

# The Essence of Strategic Leadership



*If you don't see your organization as an architecture of systems, you will lead change efforts that are doomed to fail.*

I AM TROUBLED BY THE FACT THAT relatively few people leading organizations have the capability of seeing the larger dynamics of their organization from which to lead successfully.

In challenging business crises, they put out fires, yet fail to look at long-term issues. When called upon to take risks to break out of past patterns, they take the safe route. And out of a lack of understanding or out of personal discomfort, they shy away from addressing the human elements of managing change. As a result, most efforts to grow or change fall well short of their initial aspirations.

The primary reason their leadership does not succeed is the failure to adopt a holistic point of view in their decisions and actions. Most leaders don't lead strategically.

Consequently, one seemingly simple, albeit important, change wreaked havoc on the organization, much of which could have been avoided had the leader followed the principles of strategic leadership. Strategic leaders distinguish themselves from others in that they focus on the whole organization as opposed to its parts, they look at sustaining long-term change as opposed to short-term gains, they tend to be visionary in their perspective as opposed to problem focused, and they are more interested in affecting the organization's quality and condition than they are on making decisions.

Solving one problem can cause other problems if the leaders narrowly focus on the problems themselves and fail to look at the longer term, larger picture. For example, by not discussing his thinking with his direct reports, a CEO can easily cause a rift in a relatively close-knit executive team. Other executives may feel blindsided and hurt by the CEO's approach to change. If the CEO does not

tie the decision to a larger and longer-term strategic effort, many people suspect hidden motives for the change, thereby causing mistrust and fear. All of this can be avoided by applying the principles of strategic leadership.

## Five Elements of Architecture

The key to strategic leadership is the alignment of five elements that form the organization's architecture and are the features that must be consciously managed to experience long-term sustainable growth and success. They are the vision, culture, strategic direction, strategic goals, and structure.

- **Vision** is the leadership's view of the organization in the future. It includes its



purpose and mission. It involves projecting the organization into the future and envisioning that future in all its full-blown glory.

- **Culture** refers to the norms, rules, values and guidelines for behavior that are designed to support people's work together. Culture is a term that depicts the fact that an organization is more than boxes on an organizational chart. It has built values, norms, and expectations that over time influence the decisions people make and the way they interact.

- **Strategic direction** refers to the degree to which the organization has a clear sense of the environment it is in and has an overall plan for managing in that environment. While vision tells you where to aim, the strategic direction tells you the pathway. The strategic direction of the organization tells the organization:

given X assumptions about the trends and changes in our business environment, this is the direction we need to take in order to succeed and thrive.

- **Strategic objectives.** The strategic objectives of the organization are the specific things it wants to accomplish in a given period of time. Effective strategic objectives have embedded in them clear measures. Examples are: "over the next two years we will grow our market share by 5 percent," or "in the next three years we will increase our customer satisfaction rating from 7.3 to 9.5." Strategic objectives tell the organization exactly what it intends to accomplish, by when, and how it will be measured.

By definition, strategic objectives are more short term than the strategic direction. Strategic direction provides the map while strategic objectives pinpoint the milestones.

- **Structure** refers to how the organization is organized: who reports to whom, the boundaries in the organization, and people's roles and responsibilities. When things go wrong, the first thing traditional leaders often think to do is to change the structure. Unfortunately, what ails most organizations cuts much deeper than the organization's architecture, and so efforts to improve organizations by changing their structure often fall flat.

Taken together, these five elements form the foundation and design of the organization, and determine its future success. When the elements are the right elements, and when they work together, the organization is poised well for success, now and in the foreseeable future.

## Systems Thinking

This idea of working together is not just some empty platitude about organizational success—it is the key. Now more than ever, leaders of businesses must understand that organizations are systems. When one part of the system or one element in the system does not integrate well with another, the possibility for success is highly impaired. For example, imagine what might happen if your vision for your organization is to be highly responsive to customers' needs, yet you organized to maximize division of labor rather than process efficiency or customer response-ability. You would not achieve your objective.

Alternatively, imagine your strategic direction focuses on enhanced use of new technology, yet your culture is risk averse. Your ability to rapidly exploit new technology will be limited.

