic planning, and accounts for 20% of total outlays.
- The rise of coaching among businesses in the 1980s is attributed to the need for more adaptive, responsive leadership in a time of economic transformation. The rise of coaching among nonprofits is more associated with the need to develop emerging leaders, especially given a feared shortage of executive directors. It's also likely that some of coaching's popularity in both sectors is owing to social contagion.

Coaching defined

- Coaching is generally defined as a short- or medium-term consultation aimed at helping a leader improve work performance by gaining more personal awareness and reflecting more deeply on decisions.
- Proponents of certified, professional coaching distinguish coaching from consulting, advice-giving, mentoring, and psychotherapy -- but many coaches and coachees disregard these distinctions in their work.

Coaching as practiced

- Three versions of coaching have emerged within FLA:
    1. *Coaching as profession*, offered by full-time coaches who have and favor certification;
    2. *Coaching as practice*, offered full- or part-time by consultants who rely on their past experience in the nonprofit sector, rather than on formal coach training; and
    3. *Coaching as perspective*, an increasingly common approach in which managers or consultants consciously take a coaching stance in their work.
- In some cases, coaches compensate for managers who are unable or unwilling to assume responsibility for the development of their staffs.

The good engagement: Clear, measurable goals linking individuals and organizations

- There is widespread consensus that these are the hallmarks of good coaching, although some surveys suggest businesses are also tolerant of coaching in which individual and organizational goals are only loosely aligned.
- FLA coaching varies, with some engagements carefully structured around clearly specified organizational goals and others organized more to build individual leadership capacities that can be deployed in the service of multiple but unspecified organizational goals.
- Coaches in FLA do not typically assess the progress of their coachees, although the FLA program is being modified already to encourage assessment.

The experience and effects of coaching in FLA

- Coaching is widely valued by FLA executives, many of whom credit it for significant successes in their organizations.
- Survey findings indicate that EDs consider coaching more important for advancing *organizational* effectiveness goals than for developing *individual* leadership more broadly.
- The EDs also consider coaching most *effective* as a resource for advancing organizational effectiveness goals.
- In interviews, five EDs were asked to discuss recent organizational successes and struggles (with no prompting to discuss the role of coaching in these events): Coaching figured much more prominently in the successes than in the struggles, a possible indication of its effectiveness.
- EDs whose coaching was organized around clear goals (whether individual or organizational) report more significant gains than their peers.
- Even when specific individual and organizational goals were not tightly aligned – a preferred practice in the field – EDs reported significant coaching benefits.
- EDs' common reports of increased capacities for self-awareness and reflection are strikingly encouraging when viewed against recent cognitive psychology research, which suggests the best judgments are the product of meta-cognition – the process of reflecting while working.

Designing a coaching initiative

- FLA should consider providing for its participants what HR departments do for their businesses: information and assistance in designing effective coaching engagements that advance both individual and organizational development.
- So as not to intrude on EDs' prerogatives, FLA's approach should focus on helping EDs create their own simple, results-oriented plans that demonstrate they have clear goals, have sought a good coach-client match, and have some resources for assessing progress.
- FLA's coaching practices already conform to favored or evidence-based practices on several dimensions. In the design of future coaching initiatives, FLA should consider adapting or incorporating several increasingly popular practices, such as:
    1. 'Triangles,' in which an employer, coach, and coachee define individual goals linked to organizational objectives and then monitor progress for the benefit of the organization;
    2. Readiness criteria – about which consensus is now emerging – for the selection of coaching candidates, or for assisting EDs in determining if they are good candidates; and
    3. Systematic approaches to assessing coachees' progress, such as 360-degree feedback processes.
- Recommendations on these and other design points are included in the report.

The Prevalence and Origins of Coaching

Coaching is in wide use and gaining in popularity among businesses. A 2008 survey of over 1,000 executives and managers, commissioned by the American Management Association, found that 52% of North American companies use coaching, and over half of these are using coaching more now than in the past. Almost 40% of respondents whose companies do not use coaching expect they will begin instituting coaching programs in the future. (American Management Association) A 2004 *Harvard Business Review* article reports that "annual spending on coaching in the United States is estimated at roughly $1 billion." (Sherman and Freas) Supply-side figures also suggest robust and growing use of coaching: the International Coach Federation (ICF), which calls itself the world's largest "nonprofit professional organization" for coaches, has seen its membership across 34 countries rise from 2,000 in 1999 to 13,000 (with nearly two-thirds in North America) in 2007. (International Coach Federation)

There is almost no data on the prevalence of coaching among nonprofits. In a 2006 survey of 321 foundation leaders and managers prepared for Grantmakers for Effective Organizations (GEO), 54% said their organizations had supported coaching (some for as long as 10 years), and 71% said they were 'interested' or 'very interested' in learning more about coaching. (GEO) The survey itself is both a report on and indicator of this growing interest. It was conducted as part of the Coaching and Philanthropy Project (CAP) – a partnership that has included, at different points: GEO; BTW – *informing change* (a consulting firm); Leadership that Works (a coaching firm); and Compasspoint Nonprofit Services. Launched by the W.K. Kellogg Foundation in 2005, CAP is a leading proponent of coaching in the nonprofit sector, which it promotes through research and networking initiatives. It characterizes coaching as "a very promising practice" and its transfer from the business to the nonprofit sector as "slow," with "little documentation of the process and examination of its successes." (GEO)
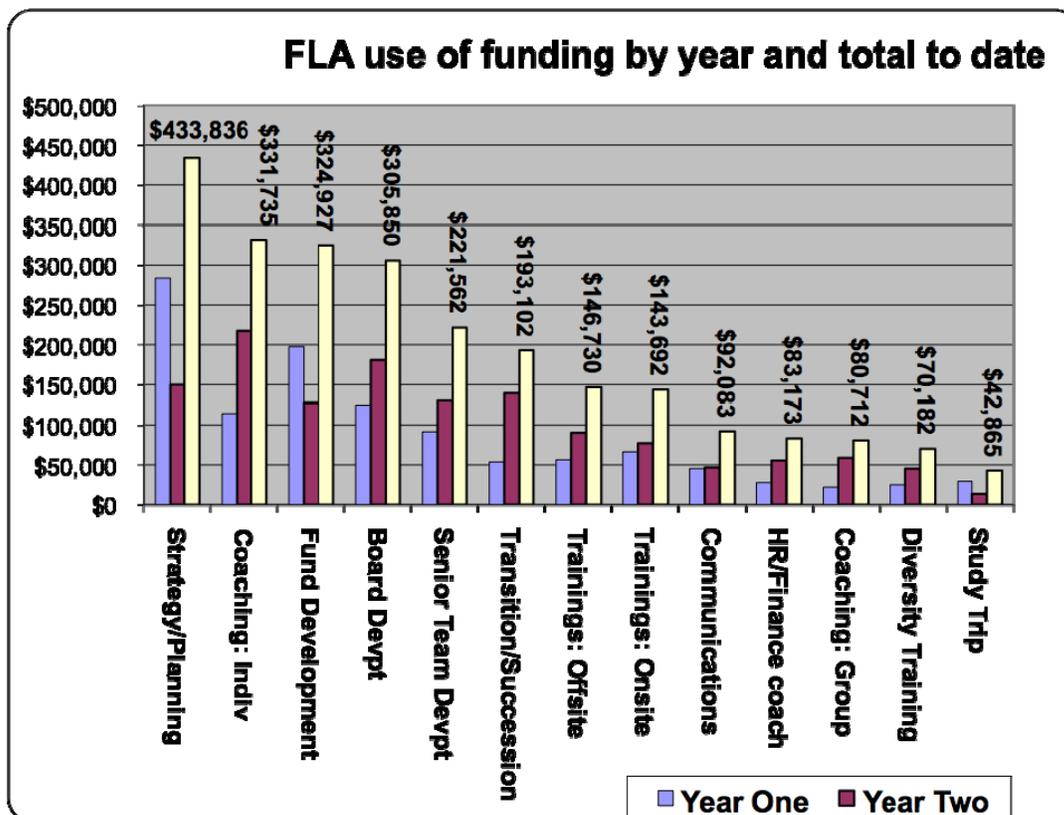
If CAP's characterization is right, then FLA is likely in the vanguard of investors in coaching, although not a proponent of it per se. In the words of Linda Wood, the Fund's senior program officer for leadership and governance, FLA "did not set out to do coaching." The program's support for coaching has been more a response to the preferences of participants. Indeed, an early review of executive directors' (EDs') experiences in FLA found that "coaching -- of EDs, management teams, and board members – was most cited, with the most intensity, as important to [participants' overall] progress." (Ryan 2006)

Not surprisingly, spending on coaching has matched EDs' enthusiasm for it. As the chart below indicates, FLA tracks coaching expenditures in three ways: coaching for individuals; coaching for groups; and coaching on human resources and finance. (See Exhibit A.) Over the program's first two years, participants' expenditures in these categories totaled about $495,000, or 20% of

the program's total outlay of nearly $2.5 million, making coaching the single largest expenditure category.   Investment in coaching was slightly greater than the next largest category -- strategy planning and development -- which accounted for 18% of all FLA spending. FLA's records also show that by the end of their second year, 12 of 14 participating organizations were using coaching. And during their second year of participation, these 12 allocated on average 28% of their FLA funding to coaching.

Exhibit A

FLA use of funding by year and total to date

Category	Total to date
Strategy/Planning	$433,836
Coaching: Indiv	$331,735
Fund Development	$324,927
Board Devpt	$305,850
Senior Team Devpt	$221,562
Transition/Succession	$193,102
Trainings: Offsite	$146,730
Trainings: Onsite	$143,692
Communications	$92,083
HR/Finance coach	$83,173
Coaching: Group	$80,712
Diversity Training	$70,182
Study Trip	$42,865

Legend: Year One, Year Two

Source: Flexible Leadership Awards Program.

Analysts of coaching among businesses trace its emergence to tectonic shifts that transformed the corporate landscape beginning in the 1970s. Globalization, a shift from manufacturing to services, and the influence of technology on business processes – among other factors – complicated the work of managers and executives. Without explaining exactly why, a number of commentators assert that these changes demanded leaders and managers, in the words of two coach-authors, with a "a subtler set of competencies: the communication and relationship skills required to influence and energize employees, adaptability to rapid change, and respect for people of diverse backgrounds. Today, executives expect emotional intelligence from supervisors and colleagues but find it's in scarce supply." (Freas) By the late 1980s, according to this analysis, coaching arose to help fill the gap by developing leaders in new ways.

Nonprofit analysts tend to credit the rise of coaching less to a shortage of distinctive leadership skills and more to a shortage of leadership – period. Compasspoint Nonprofit Services mounted one of the first studies of nonprofit coaching in 2001 with its Executive Coaching Project, which offered 24 EDs 40 hours of one-on-one coaching, partly to see if coaching could be a useful

resource for retaining talent in the sector. And at least since the publication in 1999 of Compasspoint's "Leadership Lost: A Study on Executive Director Tenure and Experience," several analysts have contributed to an increasingly influential narrative that warns of sector-wide disruptions as older, experienced EDs leave their jobs. (Compasspoint) The most alarming of these was a 2006 report by the nonprofit consulting firm Bridgespan, whose co-founder Tom Tierney, under the title *The Leadership Deficit*, predicted the sector would face 640,000 senior management vacancies within ten years. (Tierney) Coping with this feared scenario has become one rationale for the use of coaching, which some see as a way of developing the relatively less experienced leaders the sector will soon rely on. (Coaching is also mentioned as a resource to delay some of this massive turnover by forestalling burn-out among incumbent EDs).

Perhaps related to these analyses about a generational shift, some commentators argue for the use of coaching partly because younger workers like it. Widely recognized for having reconceived the work of its management in the image of coaching, the consulting firm Deloitte and Touche USA stresses the preference of Gen Y workers in explaining its commitment to becoming a "a coached organization." "This new generation," says the firm's Maribeth Bailey in a publication entitled *Catching the Coaching Wave*, "is familiar with being coached by parents, teachers, counselors, and peers…They're conditioned to expect coaching from everyone in their network." (Deloitte) Coaches Madeleine Homan and Linda Miller make a similar point in their *Coaching in Organizations*, noting that "young people feel they are special and unique…younger workers expect to be developed; many see it as a right." (Homan)

An alternative analysis sees the rise of coaching at least partly as a social phenomenon. Interviewees for this report, including coaches themselves, described the practice variously as "a fad," "*au courant*," the "new, hot thing," and the successor to strategic planning as the favored business process "*du jour*." The idea of a "coaching bubble" fueled partly by social contagion is not new to sociologists, including those who have studied business processes. They use the term "isomorphism" to describe the tendency of firms to imitate each other. (DiMaggio) They argue that firms adopt popular practices not because they know with certainty what to do in order to improve their performance, but precisely because they don't. When unsure how to tackle a challenge, the tendency is to imitate other, seemingly effective or more confident firms – until almost everyone is using a given practice, and not doing so would mark a firm as a laggard, subject to questions about why it is not using "best (i.e., popular) practices."

Coaching Defined

Nothing captures coaching's standing as an emerging discipline like the need of its practitioners to begin every conversation on the topic with a definition. "It is important to create a clear definition of executive coaching," begins a report by Sherpa Coaching, a leading coach-training firm, "in order to avoid confusion with unrelated activities." (Sherpa)   Toward that end, the Sherpa authors write, "Executive coaching means: regular meetings between a business leader and a trained facilitator, designed to produce positive changes in business behavior in a limited time frame."

The American Management Association emphasizes similar features in defining coaching as "a short- to medium-term relationship between a manager or senior leader and a consultant (internal or external) with the purpose of improving work performance." (AMA) Others give more emphasis to the importance of self-understanding and introspection in the process. Nonprofit coaching analysts Michelle Gislason and Judith Wilson write that coaching is "a collaborative conversational approach that supports individuals to think more clearly, learn and reflect, build upon their internal resources, and make more conscious decisions." (Gislason)

Oddly, the most long-winded definition comes from one of the most authoritative sources, the International Coach Federation, a standard setting-body for the field. It offers the following short essay as a definition in its 2007 annual report, under the headline "ICF Definition of Coaching":

> *The ICF defines coaching as partnering with clients in a thought-provoking and creative process that inspires them to maximize their personal and professional potential. Coaching is an ongoing relationship which focuses on clients taking action toward the realization of their visions, goals or desires. Coaching uses a process of inquiry and personal discovery to build the client's level of awareness and responsibility and provides the client with structure, support and feedback. The coaching process helps clients both define and achieve professional and personal goals faster and with more ease than would be possible otherwise. (International Coach Federation)*

Definitions like these contrast with those of established professions. For example, the American Psychological Association defines psychology in 12 words: "the scientific study of the behavior of individuals and their mental processes." (American Psychological Association) More important than the economy of this definition is the fact that it has no practical value. As an established discipline, psychology needs no defining. Not so coaching. Indeed, cognizant of the field's struggle to arrive at a crisp definition, Sherpa boasts that its own definition is "becoming widely recognized," adding that the European Foundation for Management Development has adopted it "in communications with its members in seventy countries." (Sherpa)

Almost as if following a formula, most definitions of coaching proceed from describing the practice generally to contrasting it with other endeavors on one or more dimensions. Sherpa's summary is typical. Coaches "do not share their own experiences (as do mentors), do not give advice (as do consultants), do NOT impart specific knowledge (as trainers do), and avoid personal issues (the role of a counselor or coach)." The AMA recounts the struggle to contrast coaching and mentoring, noting there is "no shortage of debate over the differences, real or imagined, between coaching and mentoring." It says the latter "generally refers to the relationship between a senior, more experienced employee who helps a younger, less experienced employee navigate his or her way to success in the organization." Coaching, in contrast, is a formal process, more likely to occur mid- rather than early-career, and does not last as long.

Many coaching proponents take great pains to distinguish coaching from psycho-therapy, emphasizing that therapy focuses on the past, aims to address dysfunction, and can be a long-term project. This anxiety about coaching's proximity to psychotherapy probably reflects – and doubtless reinforces – the stigma that attaches to the latter. The leadership writer Warren Bennis is quoted on this point in a *Harvard Business Review* article: "A lot of executive coaching is really an acceptable form of psychotherapy. It's still tough to say, 'I'm going to see my therapist.' It's okay to say, 'I'm getting counseling from my coach.'" (Ironically, many forms of psychotherapy increasingly resemble coaching, focused as they are on short-term goals and future-oriented behavioral changes. And while coaching struggles to gain its place in the workplace, nearly all employers already provide employees access to psychotherapy – stigmatized or not – through their insurance plans.)

Coaching proponents are perhaps most eager to distinguish coaching from generic advice-giving, which, presumably, anyone can do. "Coaching is NOT…advice," emphasize the authors a 2009 BlessingWhite, Inc. report. **"**Although managers may occasionally need to supply the 'right answer,'" according to the report, "more often than not coaching involves helping team members think through situations and formulate their own solutions."(BlessingWhite)
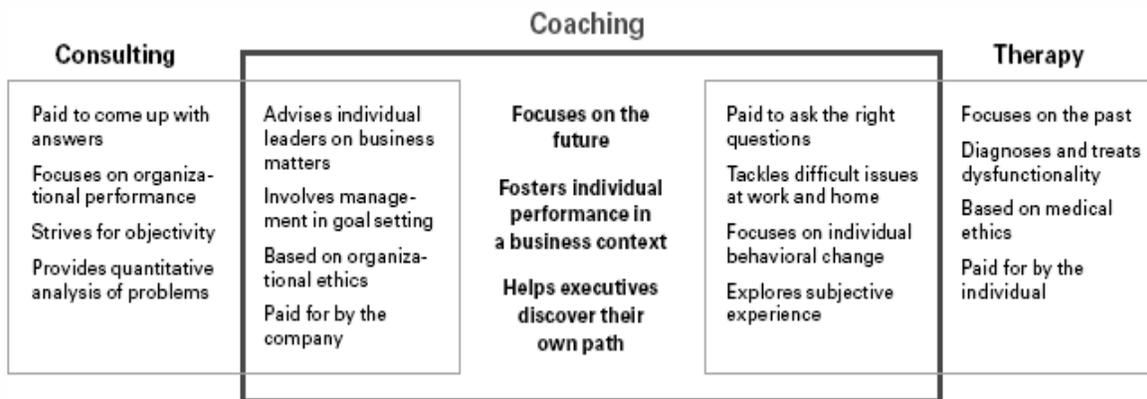
The only problem with these distinctions is that coaches and their clients often fail to respect them.   Although the authors of the BlessingWhite report insist that coaching is not advice-giving, their survey found that in response to the question, What coaching action did you value most?, 13% of coachees said their stand-out coaches "guided me by sharing personal insights, learnings, and experiences." A number of coaches interviewed for this report referred to the distinction between coaching and advising, and then explained the exceptions they make. "In training, they emphasize that you should never give advice," said one. "But in working with new leaders, I'm going to give help. I clarify when I'm stepping into a consulting role, though." Almost every coach reported making similar exceptions, and for some, advice-giving is closer to the norm than the exception.