As simple as it may seem, few leaders

effectively see their organizations as systems, and as a result, lead change initiatives that are doomed to fail. Their failure is not from lack of commitment, but from lack of understanding of how these five elements of architecture impact one another and the future success of the organization. These features of architecture are not just things that happen, they are things that leaders create. When a CEO or other leader expresses his or her views on each of these aspects, a vision is created. Such a vision plays a significant role in the shaping and outcome of organizational energy.

When people are clear on each of these features and when they are fully committed to them, they are far more productive and satisfied. Everyone's contribution is clear, and everyone feels the direct results of their efforts.

The condition of alignment is much like that of materials that have the property of a conductor. In a conductor, the electrons move quite rapidly and in the same direction. Hence, in a conductor, energy moves quickly.

Alignment is critical in an environment of ambiguity and constant change. Most organizations in such conditions respond with multiple initiatives and in multiple directions. As a result, confusion ensues. The challenge is not to respond in a diffuse and unfocused manner, but to create a condition of clarity, alignment, and commitment to a shared direction. Such a condition differentiates successful organizations from those that struggle.

One such organization claims that due to their strong alignment, meetings are three times more efficient than ever before. When asked about their experience now versus before, many report that they are much more successful, and they work together far more effectively. Such is the aim of the strategic leadership. It is to produce quantum leaps in the quality, viability, and vitality of the organization in a way that endures over long periods of time. While perhaps lofty in its aims, it is not without precedent as more organizations are seeking and finding radical and effective alternatives to tried but no longer true methods.

Designing an effective architecture is not just an interesting concept, it must be the guiding force. Without it, more effort only means more frustrations, wasted time, and greater internal conflict. With it, the organization has the possibility of having an enormous competitive advantage as well as an experience of greater satisfaction for all employees. **EE**

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JOHN G. CARLSON

# High Performance



*A systems approach that integrates the human element into performance represents the next generation of strategic leadership.*

**S**USTAINABLE HIGH PERFORMANCE requires a systems approach that integrates a comprehensive range of performance factors and interrelationships. Achieving this next generation of strategic leadership involves five steps.

**1. Closing performance loops.** Obtaining control and leverage over performance requires development of a closed-loop system in which common processes are integrated through goal-setting and feedback mechanisms. Leaving critical processes outside the measurement system restricts your ability to manage performance factors. You need to close all performance loops, drawing involved parties into the performance equation.

**2. Balancing performance trade-offs.** Organizations operate through interdependent processes. Perceived cost savings can translate into higher ultimate costs unless performance factors are well understood and performance interrelationships and total costs controlled. Critical performance trade-offs exist between: direct costs and other direct costs, direct costs and indirect and hidden costs, costs and product or service quality, and costs and employee productivity.

Three sets of processes—business, product or service, and employee—require integration on a closed-loop, total-system basis to reduce controllable performance variation. This model develops a balanced view of performance, centered on excellence, quality, and a new combined qualitative and quantitative standard for productivity.

**3. A complete view of waste.** All costs do not have the same value. There are those of an investment nature, and others that are pure waste and candidates for reduction. In full cost analysis of processes as part of the *total cost of quality*, attention is placed on eliminating waste embedded in direct, indirect, and hidden costs. In the absence of a systems approach for perfor-

mance, equivalent attention has not been placed on eliminating employee waste to parallel what has been achieved in eliminating product and service waste. Refocus your attention on employee processes as part of the *total cost of productivity*, which includes expenditures for health, safety, health care, workers' compensation, disability, human resource training, work-family, and related indirect employee-related program and hidden operating costs. The benefit is development of a new closed-loop total system, integrating employee issues now fragmented throughout the business system.

**4. Leveraging resources through investment.** Eliminating waste requires continuous improvement in quality and productivity at the operational level and requires reorientation toward return on investment at the strategic level. Both the quality and total cost of productivity provide a frame-

## *Achieving the next generation of strategic leadership involves five steps.*

work for investing upstream, reducing wasteful downstream costs through ROI-driven action. Putting the right money in the right places such as information and education drives down total costs by defining new performance annuities in product or service and employee processes.

**5. Reducing risks systematically.** Every process involves some level of risk. What has been lacking is an information-based, learning-driven approach for reducing risk on a strategic and operational, rather than solely financial, basis. Risks need to be managed upstream as an exposure across the total environment through a combination of operational, financial and risk-sharing actions rather than downstream as a financial liability.