While Sherpa declares that coaching "avoids personal issues," most coaches and coachees interviewed for this report see dealing with personal issues, albeit in a work context, as the very essence of coaching. Two coaches used the phrase "gray area" in trying to locate the boundary between therapy and coaching. And one argued that "It's impossible to do ED leadership development without addressing the emotional life. Leaders have to be in touch with their emotional lives. You may happen to be in touch with your inner life. But if you're not, you need help getting there."

And as we will explore later in more depth, one FLA coaching case study reveals a coaching approach that would be hard to distinguish from mentoring. An older, "wise" counselor with deep experience in the nonprofit's mission "coaches" its ED with a blend of techniques that includes giving advice and sharing insights. Perhaps reflecting a broader trend toward this conflation of coaching and mentoring is the emergence of the Professional Coaches & Mentors Association. Its approach to "helping others be successful and reach their potential" insists on breaking down one of the fragile boundaries separating coaching from the "unrelated activities" cited by Sherpa. It reports a 27% increase in its membership over the past year. (Professional Coaches & Mentors Association)

A recent *Harvard Business Review* overview of coaching highlights what many in the field downplay: that "coaching borrows from both consulting and therapy," a mixed lineage it describes in the following graphic. (Coutu)

Coaching borrows from both consulting and therapy

Consulting	Coaching			Therapy
Paid to come up with answers	Advises individual leaders on business matters	**Focuses on the future**	Paid to ask the right questions	Focuses on the past
Focuses on organizational performance	Involves management in goal setting	**Fosters individual performance in a business context**	Tackles difficult issues at work and home	Diagnoses and treats dysfunctionality
Strives for objectivity	Based on organizational ethics		Focuses on individual behavioral change	Based on medical ethics
Provides quantitative analysis of problems	Paid for by the company	**Helps executives discover their own path**	Explores subjective experience	Paid for by the individual

Source: Coutu.

Against this backdrop, it may not be surprising that even the biggest purchasers of coaching services sidestep the swamp of contested and belabored definitions. After offering their own definition, the authors of the BlessingWhite report note that their survey finds that "most organizations participating in our study do not have a formal definition of coaching."

This report will not adopt or attempt to create one, since that would obscure one of its central findings: coaching is struggling to define itself.

Coaching as Practiced

Ultimately coaching will be defined by the way it is delivered. And the accounts of FLA participants suggest three approaches to coaching: coaching as profession; coaching as practice; and coaching as perspective. Each of the three orientations is situated in an unfolding debate about the professionalization of coaching, the outcome of which will shape the coaching landscape in the coming years. (See the appendix, "Is It or Isn't a Profession?")

- **Coaching as profession.** Those who (1) participate in and advocate formal training for coaches, preferably by accredited schools, and (2) offer coaching services as a livelihood, naturally see coaching as a profession.

- **Coaching as practice.** Rather than formal training, practitioners draw on their experience as executive directors or organizational development consultants to inform their work as coaches, which they may do full-time or alongside other types of consulting. Former consultants often report, in the words of one, that "I didn't recognize my work as coaching until recently." Having made this discovery, many rename and reposition themselves as coaches.

- **Coaching as perspective.** A third group are not coaches per se, but rather managers or "content consultants" who consciously take a coaching stance in their work with clients or staffs.

Because it is relatively new, and may be especially pertinent to nonprofits, coaching-as-perspective warrants particular consideration. It is most evident in the recent trend, both in the corporate and nonprofit workplace, toward a coaching style of management. Its biggest corporate champion, the consulting firm Deloitte, aspires to become a "coached organization" where its "partners and staff will have the ability to engage in more open dialogue regarding performance and development." (Deloitte) Recent surveys indicate the practice is spreading. BlessingWhite reports that 54% of employees surveyed "indicated that they received coaching from their current manager." Advocates say the approach delivers results. Deloitte sees the practice as essential for any "high performing organization," and 90% of BlessingWhite respondents with seven or more years of management experience agree that "the time I spend coaching my team members pays off by helping me achieve my goals."

Compasspoint Nonprofit Services is supporting the practice among nonprofit managers, partly to respond to their demand for it. Michelle Gislason explains that many managers who have been coached want to extend its benefits to their staffs. They believe this coaching "cascade"

will improve their organizations' performance. In a forthcoming book on the topic – *Coaching Skills for Nonprofit Managers* – Gislason and co-author Judith Wilson provide detailed advice on taking a coaching approach to management.

Alongside the trend toward *management as coaching*, say some observers, is its troubling inverted version: *coaching as management*. In their view, coaching is nothing more than old-fashioned management -- outsourced. Freas and Sherman declare that coaches serve "as out-sourced suppliers of candor, providing individual leaders with objective feedback needed to nourish their own growth." Several interviewees for this report made the same point, using the very term outsourced. One Plan Consultant described the experience of a second-tier manager at an FLA organization as follows:

> *He received what you'd expect to get from an ED: someone to give consistent attention, to serve as a good sounding board, and to provide guidance. It was really kind of transformative for him…Coaching was filling a [management] vacuum here. Whether it's a good thing or not is a whole different discussion. One response is to have the ED do that work. But it's not going to happen. [This ED] is not interested in that. He's been an ED for a long time, and does his job the way he does his job, and the organization succeeds anyway, with a positive and supportive culture. This fills a hole in a relatively inexpensive and effective way.*

Management-as-coaching and coaching-as-management could be a helpful contrast for the design of capacity-building programs. The former promises to develop managers and leaders. The latter, offered to second-tier managers, may enable and compensate for poor management by their bosses.

FLA Plan Consultants have identified coach-consulting as an especially promising practice. At a December 2008 meeting where they analyzed notable successes of organizations in their portfolios, the majority of cases turned on the use of coach-consulting. The Plan Consultants found especially attractive the idea that capacity gains in a technical area can be effectively sustained when combined with some developmental coaching. This approach may also address a paradox facing many capacity-builders: to build capacity, an organization needs capacity. If staff are uncertain in new roles, overwhelmed by the demands of their jobs, and working in under-managed environments, it's difficult to offer "content consulting" with any assurance it will lead to sustained improvements and results. Coach-consulting can fill the gap.

The Good Engagement:
Clear, Measurable Goals Linking Individuals and Organizations

Executive coaches may struggle to define themselves as a field, but they speak clearly, and almost with one voice, in describing a successful engagement. It's one that is: organized around clear goals; features some form of assessment; and links individual development to organizational performance.

In gushing that "all coaches…are ruthlessly results-oriented," a 2007 *Fast Company* article (Tristam) describes a cherished norm – if not reality – of executive coaching: the use of clear, measurable goals. As coaches Homan and Miller write, "Every coaching experience should be a journey with a clear and definable destination, and the coach is responsible for managing the pathways." (Homan) Among the typical goals they cite are: "increasing levels of communication among team members, improving retention of key employees by a certain percentage, identifying specific sales date or targets, and increasing leadership effectiveness as evidenced by a particular promotion." Coaches Stratford Sherman and Alyssa Freas describe a similar approach in their 2004 *Harvard Business Review* article: "We recommend setting measurable goals, usually three, that coaching realistically can achieve. Typically, action plans are expressed in terms of specific behaviors." Purchasers of coaching also appreciate the importance of goals to an engagement. The AMA study finds that "the more a company has a clear reason for using a coach, the more likely its coaching process will be viewed as successful."

Both organizational and individual coaching goals lend themselves at least in part to assessment. Many firms already have metrics for measuring progress on goals like market share; retention and turnover rates; or on-time product launches. And progress toward building or changing "the skills and behaviors that must occur at the individual level" (AMA) can often be assessed as well. Although not the most rigorous technique, self-assessments in which coachees rate their own progress at least provide an occasion for honest reflection. More ambitious is the 360-degree feedback process, in which colleagues, direct reports, bosses, and even customers rate a coachee's behavior on multiple dimensions. These not only generate some of the goals of coaching – e.g., when a coachee learns others regard her as confrontational or conflict-avoidant – but provide a way of tracking change over time. Rigorously designed coaching engagements feature both a pre- and post- 360 assessment.

Coaching proponents disagree about the feasibility and importance of strictly quantifying its results. While they favor creating goals and assessing progress, Sherman and Freas argue that "the essentially human nature of coaching is what makes it work – and also what makes it

nearly impossible to quantify." In contrast, Sherpa Coaching has created its own formula for calculating coaching's return on investment (ROI), but it appears to be a mix of exacting statistical methods and highly subjective judgments. (Sherpa) In any case, even the more elaborate approaches to calculating ROI are mostly silent on the question of causality, and seem to settle for a standard of plausible attribution that roughly links the coaching intervention to a desired result.

Like coaches themselves, the purchasers of coaching are somewhat divided on the importance of quantification. Thirty-nine percent of survey respondents in the AMA study cited the "difficulty of measuring ROI" as a as a reason for terminating coaching arrangements. But Sherpa's survey finds that while 87% of respondents see the value of coaching as "somewhat" or "very high," only 13% calculate its ROI. And "larger companies (1,000 employees and up) don't try to measure ROI any more often than smaller firms."

The corporate sector may differ from its nonprofit counterpart in this indifference to rigorous outcome studies. After a panel of FLA nonprofit leaders testified to the importance of coaching at a 2008 GEO conference, many in the audience of foundation program officers seemed unwilling to consider coaching's potential in the absence of outcome evaluations that demonstrate its impact. In a sector whose funders are often allied with the social sciences and committed to program evaluation, this view may counteract the spread of coaching by social contagion -- even if it costs nonprofit organizations and leaders a valuable resource.

The prevalent view among coaching analysts is that clear, measurable goals alone do not make for a well designed engagement: the goals must link individual behavior and organizational objectives. Sherman and Freas state the case plainly:

> *Coaching is fundamentally a business proposition. Its purpose is to produce learning, behavioral change, and growth in the coachee for the economic benefit of a third party – the client that employs the coachee… The work succeeds when all the people involved agree on explicit goals that genuinely further their own interests as well as the common good.*

Homan and Wilson echo the sentiment, which is widely expressed in the promotional materials of coaching firms, by noting that "for an executive coach, 'strengthening capacity' means aligning…organizational goals and competencies" with an individual's development needs. This approach often creates a "triangular" relationship in which the coach, coachee, and the coachee's employer shape and monitor the engagement together.

FLA: Goals, Alignment, Assessment. This ideal – of coaching that aligns explicit individual goals with clear organizational objectives – speaks directly to a central design tenet of FLA, and to one of the program's biggest challenges. As formulated in a 2006 review of the program, and then incorporated into the program's logic model, FLA's goal is to "use the *Fund's resources* to *develop leaders* capable of improving *organizational effectiveness* in ways that will yield greater *social impact.*" (Ryan 2006) Hence FLA is neither an organizational capacity-building program, nor a leadership development program, but rather a resource for bridging the two to advance the social goals of the Fund's important grantees.

Converting the logic model into an operating program has proved challenging. Only a few of the participating EDs debriefed for the 2006 review seemed at that point to have internalized the

program's logic. The experience of one such "positive deviant" was summarized in the report as follows (Ryan 2006):

Social Impact Goals	Organizational Effectiveness Goals	Leadership DevelopmentGoals	FLA Resources
Greater social justice for low-income people of San Francisco	Given nature of grass-roots organizing on seemingly intractable problems, how do we develop and sustain staff for long, burn-out free tenures?	To shift from aversion and "fear of management work" required to support others to "seeing the creative opportunities" that allow an ED to support, develop, and engage staff more productively in the face of these challenges.	"FLA has helped me turn the corner" by providing space for reflection, coaching, and access to a leadership seminar focused on these issues.

More often, EDs did not express clear goals (although they typically did in their documents). And even where goals were clear, most ED accounts focused on *either* leadership development *or* organizational development, and did not bridge the gap.

The use of coaching raises this issue of individual and organizational alignment once more -- with cause for both encouragement and concern. The accounts of some FLA coaches indicate that it is indeed possible to structure coaching to support organizational objectives. For example, one coach says he manages the biggest risk of coaching – "working with coachees in isolation" – by learning about coachees' recent performance evaluations and their organizations' strategic plans. Another has been certified in a coaching method (ORSC, for Organization and Relationship Systems Coaching) that "says if you're coaching the individual, you need to understand that they're trying to shift the system." A third organizes ED coaching around the organization's SMART goals. In one case, this approach has succeeded in engaging a leader not given to introspection by linking her personal challenges directly to the organizational goals that do inspire her. Yet another organization started with a "lack of clarity about why they wanted coaching," which caused them to abandon the effort, but later worked with new coaches who now help the ED reflect on the challenge of "engaging diverse communities in her work." Centered on the nexus of her own development and the organization's diversity goals, this coaching has proved to be "by far the most valuable resource" the ED has had, and the benefits of the coaching "have really stuck."

Alongside these cases of organization-focused coaching are plenty of counterexamples, where either by design or default the coaching ends up focused primarily on individual development. "Usually the client drives" attention to goals, said one coach, adding, "if the client is not interested [in working toward specific organizational goals], I'll work on the benefits of reflection." In fact, says this coach, some EDs focus on organizational goals "to their detriment," because it prevents them from reflecting. Describing another coach's work with an ED, a plan consultant said, "He's not working toward performance goals. He's developing internal leadership exercised in a planful way." Many engagements seem to be organized around, in the words of another coach, this type of "broad developmental work. It's a way of approaching day-to-day work, not necessarily a specific challenge. It's that dimension: How do I get work done? How do I keep focused? How do I have a different conversation? -- versus questions of vision, strategy, where are we going?"

Not all coaches are untroubled by the gap between organizational and individual goals.   At a December 2007 meeting of FLA consultants, one executive coach stimulated an intense

dialogue around the question she finds most perplexing in her work: "Am I coaching in a vacuum?" Coachees and coaches explored this question further in separate meetings in June 2008. The data collected at those meetings, arrayed in the quadrant-diagram at Exhibit B, were intended only to stimulate a dialogue, and it would be dangerous to generalize from them. But they do suggest that coaches may have difficulty judging whether their work supports the goals of their coachees' organizations. *While all of the executive coaches felt they were addressing both individual development and organizational goals, only half the coachees reported that alignment.* The other half saw coaching as more individual focused.[1] Even more striking were the views of content coaches. By its nature, their work – in areas like strategic planning, human resources, and fundraising – should facilitate individual and organizational alignment. Yet most content coaches saw their work as mostly focused on *individual* development.

The weak alignment of organizational and individual goals may be owing partly to the structure of FLA coaching engagements, which lack the "triangles" so common in corporate environments. In a coaching triangle, an employer, coach and coachee set goals and monitor progress, while preserving confidentiality about the substance of the coaching dialogue. In the nonprofit sector, said one observer, "a huge question is, Who's the client? Ideally, coaching is happening in the context of the organization, where the formal, official client is the organization and the primary client is the individual. They should be inter-related." Describing a "dance around whether the coach is on the side of the individual" or working on "the nonprofit mission and the nonprofit work," another agreed that the "private sector triangulates a little better."

A case recounted (and hopefully embellished) by one coach points directly to this structural issue and its consequences:

> *Who's your client? When the client is the CEO who says I'll authorize the coach for myself, that's one scenario. You tend to have a narrow coaching focus aimed at the client's goals. Even in FLA, nonprofit coaching is almost always individually set up with the ED, and is not initiated by the board. Goals are not agreed to by the organization, or the board president. There are probably good reasons for this. The board president of a nonprofit is not like the CEO of a corporation in terms of having a true grasp of the environment and the needs of the organization…For example, I have a client [unrelated to FLA] that I've been coaching for two and a half years, and I don't think she has the ED skills. She's as sweet as can be, but I'm at a loss. She can't read financial statements, or write a sentence. What do I do? I have no relationship with the board to give them an assessment. Who am I to make the assessment anyway? Is my role to just continue supporting her? But if I were working with the board I could make a judgment. I'm honestly conflicted. On the one hand, coaching is one place where EDs can say, "My God, I don't have the skills to do this." On the other hand…*

A nightmare scenario for many coaching advocates, this case provides an example of what one coach considers "personal coaching that happens to take place in an organization."

Several observers caution against over-reacting to such loose alignment. They argue that the link between personal development goals and organizational goals is often necessarily attenuated. "I think I was tighter about all this going in," reflected one FLA participant. "I wanted

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[1] The data do not describe matched pairs of coach-coachees. The two groups were reflecting generally on their experiences with coaching sponsored by FLA.

to see this direct link between coaching and the EDs' performance and their organization." But reflecting on her coaching, she now feels the "idea that there's a clear, linear, input-output-outcome connection is not realistic all the time." In her own coaching, for example, she's identified areas for behavioral improvement – but they don't correspond directly to any organizational goal she's pursuing.

A simple case recounted by one coach provides an example of how coaching might be effective, even when not organized around a specific organizational goal:

> *I had an ED complaining about an inconsistent board member who wasn't following through on commitments and was wishy-washy. I said, Are you willing to look at your own relationship to being wishy-washy? His own wishy-washiness signaled that it was OK for the board member to be that way. Now he can bring that insight back to the work – stating his views more clearly and asking for greater clarity about board members' commitments. It's about being in that relationship, and it's seeing how it's spreading to other board members and prospective board members. Clearing it up in this case might clear up the system.*

"Clearing up the system" does not advance a specific organizational goal. But it is easy to imagine that new board norms about responsibility might improve the board's work *overall*. Paradoxically, coaching that does not advance a specific organizational goal could contribute to the advancement of all of an organization's goals.