In recent years, we have seen the continuous evolution of information-based, learning-driven management, of which quality management and process reengineering represent critical leaps forward. Making all of these strategies and tools work as an integrated whole is the key to sustainable high performance. **EE**

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# Principle-Based Coaching

By Laura Whitworth and Phil Sandahl

We would like to make a case for what might be called, "principle-based" coaching. Before anyone takes offense, rest assured we assume all coaches are acting on the highest principles of integrity and professionalism.

What we're actually pointing to is a way of looking at coaching that both addresses the client's presenting issues and at the same time, looks at how those issues relate to fundamental principles. By connecting the two, clients not only have fish to eat, resolving the presenting issue, they learn how to catch fish which is associated with a fundamental principle.

We'll use the Co-Active Coaching model as our example because we have years of experience in this approach. In it we identify three fundamental principles:

**Fulfillment.** All people, certainly all clients, want a fulfilling life—a life they value.

**Balance.** We work with each client's unique view of life balance, helping them to make life-giving choices.

**Process.** Sometimes clients "push the river" of their lives because it isn't flowing according to their will or plan. Coaching to this principle is about helping clients be fully in the flow of their life.

In principle-based coaching the coach is always looking to connect the presenting issue to the underlying principle. With any issue the client brings to the coaching, we look to see how addressing the issue leads to more fulfillment, more balance, or a more effective process.

Take for example, a client who wants better time management at work. There are structures the client can put into place for better scheduling. The question then is, how will better scheduling lead to more fulfillment or balanced? How will it allow the client to be more in the flow of their life?

In this approach clients take on specific action and accountability—in this case, creating new schedules. In addition, clients uncover the deeper connection to a whole life.

The difference for the coach? Coaching in this way emphasizes listening on a broader or deeper level, ac-

cessing intuition more and using the power of curiosity to help clients find their answers.

The principle-based approach shifts the focus from coach as expert to client as the author of their own life and work.

Clients are seen as naturally creative, resourceful and whole; no one knows more about their life, what works and doesn't work, than they do.

As individuals in charge of their life, they set the agenda and because the coaching focuses on fundamental principles, the coaching can move naturally into any area of their life that client's

choose. (Client's set the agenda, so they choose.) The result is a collaborative working partnership between coach and client—an alliance that coach and client design for the benefit of the client.

Both the coach and the client benefit with principle-based coaching. Clients develop a deeper level of awareness and resourcefulness that they can apply to a much wider variety of issues—in their organization or in their personal lives. For the coach, this is an opportunity to coach at a deeper level—and in many cases, to help clients more and retain them longer because of the depth of the coaching. *CT*

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*"Sometimes clients 'push the river' of their lives because it isn't flowing according to their will or plan."*

## New York Times

"... other companies ... offer coaching as a prerequisite to proven managers, in the understanding that everyone has blind spots and can benefit from a detached observer."

*Robert Schilling, Continued from page 3*

they become apathetic, cynical, risk-averse and resistant to change. Coaching offers direct illumination of these situations, and can help to focus consulting efforts in places where they can do the most good in the shortest amount of time.

Some of what coaching has to offer sounds like good common sense. For example coaches will counsel executives to tell their employees the truth. They will not be impressed by many of the concerns people ordinarily express about doing that. To a coach, the most important issue in this example is the credibility of executive leadership, and the deep belief that people know when they are being lied to. Coaches will also remind their clients that the people who work for them are, for the most part, fully functioning adults, capable of understanding complex communications and responding to them rationally.

In other cases, coaches may seem less mainstream. If they are working with executives, they may pay more attention to the ways in which an individual takes care of him- or herself. This is something a bit outside the scope of most management consultants.

To a coach, leaders cannot be fully effective if their lives are dominated by work, or if their ability to take physical and emotional care of themselves is severely impaired. And a coach will not concede that such prices are the unavoidable cost of executive and managerial work.

Ultimately, business and government institutions are well served by blending both professions. Traditional management consultants will use their expertise to specify a new computer system or apply best practices to a contracting function. Coaches will work to strengthen leadership, change corporate culture and improve teamwork.