Exhibit B:
Characterizations of Coaching Engagements by
FLA Coaches and Coachees, June 2008
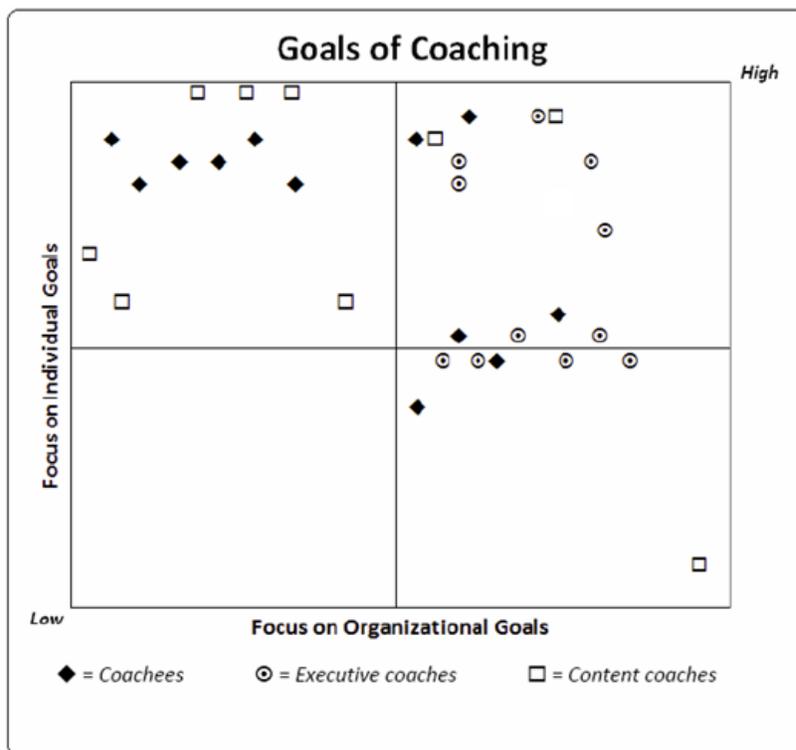
Source: Ryan 2008

What is the right stance? On the one hand, paying no attention to organizational context seems to squander coaching's potential. But on the other, over-correcting by seeking perfect individual-organizational alignment may hold coaching to an impossible standard. And if we look at what corporate purchasers of coaching actually report – and not what the coaching field's advocates say -- coaching appears distinctly more developmental. AMA's survey findings suggest very mixed goals. It's true that 56% of respondents sponsor coaching to "improve organizational performance," but 79% invest in coaching to "improve individual performance/productivity."

All of this provides food for thought, not just about FLA's coaching, but the fundamental logic and design of the FLA program more generally.

The Experience and Effects of Coaching in FLA

In the business sector, both coachees and those who hire them generally report high satisfaction with and positive outcomes from coaching. In the Sherpa survey, 87% of HR professionals and coaching clients see the value of executive coaching as "somewhat high" or "very high." Although it tracks the experiences of those coached by their managers, the BlessingWhite survey reveals that 60% of coachees report that coaching "has significantly improved my job performance," and 64% say it has enhanced their job satisfaction. And more generally, positive coaching experiences may account for some of coaching's increasing popularity. There is no comparable information about coaching's effectiveness in the nonprofit sector.

This report relies on two sources to understand the experience and effects of coaching among FLA participants. First are findings from a survey of 13 FLA EDs who received coaching, as presented in an August 2008 report by BTW – *informing change.* Second are interviews with five of these EDs, conducted in December 2008 for this review on coaching.

Taken together, the two suggest that EDs:

- Value coaching highly overall;
- Consider coaching a resource for both individual *and* organizational development; and
- Seem to make the greatest gains when the coaching is highly focused, either on achieving specific organizational objectives and/or on clearly specified individual attitudes, behaviors or development needs.

To aid in making further judgments, we consider both the survey findings and interviews in relation to the consensus view, described earlier, on the hallmarks of a good coaching engagement: clear, measurable goals that link individual and organizational development.

The Survey Results. In the survey, EDs express satisfaction with coaching, both in enhancing their own leadership and in achieving organizational effectiveness goals. In interpreting the data summarized below, it is worth noting that two of the 13 EDs had disappointing coaching experiences, which significantly affects the scores presented in Exhibits C and D. Because one of these two outliers was also interviewed for this report, we are able to identify the source of her dissatisfaction with and her attitude to coaching: She attributed her disappointment to a bad coach-coachee match, and not to the unsuitability of coaching as a resource in general. In fact, she looks forward to resuming the work with a new coach. (The second ED appeared dissatisfied with coaching's contributions to organizational effectiveness goals, but was more satisfied with its contributions to enhancing leadership.)

Returning to the recognized hallmarks of successful coaching – clear, measurable goals linked to organizational objectives – an intriguing picture emerges. When asked for an overall assessment of coaching on two dimensions, the EDs found it somewhat more effective in enhancing their own leadership -- which garnered a rating of 4.08 on a scale of 1-to-5 -- than in advancing organizational effectiveness goals, which earned a rating of 3.69. (Two respondents rated it "not at all effective" on the organizational goals. But it may be that their coaching did not focus on organizational goals by design; the questionnaire appears not to have included a "not applicable" response.)

Exhibit C:
Effectiveness of Coaching in Enhancing Respondents' Own Leadership
The scale ranges from 1 ("not at all effective") to 5 ("very effective")

Mean	1	2	3	4	5
4.08 (n=13)	8%	0%	15%	31%	46%

Exhibit D:
Effectiveness of Coaching in Achieving Organizations' Effectiveness Goals
The scale ranges from 1 ("not at all effective") to 5 ("very effective")

Mean	1	2	3	4	5
3.69 (n=13)	15%	0%	15%	39%	31%

Source: BTW August 2008.

To explore the relationship of individual and organizational coaching emphases further, the BTW survey items on a series of much more specific goals can be divided into two categories: individual, developmental goals; and more instrumental, organizational goals. (See Exhibit E.) In this more granular view, organizational goals appear more important than individual goals. On average, the organizational goals are considered "high priority" by 51% of respondents; and the individual, developmental goals are considered high priority by 31%. (Answers here and in the table below do not sum to 100% because EDs could consider more than one goal important.)

The organizational goals not only appear more important to EDs than individual goals: The coaching also appears as a more *effective* resource for meeting organizational goals. On average, EDs gave an effectiveness rating of 4.2 on the organizational goals, and 3.8 on the individual goals. For example, the EDs found coaching highly effective on their two most important goals, which were organizational. "Managing organizational change" and "preparing for/managing executive transition" were both high priority for 69% of EDs (the highest ranked goals in the entire survey). And on both of these, the EDs assigned high scores of 4.78 for coaching effectiveness. The only category where coaching was ranked more effective was also organizational – "addressing a specific organizational challenge," which garnered a coaching effectiveness score of 4.8. (But, oddly, only 39% of the EDs ranked this a high priority.) Viewed this way, coaching appears more relevant to organizational goals, and more effective as a resource for advancing them.

Exhibit E:
Extent of Improvements from Coaching Experience on High Priority Goals

Goal	Importance of Goal *Percentage of EDs who deem goal important*	Effectiveness of Coaching *1 to 5 scale; 1 signifies "not at all effective"*
Individual, Developmental		
Develop leadership skills/confidence	62	3.63
Develop management skills/confidence	62	4.25
Manage time more effectively	46	3.17
Develop a better/personal life balance	39	3.4
Manage conflict better	31	3.75
Better handle stress	23	4.33
Gain clarity about career path	8	4.0
Mean:	**39**	**3.8**
Instrumental, Organizational		
Better manage organizational change	69	4.78
Prepare for/manage an executive transition	69	4.78
Gain clarity about role in defining and working towards organization's mission/vision	46	3.33
Improve working relationships with senior staff at organization	46	3.83
Address a specific organizational challenge	39	4.8
Improve working relationships with board members at organization	39	3.6
Mean:	**51**	**4.2**

Based on BTW August 2008.

The survey provided several opportunities for the EDs to comment on their coaching experience. A number of the ED observations speak directly to the alignment of organizational and individual goals. The coaching for one ED, for example, has focused on developing "individual SMART goals and department SMART goals and track them towards achievement." Another ED reports significant organizational effects, noting her organization "has been able to reduce some staff turnover, foster more of a team, and manage more significant organizational change." A third ED noted that the organizational effects of coaching are broader than they might at first appear. Compared to other forms of leadership development, "coaching is a more transformative experience," wrote the ED, "and it has ripple effects way beyond whatever the presenting organizational challenge is."

These and many other comments suggest that organizational and individual development are often well aligned, an impression that is further supported by the data linking organizational priorities and assessment of coaching effectiveness. Although not without its problems – including the experience of one of the outliers for whom coaching just "didn't gell" – the overall picture of FLA coaching as revealed in the survey is encouraging.

The Interviews. No studies have been able to demonstrate causal links between coaching and individual leadership gains, or between coaching and organizational gains. There are too many variables – in the coaching intervention, the workplace, and the broader organizational environment – to control and account for. But it is still possible to learn about coaching experiences and to make judgments based on that learning and the reflection it stimulates. The interviews of ED coachees provide a useful, if limited, resource for such learning and reflection.

The interviews were designed to determine the salience of coaching in EDs' work. Toward that end, EDs were not initially queried about coaching. Instead, each was asked to describe one recent *organizational success* and one recent *organizational struggle*, with no encouragement to treat coaching as a resource at all. Only after their recounting of struggles and successes were EDs asked about their coaching. (As it turned out, by that point in the discussions, all of them had already raised coaching in their accounts of organizational events.)

What could these accounts tell us? If coaching appears as an important resource in successes, we would obviously have cause for some encouragement. Understanding coaching in the context of struggles is slightly more complicated. In one scenario, coaching might be an important resource for coping with a problem over which EDs have little control and which may have been worse *but for* the coaching. In another, coaching may not appear as a resource at all, raising the question of whether its absence actually contributed to some of the organizational difficulty. Either scenario might be cause for encouragement. Of course, high coaching salience in a struggle may also suggest the coaching was ultimately inadequate in helping EDs resolve a difficult challenge.

Keeping in mind the risks of over-reading the interviews, the following are offered as plausible conclusions:

- Coaching is important to EDs;
- Coaching is more associated with organizational successes than with organizational struggles;
- Coaching is important in ways not captured in the organizational events, as four of the five EDs consider it an important resource for individual development; and
- The more focused the coaching (whether addressing organizational or individual goals), the more satisfied EDs appear to be with their gains.

The EDs volunteered coaching, unprompted, as a significant resource in only four of their 10 critical incidents. But *where* coaching appeared may be more important than *how often* it appeared. Specifically, coaching was an important resource in three of the five successes, but in only one of the five struggles. This distribution raises the possibility that coaching may have accounted at least in part for these successes and that, conversely, its *absence* may have contributed to the struggles.

Although tight alignment of individual and organizational goals may appeal to investors in and proponents of coaching, the interviews suggest a looser approach has served the EDs and their organizations well. It is certainly true that in some cases individual development and organizational goals were neatly aligned, as in the case of an ED who needed to gain confidence in his public role specifically in order to advance a policy agenda. But the EDs also repeatedly credited coaching for improving their work even in the absence of an immediate organizational goal, as in the case of one who is trying to overcome a conflict-seeking style. She feels that progress in mastering this problem has paid off in multiples as she brings new insights and skills to a variety of challenges. Accounts like these recall the survey comment of the ED who emphasized that coaching's benefits extend "way beyond whatever the presenting organizational challenge is."

Even if loosely aligned, however, *clear* goals still seem important. The EDs whose coaching centered on identifying and working to change discrete attitudes and behaviors – rather than developing leadership broadly – expressed the highest satisfaction. This is especially true for ED5.[2] He described working with his coach to identify and overcome specific attitudes and behaviors that interfered with his effectiveness in his new leadership role. And he pointed to specific gains from the work: better public speaking, more active leadership in policy circles, and greater confidence in fundraising. Even his struggle incident may point to the efficacy of his coaching. It was during his biggest period of confusion (a struggle incident involving his relations with a past colleague) that coaching was least visible.

ED2's development aims were more remedial but were equally clear and central throughout the coaching engagement. She and her coach had developed a shared assessment of her leadership development needs, and they consider almost every challenging situation as an opportunity to exercise the new style of leadership they both envision for her.

It does not follow that coaching that serves a broader set of sometimes shifting goals is not valued. ED4's development agenda was far broader than those of her colleagues, and does not focus on specific behaviors or attitudes, but has nonetheless shaped a sustained process of self-inquiry and problem-solving that she has valued highly. But she reports fewer specific outcomes than some of her peers.

ED3 raises an interesting question about allocation of coaching resources. She is extremely positive about and grateful for her coaching. It appears to have corrected many dysfunctions of her management team. But it is not clear what the net gain of the coaching has been for her as a leader. In contrast to the other EDs, all of whom are relatively new in their roles, she has significant senior management experience. By her own account, she "would have gotten there eventually" in improving the team, but coaching helped her get there "faster."   Her coaching did not appear to identify or address any of her own developmental needs. It seems focused on

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[2] The EDs were promised that neither they nor their organizations would be identified by name.

helping her *exercise* leadership, not *develop* it. High performers should not be punished for their competence, but a case like this does raise questions about the allocation of coaching resources: Was coaching the best resource for this leader? And, if so, what 'dosage' was appropriate?

The EDs' accounts can also be assessed by reference to current research. Both the interviews and the survey comments suggest that EDs value their coaching as a resource for improving self-awareness and reflection, capacities that are hard to link to specific outcomes. Some would therefore consider these "soft" capacities of uncertain value. But recent research by cognitive psychologists has suggested that self-awareness and reflection can lead to better judgments and more effective leadership. Their findings challenge two traditional leadership camps: those who favor "gut" approaches; and those who favor strict reliance on data. Researchers now suggest a third stance produces the best judgments. The best decision makers rely on "meta-cognition" -- the ability not just to decide, but to reflect on the thought processes and attitudes that are shaping the decision-making. (For an accessible summary of some of this research, see Lehrer.) Viewed against this backdrop, coaching seems an even more compelling resource. More than other forms of leadership development, it aims explicitly to generate this capacity for meta-cognition, and EDs seem to value it for precisely this reason.

It is worth noting that none of the coaching engagements appeared to feature any attempt to measure progress systematically. Particularly because there was no "baseline data" describing the EDs' leadership capacities at the outset of their coaching, assessing progress now is difficult. In the absence of that, FLA has the self-reports in the BTW survey and the critical incidents to inform its judgments. As limited as these assessments may be, they reveal EDs who face significant challenges and who often persuasively credit coaching for their success.

Designing a Coaching Initiative

The time may be right for the Fund to revise its approach to coaching, aligning it with new emphases in the larger FLA program. These are best captured in the program's name, which has been changed from *Flexible Leadership Awards* to the *Flexible Leadership Investments* (FLI). As the program team has reflected on various occasions, the original name suggests a prize for work well done, to be used as the recipient likes, rather than a forward-looking investment in the development of leaders and their organizations. And even with the smaller, more targeted leadership grants now envisioned by the Fund, coaching is so popular it will probably be a preferred resource among EDs. Given the greater emphasis on investment, shifting from *funding* of coaching engagements to *sponsorship* of a coaching initiative may make sense.

Sponsorship of a coaching initiative would:

1. Empower FLI participants with the information and support needed to design effective coaching engagements in their own organizations; and

2. Harvest lessons about both coaching and leadership development to inform future investments by the Fund, as well as others in philanthropy.

Through a strategic initiative, FLI might do for its participants what HR departments do for their corporations: track research and learning on coaching; help employees decide whether coaching would be a good resource for them; provide a framework for evaluating and selecting coaches; assist coachees in developing goals for their work; and supply resources that can help coaches and coachees track progress.   FLI as an outsourced HR department is also appealing because of nonprofit scale challenges.   Most participating organizations are simply too small and under-funded to invest in an effective coaching program, and duplicating such capacity in each organization would be wasteful in any case.

Of course, the HR analogy is also risky – to the extent that it even inadvertently positions FLI as a supervisor of participants' coaching. But commitment to the goal of informing choices by grantees, rather than making choices for them, is consistent with the spirit of FLI and its conduct to date. (See the August 2006 [Ryan 2006] feedback report and the March 2009 [Ryan 2009] participant survey results, where respondents cited FLI's responsiveness and flexibility as key assets.)

A coaching initiative organized around the following four elements could enhance the prospects for high-impact coaching while honoring the Fund's commitment to responsiveness and flexibility. It would be a resource only for those EDs who actively express an interest in coaching as part of their FLI, and should not displace other leadership and organizational development approaches.

- **Educate.** Help EDs become informed consumers of coaching by sharing recent research, favored practices, and the experience and approaches of FLA alumni and coaches. A simple coaching "buyer's guide" could summarize much of this information in several pages. Alternatively, or in addition, alumni and coaches could present their experiences at a meeting for new participants. (One coach suggested a "speed dating" format for prospective coachees to learn about different coaching models through a series of short conversations with multiple coaches.)

- **Ask.** Ask each ED requesting funding for coaching to reflect on and answer the four questions below in one page or less. By doing so, EDs will in effect design their own "strategic coaching initiatives," and in the process establish an accountability framework for their work. PCs can actively assist EDs in this planning. Put most simply, the Fund's standard in evaluating coaching initiatives would be "thoughtfulness." The goal is not to substitute the Fund's judgment for the EDs', but to insist on and support the candid and disciplined thinking that can increase the chances for high-impact coaching.

  1. What do you hope coaching will help you do as a leader?
  2. What organizational challenges do you hope coaching will help you tackle?
  3. How will you find the coach best suited for your needs and style?
  4. How will you measure the progress enabled by your coaching?

- **Support.** Educated consumers with their own coaching plan may not need intensive support from FLI, but Plan Consultants should be prepared to offer ongoing assistance, from the preparation of the coaching plan to the integration of coaching with larger goals. Figuratively, the PCs can become part of the EDs' coaching triangles by helping them reflect on and manage coaching engagements more thoughtfully.

- **Learn.** Create opportunities for EDs to exchange insights about the use of coaching, perhaps by allocating some of the time at ED convenings to the topic. More ambitiously, the coaches could be invited to identify important leadership challenges by sharing anonymously very short summaries of the issues they are helping EDs confront. Gail Ginder reported on a corporate version of this practice, in which all coaches in a single company record weekly the key issue they worked on with their coachees. The interactive database was designed so that neither coaches nor coachees were identified, nor associated in any way with the issue summarized. Uncovering the challenges discussed in coaching could be a powerful practice for accelerating and focusing learning about leadership development.

Outlined below are key design choices that FLI as sponsor of coaching and FLI participants as users of it might consider. For each choice: favored practices and relevant research from the field are outlined; FLA's practice to date is summarized; and any design options that go beyond the four principles above are outlined.

Design Questions for Coaching Engagements or a Coaching Initiative

Who are the stakeholders of a coaching engagement?