A partnership of both professions offers the best chance for organizations to meet the accelerating technological change and rapidly rising expectations that are the hallmark of the new century. **CT**

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### Newsweek

"They're part therapist, part consultant—and they sure know how to succeed in business."

*Chris Wahl, Continued from page 4*

work greatly informed the coaching. The work with the group offered a wider perspective—windows into the leader world that went beyond the leader's own view.

And the bonus for the organization is that change really took place! The team created and followed through on an intention aligned with the organization's values. The leader achieved clearer directives, more purposeful conversations, greater frequency of communication, and more personal ease in groups.

Coaching can be done successfully without engaging the system directly, and OD work need not require coaching. But these two cases highlight the value of using both coaching and organization development to help organizations create and sustain change efforts. The two disciplines do integrate well.

The initiator can be OD/systems work, or coaching work. In these two cases, the leaders created clear goals and committed to them, learned self and other awareness, and created a new conversation with themselves and their teams. When you get right down to it, change in any organization depends on the conversations that allow strength and possibilities to emerge. These are the fabric of coaching.

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*Robert Witherspoon, Continued from page 6*

TRW in the 1960's, which is described in Dick Beckhard's recent book, *Dick Beckhard: Agent of Change*.

With the knowledge and skills provided by our forbears, we are equipped to support a learning process that is designed to enhance both effective action and learning agility. To coach these valued people of action is less to instruct than to facilitate (literally, "to make easy"). And that's the coaching that can bring out the best! **CT**

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# Coaching With Emotional Intelligence

By Carole Y. Lyles

Emotional intelligence has received more and more attention as a critical cluster of skills for managers. Most of us would agree that emotional intelligence (EI) is at the heart of coaching.

Daniel Goleman, in his book, *Working With Emotional Intelligence*, has identified five core clusters of EI: self-awareness, self-regulation, motivation, empathy and relationship building.

While all five EI areas are important to anyone's success, I suggest that as coaches, we need to pay particular attention to three of the five so that we can bring our full attention to the client's situation and needs. I believe that it is critical for me to distinguish between my emotional state and that of the client, and to regulate my emotions as I listen, empathize and conduct problem solving.

**Self-Awareness:** An in-the-moment ability to notice the presence of my moods, emotions, needs and their impact on others. Honest and continuous self-perception.

**Self-Regulation:** My ability in-the-moment to notice automatic or learned responses and redirect those energies in constructive ways. Ability and willingness to choose my behaviors and responses.

Whether or not I use a planned dialogue format, or simply walk in and ask "What's happened since we last met?", I cannot anticipate what will be said in the coaching session. So, while I must be prepared for anything, I can't actually prepare myself or practice responding to what might happen. I have to rely on my ability to think and feel clearly when the client starts to talk.

This becomes more of a challenge when the client starts to talk about a situation that hits home for me or that has some echoes in my own past or present situation. As a coach, I need to be sure that I am responding to the client, and not substituting my own unfinished business.

For example, suppose my client starts to talk about working with a very controlling colleague and I had a difficult experience with such a person in the past. I could be listening to the client with my ears, but without carefully honed skills in self-awareness, I might be blind to that fact that my heart and mind are actually engaged in wrestling with my own past situation.

So, if I felt powerless in the past, then I am likely to be listening for powerlessness in my client and miss other important cues. In other words, the client, in a subtle way, becomes me. And, my coaching becomes

what I think I should have done in that situation. If I am lucky, my coaching is also on target for the client. But, is luck what I want to base my effectiveness on?

Self-awareness—noticing what gets triggered in me—is only the first step. Next, I must be able to choose a different response. If I notice that my client's story is triggering a powerful response in me, I can name it for myself as one possible way that my client might be feeling.

I have to avoid the trap of believing that my response is the most likely or most normal. I can then become curious, and use my inquiry and noticing skills to ask and observe other responses in the client.

The client could be excited about the opportunity to change the situation and reclaim personal power—even if such a response wasn't one that I might have in such a situation.

Choosing to stay in inquiry is an exercise in self-regulation. Self regulation is not repression. In fact, the more energy I use up repressing my own anger, helplessness, fear or joy, the less energy and empathy I have to give to my client.

**Empathy:** The skill of noticing and understanding the emotional state of others, and responding to their emotional state in a congruent manner.