Favored Practices and Relevant Research	Current FLA Approaches	Design Options or Recommendations
Although no research demonstrates its benefits, most sponsors of coaching in business settings establish a triangle – of coach, coachee, and employer. Together, these three set the indiv-idual's coaching goals; align them with or establish their relevance to organizational goals; and monitor progress.	FLA practice varies, but triangle dynamics are rare. • Most EDs manage their own coaching. • Coaches, sometimes to their frustration, often have no independent information about coachee performance. • Coaches are often unclear about organizational goals and context. • Plan Consultants may recommend coach candidates, but are often uninvolved in shaping the engagement. • Triangle dynamics are present in some cases where EDs hire coaches for their staffs, especially where team and individual coaching run concurrently.	Simply by creating a coaching plan, EDs can supply for themselves much of what triangulated coaching arrangements do for their business counterparts: clear, measurable goals that situate individual development in an organizational context. In cases where trust is high and a board chair or committee is especially knowledgeable about the organization's needs, an ED might invite board participation in the structuring of the engagement.

Who initiates the coaching relationship?

Favored Practices and Relevant Research	Current FLA Approaches	Design Options or Recommendations
The business preference for triangulated coaching notwithstanding, coachees initiate engagements as often as their employers. In a survey of 140 coaches, respondents gave the following answers to the question, _Who typically initiates the coaching relationship?_ • HR: 29.5% • Coachee: 28.8% • Manager: 23% • Other: 18.7%	The BTW survey of FLA participants revealed a dif-ferent picture, in which multiple actors _suggested and/or made the decision for respondents to have a coach_. Among CEOs, key actors were: • Self: 85% • Boss/supervisor: 23%* • Funder: 77% • Staff person: 15% • Board member: 23%* • Nonprofit colleague: 15% * Viewed together, these figures suggest that boards may play a considerable, possibly triangulating, role in coaching engagements. No interviewees for this report described such a case, however.	FLI practice and favored practice in the broader field are consistent on this point.

What characterizes a good candidate for coaching?

Favored Practices and Relevant Research	Current FLA Approaches	Design Options or Recommendations
In determining who qualifies for a coach, most commentators of executive coaching emphasize the prospect's motivation for learning and receptivity to change. Some emphasize the ability to formulate goals. (See summary on next page.) Sherman and Freas cite LSG Sky Chefs for its rigorous coachee selection process, which calls for an internal panel to evaluate a candidate's "readiness and suitability for coaching," as well as to approve a "preliminary plan" showing how the coaching will deliver results. A few commentators point to research showing that many coaching candidates actually have undiagnosed mental illness, such as depression or anxiety, and suggest that all candidates be clinically evaluated to avoid possible harm from a coaching engagement that ignores the real problem. (Coutu)	As the comparison on the following page indicates, FLA coaches and consultants see the ideal client much as their business counterparts, emphasizing learning motivation above all other characteristics. These espoused criteria, however, do not always match the criteria-in-use. Although most EDs in effect select themselves as coach candidates, and are therefore presumably motivated, a few coachees opted for coaching simply because "that's what you do in FLA." And in one case where multiple staff received coaching simul-taneously, few of the second-tier managers were vetted for their suitability, and some of these had very disappointing experiences. The views of FLA coaches and consultants pose a paradox not mentioned in the business literature: the engagements often require some of the very capacity they seek to build. To advance strategy, gain from introspection, or to commit to decisive change agendas , for example, requires candidates who have at least some capacity for strategic thinking, introspection, or decisiveness.	To guard against intrusiveness, FLI might avoid determining eligibility for coaching per se, and instead help EDs assess their own readiness by sharing the findings reported here. EDs should be intentional in selecting coachees among their staff, informed partly by the consensus within the field about the preferred qualities of candidates.

Considerations for Evaluating Coaching Candidates/
Attributes of Good Clients

HBR Survey of Coaches	Sherman and Freas *Basic questions to identify coaching candidates*	FLA Coaches, Consultants *Leader assets or attributes needed for effective consulting/coaching**
Is the executive motivated to change?	Is the executive motivated?	Openness, curiosity, learning orientation.
Does the executive have good chemistry with the coach?	Can we identify an important developmental need?	Appetite for change.
Is there a strong commitment from top management to developing the executive?	Is the executive coachable?	Willingness to be introspective.
--	Does she have support?	Interest in and capacity for strategic thinking.
--	Is he valuable enough to justify the cost of coaching?	Willingness to share power and build teams.
--		Decisiveness.

* Source: Ryan 2007

What are the criteria for selecting coaches?

Favored Practices and Relevant Research	Current FLA Approaches	Design Options or Recommendations
Relevant experience and focus on results trump certification as important selection criteria. (See next page for selection criteria in three studies.) Highlights include: • Top criterion in all three is experience of coach in business or a 'similar setting.' • Certification was important to only 29% in two studies and ranked last in the third. • Focus on or evidence of results ranked fourth in two studies (considered by 32% in one) and fifth in the third (where 48% consider validated results of a prospective coach). The AMA study correlates selection criteria with both success of engagement and the company's market performance, revealing: • Interviewing the coach in advance is most highly associated with coaching success. • Coach's business experience is most highly associated with market performance. The GEO report indicates most funders do not insist on certification in recommending coaches.	Although it takes a mostly arms-length stance on participants' selection of coaches, FLA uses a standard of "best available" in its guidance to Plan Consultants. By design, coach certification is not required, nor even recommended. Although they are not reported as selection criteria, the BTW survey reveals the prevalence of two attributes among coaches of FLA EDs: • Experience in the nonprofit sector (100%); • Certification (62%, with 23% not sure). For the most part, the selection process – number and quality of interviews with coaches, factors considered by EDs (who do most of the selection), and emphasis on results – is largely a "black box" in the FLA context. In interviews, several FLA observers and participants recommended more active vetting. One noted the reluctance of funders to constrain grantees' choices, but asserted "there is nothing wrong with vetting" – as long as the prospective coachee has freely decided he or she wants coaching in the first place.	FLI should continue building a roster of coaches to share with interested EDs. Coaches highly recommended by PCs and FLI alumni should be featured most prominently. To determine inclusion on the roster, FLI should ask coaches to complete a short questionnaire that elicits their practices and attitudes about goal setting, organizational and individual alignment, and assessment methods.

Criteria for Selection of Coaches in Three Studies
(Descending in Order of Importance)

Leedham Study *As reported in AMA study*	AMA Survey of Managers *correlation with coaching success/ correlation with market performance*	HBR Survey of Coaches
Evidence of having done similar coaching work previously	Business experience (68%) *.17**/.19***	Experience coaching in similar setting (65%)
Personal capability and relevant organizational experience	Recommendations from a trusted source (59%) *.18**/.06*	Clear methodology (61%)
Flexibility of coach	Interview with the prospective coach (54%) *.24**/.08*	Quality of client list (50%)
A focus on delivering or improving results	Consulting experience (52%) *.17**/.13***	Ability to measure ROI (32%)
Cost effectiveness	Validated client results (48%) *.21**/.08*	Certification in a proven coaching method (29%)
Qualifications (including membership in professional bodies)	Accreditation (29%) *.16**/.05*	Experience working in a similar role as the coachee (27%)
--	University degrees in applicable field (28%) *.15**/.04*	Experience as psychological therapist (13%)
--	Counseling or therapy experience (24%) *.07/.11*	Background in executive search (2%)
--	Ph.D. (10%)	--

** significance at p<.001 (i.e., high statistical significance)

How will the goals of the coaching assessment be set?

Favored Practices and Relevant Research	Current FLA Approaches	Design Options or Recommendations
As discussed in the section "The Good Engagement," most sponsors of and commentators on coaching urge organizing engagements around clear, measurable goals that are aligned with the organization's objectives. In practice, however, engagements at corporations seem to be *informed by* and *situated in* the organizational context, more than *driven by* explicit organizational goals. The link between individual development goals and important organizational outcomes often appear attenuated. But there is no question that clear, measurable individual goals – formulated in an organizational context – are considered essential to the ideal engagement.	Most Plan Consultants cited poor alignment of coaching engagements with goals established in FLA plans and the work of other FLA-funded consultants as highly problematic. Although most are tolerant of a somewhat attenuated link between organizational and individual goals, they consider FLA engagements to be too individual-focused. Responses to the problem vary. On the light-touch side, some PCs circulate the FLA plan to all consultants and coaches, leaving them to work out the alignment. On the high-touch side, PCs have helped EDs organize meetings where all consultants and coaches (including those of second-tier managers) are briefed on the organization's key goals and concerns, and then update each other on their work (in ways that protect the confidentiality of coaching). Two interviewees suggested the leadership development program of the French American Charitable Trust as an interesting model. The PC-equivalent in that arrangement plays an active, established coordinating role, with the funder at a remove but still benefiting from progress reports and supporting peer learning.	PCs should encourage EDs to develop clear, measurable individual goals, and to link them as feasible to organizational goals or challenges. EDs (possibly with the PC) should brief coaches before the engagement starts, covering the organization's key goals and challenges; recent performance assessment, if available, of the coachee; and the results of 360 or other feedback surveys. With the PC's help, the ED should convene the coach and any other consultants (with the senior management team or selected board members, if appropriate) to establish a shared understanding of key goals and important features of the organizational context.

How will progress be assessed?

Favored Practices and Relevant Research	Current FLA Approaches	Design Options or Recommendations
Most coaches and HR professionals favor the establishment of clear goals to guide the coaching, which then provide a basis for measuring progress. 360-type instruments are most common. They uncover individual development needs, and if administered both pre- and post-coaching, can provide one measure of progress. While some coaches and corporations are interested in not only assessing, but quantifying progress through the use of ROI techniques, most commentators doubt the value of such efforts.	FLI coaching is deficient in this area. Most coaches conceded they had no established methods for tracking progress, either in their work generally or in FLI. No coachees described the use of progress assessments.	EDs should be asked to establish an assessment method in their coaching plan. The use of pre- and post-engagement 360s might be most useful for tracking individual progress. If feasible, EDs should propose metrics to capture any relevant organizational progress.