Effective coaches are high in empathy—the ability to tune into the emotional state of the client and dialogue about what is going on. It is the ability to "be here now," to stay in the present and to honor the emotional state of the client with non-judgmental responses and genuine acceptance. It is also an ability to keep distance between me and the client. So, while I can understand and accept fear, pain or joy, I know that it is the client's state, not mine.

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*"As a coach, I need to be sure I am...not substituting my own unfinished business."*

## Houston Chronicle

"Want a booster to cheer you on, a guru for guidance, a drill sergeant to keep you disciplined? Someone who will make you walk your talk, but do it gently? Maybe what you want is a personal coach."

*Peter Bregman, Continued from page 12*

Once people begin to implement changes, coaches lead them to evaluate their progress so that every relevant incident, however successful, becomes a learning opportunity. The cycle continues until the improvements are second nature.

This method directly responds to the charge that consultants can't implement. Through coaching, the intervention is the implementation. Resisters have none of their time wasted. Scoffers work hand in hand with a coach through the obstacles to implementation. Enthusiasts remain so.

Coaching works because people learn by doing what they would have done any way – just smarter, faster, better, and with support and feedback. They master new skills by applying them in increasingly challenging circumstances. When they try to apply them and fail, or when they fall back on ingrained habits in the heat of the moment, they tend to lose the motivation to continue the change process. After all, isn't the old way always faster and easier, at least at first? A coach will bolster their resolve and help them use their mistakes as opportunities for continuous learning. Coaches won't let people go back to the old way.

Executive coaches are now a staple of the business world. A large-scale coaching initiative (either in conjunction with or as an alternative to training) is an organizational change tool that, unlike most interventions, *actually works* during implementation because it *is* implementation. The coaching is integrated into the employee's current work. No time wasted sitting in class. We estimate that one hour of coaching creates as much productivity as six hours on the job.

Initially, less expensive training programs seem to be a good solution for change. But after a cost-benefit analysis, they become much more expensive in the long run. Using coaching as ongoing support during application of new skills makes the difference between a change idea and a change implementation; between a resister or scoffer and an enthusiast. **CT**

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**Money**

"A coach may be the guardian angel you need to rev up your career."



*Jordan Goldrich, Continued from page 9*

and "powerful questions" as well. Coach U. also teaches a strategic planning process involving the development of measurable short and long term goals to translate the client's grand vision into day to day behavior.

**Mentoring:** Mentoring or content coaching is the fifth school. Whitmore makes a distinction between coaching and mentoring that is useful in understanding what coaches actually do. The extent to which mentoring should be part of coaching is a topic of heated debate in the coaching field. Mentoring, says Whitmore, has its origins in the concept of apprenticeship, when "an older, more experienced individual passed down his knowledge of how the task was done and how to operate in the commercial world."

Today, the term mentoring is used in two ways. In the corporate world, it has come to mean a program involving assessment and ongoing coaching that is established to develop fast-track management talent. Here, I mean a relationship with the goal of passing information or "content" from coach to client over a period of time, often years.

Coaching incorporates a variety of specialties, making it difficult to define its "core competencies" or the training and certification necessary to be a competent coach. That means the customer should explore the philosophy of a coach with whom they contemplate working. Just as it makes a difference whether or not one's therapist is Freudian, the philosophy that underlies a coach's methods will affect how the coaching proceeds. It is best to be comfortable with the belief system on which your coaching is based. **CT**

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# Coaching as an OD Tool - OD as a Coaching Tool

By Chris Wahl

How does an Organization Development practitioner work to promote greater commitment, ability, or stronger support systems? Coaching. Coaching the leader, the informal leaders, team leaders, supervisors, heads of departments, and teams.

And how does a coach make sure the changes the leaders put in place have a chance of becoming part of the system? Organization Development. OD. Two cases will demonstrate.

**Case 1: Coaching as OD.** I was invited into the organization to "fix" the team. The charismatic leader of a small high tech firm asked me to "get the management team proactive." It quickly became clear that his charisma was overpowering the management team. I experienced it too. I had to work actively keep him from taking over our conversations during the contracting phase.

Research showed that there were structures in place that hindered communication among managers, and processes that were creating dysfunction. The team knew all this, but no one would tell the leader what they felt because his style was confrontational and controlling. They believed their leader would continue to make all the decisions, and they were resigned to doing everything his way.