How long will the engagement last?

Favored Practices and Relevant Research	Current FLA Approaches	Design Options or Recommendations
Engagements of 6-12 months are most common, although coaches in the Sherpa survey express an increasing preference for shorter engagements, of six or fewer months. (See table below.) The AMA survey finds that "the longer an engagement lasts, the more highly associated it is with coaching success." But because of the cost, a longer engagement may not deliver higher ROI. Because they "have an economic incentive to ignore the problem of dependency," one commentator advises clients to ask prospective coaches specifically how they "handle dependency." (Coutu)	The data on FLA engagements makes comparison difficult. On average, the coaching engagements of FLA EDs tend to be longer – at 18 months – than their business counterparts'. But the inclusion of what may be a single, 60-month engagement may skew this data. If this experience is an outlier, the average may be closer to the 6-12 months reported by business coaches and mangers. Two Plan Consultants expressed a preference for shorter engagements more focused on specific goals.	Participants should be encouraged to establish a provisional termination point with their coaches before the engagement begins. At that point, they can decide whether to extend the engagement, but extensions would be treated more as the exception than the norm. EDs should be informed about the practice of some FLI alumni who terminate an intensive engagement, but keep their coach on retainer to help with important challenges or struggles as needed.

Length of Coaching Engagements (Months)

AMA Survey *of managers*	HBR Survey *of coaches*	Sherpa Survey *of coaches,* *recommended length*	BTW Survey of **FLA EDs**
• 0-3 24% • 3-6 28% • 6-12 30% • > 12 18%	• 7-12 on average	• 6 or less 61% • Open ended 19% In past three years, preference for short engagements is up from 53%; for open ended, down from 25%.	• 18 on average • Range of 5-60

Appendix A
Is It or Isn't It a Profession?

In his classic 1964 article "The Professionalization of Everyone?", sociologist Harold L. Wilensky describes what an occupation needs to become a profession: "Any occupation wishing to exercise professional authority must find a technical basis for it, assert an exclusive jurisdiction, link both skill and jurisdiction to standards of training, and convince the public that its services are uniquely trustworthy." (Wilensky) His process of professionalization offers some guidance in predicting the success of an occupation on its path toward professionalization. Coaching fits neatly into five elements of his framework.

1. **"Start doing full time the thing that needs doing."** All the professionals and most of the practitioners interviewed for this report provide coaching full-time. And coaching schools encourage full-time aspirants, some with less restraint than others. CoachVille's "You Can Coach" program, for example, "shows you how to thrive in the hottest profession in the growing Inspiration Economy – professional Coaching." (CoachVille) Life Coach Training invites its prospects to ponder whether coaching might just be a "recession proof career," noting that the "average annual income for full-time coaches is $83,000" and "some make well into six figures." (Life Coach Training)

2. **The first, pre-professional practitioners push for the "establishment of a training school."** Coaching has mixed professional prospects on this score. On the one hand, schools already proliferate: the CAP report for GEO counts 190 of them. (Among FLA coaches, the Coach Training Institute was the favorite.) On the other hand, Wilensky posits that an occupation's link to *university-based* education is the better predictor of profession-alization, and that advocates always seek such contact. Following his template to the letter, Sherpa argues that "the best training for coaches comes from universities. They independently evaluate and offer the world's best content." But so far, there appears to be little university interest in coaching. (Sherpa claims to be the only school with university affiliates, and these offer no training themselves.)

3. **"Those pushing for prescribed training and the first ones to go through it *combine to form a professional association.*"** Coaching passes this test, but perhaps too well: a number of competing associations offer different visions and standards for the field. ICF is the lead player, although the recent Sherpa survey suggests it is losing favor with executive coaches and may ultimately attract life coaches. Only 39% reported supporting ICF – down from 62% just three years earlier. The competing Worldwide Association of Business Coaches serves executive coaches exclusively (and should not be confused with the World Coaches Federation, whose founder's council "is made up of born again Christians" who start every meeting with "a prayer and a pledge.") A new niche has emerged with the Coaches Alliance for Social Action, which supports coaches serving nonprofits and their causes. (GEO)

   In this landscape, even the certifiers seek certification as a mark of legitimacy. ICF is accredited by the National Commission for Certifying Agencies, an affiliate of the National Association for Competency Assurance (which, in turn, is accredited by the American National Standards Institute, which gains legitimacy through its membership in the

International Organization for Standardization.) Notwithstanding this rigorous chain of certification, ICF refers to itself as a proponent of the "art, science and practice of professional coaching," (elsewhere calling coaching a "craft") -- in the end conflating every possible view of coaching.

Association-driven certification and standard-setting are on the rise, but many coaches worry there are still too few barriers to entry, leaving the field open to charlatans who will damage its reputation. They must be alarmed by the likes of The Coachville School, which declares that "anyone who desires to be a good coach can become a very good coach." A certified FLA coach worried that even the best regarded accredited schools have little incentive to enforce high standards. She recounted that during her CTI training, instructors constantly encouraged students, praising them all as "amazing coaches" – even though she knew from the student-to-student coaching required in the course that some of her colleagues showed little or no coaching aptitude. She contrasted coaching unfavorably to social work, where only aspirants with promise are admitted to university schools, and where the education is intensive, and followed by rigorous certification or licensing (by the state). Perhaps sharing these views, 72% of coaches say "formal certification is either 'very important' or 'absolutely essential'" an increase of 10% from three years earlier. (Sherpa)

4. **Struggles emerge within the aspiring profession along generational lines, as well as with nearby occupations.** The longest serving coach interviewed for this report (and one well regarded by other interviewees) has earned the field's highest certification, yet calls the standards "a bunch of crap." She has adopted the view of her mentor, who viewed certification as "completely ridiculous," arguing that coaching was hardly like "pediatrics or neurology, where there's a body of science." She says certification is "not a good predictor of success as a coach." Following Wilensky's observation of generational conflict, the extreme opposing view among the interviewees came from a much newer coach, who sees the field, and its clients, at high risk because of its "low standards."

   As noted earlier, coaching proponents also conform to Wilensky's prediction in their jousting with nearby occupations, especially consulting and therapy. But if the popularity of coaching-as-perspective is any indicator, the battle to distinguish coaching and consulting may be a losing one. And even though less than two percent of HR professionals consider therapy or counseling "the best background for an executive coach," a small psychology faction within the field still argues that coaches without psychological training can do more harm than good. In short, coaching has failed to distinguish itself clearly from its neighboring occupations.

5. **The response of consumers will be divided.** Wilensky could not demonstrate whether consumers in an increasingly professionalized world will raise demand for professions or whether they will become more skeptical and inured to professional claims. The latter is a particular risk for occupations in the human relations fields because "the types of problems they deal with are part of everyday living…The lay public cannot recognize the need for special competence in an area where everyone is 'expert.'"

   FLA participants are mostly indifferent or hostile to professionalized coaching. Some are uncertain whether their coaches are certified. Some hope they are not. In a survey of FLA participants conducted by BTW *informing change*, one respondent commented "I am suspicious of certified, professional coaches. I am more interested in senior/veteran people in the field who have a long view of the work, have learned important lessons, are interested in mentorship, and have good listening and problem solving skills." An interviewee for this

report acknowledged that some coaches seek training in an earnest effort to improve their skills, but is suspicious of most:

> *Most people who get certification are therapy junkies…The training is not necessary because it almost gets in the way. It can be more a signal of incompetence…There's an analogy to management consulting. You can get certification, there are associations, but in the private and nonprofit sector, the sense of certification as a real prerequisite has not taken hold because it doesn't correlate to quality work – versus, for example, child therapy, where there's a enough at stake, and there's enough theory and best practice, that you really want someone who is certified.*

FLA's coaching program has so far sided with skilled generalists over certified professionals. Seeking people with broad nonprofit experience, the program's team helps participants find the "best available" coaches, who "might not be certified." The team has also concluded that the pool of certified coaches may not be diverse enough to suit participants, some of whom are dealing with what one called issues of "race and race dynamics" in their leadership.

<p align="center">***</p>

Coaching – viewed broadly and even within the FLA context – shows every sign of trying to professionalize but faces an uphill battle, especially considering that less than a third of purchasers of coaching services value credentialing. (See "What are the criteria for selecting coaches?" in the design section of this report.)

Interviews

Michael J. Allison, FLA Plan Consultant

Susan Colson, FLA Plan Consultant

Executive Director No. 1*

Executive Director No. 2*

Executive Director No. 3*

Executive Director No. 4*

Executive Director No. 5*

Grace Flannery, Leading Spirit Inc. (coach)

Nancy Franco, FLA Plan Consultant

Michelle Gislason, Compasspoint Nonprofit Services

Gail Ginder, FLA Plan Consultant, coach

Belma Gonzalez, B Coaching and Consulting (coach)

Kim Ammann Howard, BTW – *informing change*

David Kakishiba, Executive Director, East Bay Asian Youth Center

Dahnesh Medora, FLA Plan Consultant

Paula Morris, Project Director, Flexible Leadership Investments Program

Marj Plumb, Plumbline Coaching and Consulting, Inc. (coach)

Linda Wood, Senior Program Officer, The Evelyn and Walter Haas, Jr. Fund

Five executive directors of participating FLA organizations described their organizational struggles and successes, and were offered anonymity.

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