Success for this management team would require more than helping them find their voice, both collectively

and individually. The best way to change the situation was for the leader to act differently.

**Enter coaching.** In presenting assessment data to the leader, I framed the terms for success in this initiative to include coaching for him. He balked. In his opinion, he was fine; everyone else was wrong.

After a lengthy and honest conversation, he agreed to have me work both angles: with him and with the team, with the intended outcome being to create a different working relationship among all the players.

With biweekly coaching, the leader learned to use every interaction as a mini laboratory, and he observed himself shutting down conversations, dominating, and growing angry when he didn't get his way. These observations led him to create a new intention to become more of a listener, more spacious in his approach, and more hands off with his admittedly very talented group of senior managers.



Eventually, the team found its collective voice, and individual team members learned ways to manage their interactions with the leader and with each other. The leader saw more possibilities for movement in his relationship with this team, and he learned that he was not always right.

In fact, he experienced his team's innovative approaches to some of the challenges the company was facing. Everyone was now in the conversation. The leader reported feeling less isolated, more aware of how to bring out the best in others.

**Case 2: OD as Coaching.** Sometimes the system can affect the success of the coaching.

An organization contacted me to "save" —through coaching—one of their key managers, who was floundering in a new leadership position. His new responsibilities required him to work collaboratively, instead of alone. He felt like he was crumbling under the strain of having to work the new way.

His belief system included such "givens" as:

1. to get something done right do it yourself;
2. never look like you don't know;
3. asking for help makes you look weak;
4. you should be able to do it all without collaborating or showing your hand.

We had a lot of work to do. He was committed to success, and we agreed to a six-month coaching relationship, during which time I asked this leader to experiment with new behaviors and daily reflection to learn self and other awareness, and to develop competence in new ways of being.

He read; he wrote; he engaged in physical activity; he envisioned his success and became aware of his values. All of these activities stirred the pot and opened him to what was possible: becoming a better leader and learning productive ways to build and manage the team.

**Enter OD.** I wanted to find ways to help the client become a better team leader and team player. I suggested that I spend some time with the team, learning how they viewed things.

In conversations and team meetings, I learned that roles and responsibilities weren't clear; priorities were indistinct, communication was stilted, the leader was caught between being a "fix-it" manager and a visionary. With this observational and conversational data, I was able to hold the mirror to the leader and help him create clear pathways for his developmental goals.

Learning about the team led to system work like inclusive strategic planning and team retreats. This OD

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*"...the leader learned to use every interaction as a mini laboratory."*

# What Does Coaching Mean for Consultants?

By Robert Schilling

In the past ten years or so, the use of coaches and the discipline of coaching have gained increasing popularity. It was inevitable that coaching would begin to overlap with another long-standing organizational intervention — management consulting.

Consultants are now being trained in coaching techniques, and coaches are beginning to work jointly with traditional manage-

ment consultants. At least one of the "big five" companies is hiring coaches for its own employees. Clearly, the two professions are beginning to interact, and to influence each other. The purpose of this article is to begin to examine some of these effects.

First let's define what we mean by coaching. Until recently, the qualifications for being a coach were pretty much one's ability to enroll clients. As a result, there is a broad range of backgrounds and approaches in the field. The kind of coaching discussed here can be defined as follows:

*A discipline that utilizes an understanding of what it is to be a human being to assist clients in attaining lasting excellence.*

There are outstanding coaches who have gained skill from practice and independent study. Coaching as discussed below, however, generally involves a substantial period of formal training, practice work, and certification by a recognized professional organization.

Coaching and consulting complement each other. Although the main focus of this article is on the contributions coaching has to offer, consulting provides important enhancements to coaching as well.

To work well, coaching must be *about* something — it must have a clear purpose that both coach and client can objectively assess. Excellence is a wonderful thing — but it is an attribute, not an object. Consulting by its nature tends to define both the current situation and the desired outcome in specific, measurable terms. This sets the stage for coaching, and provides an opening that can otherwise be difficult to obtain.

Coaching is not the same as management consult-

*"Coaching is not the same as management consulting, nor is it a replacement."*

ing, nor is it a replacement. True, large numbers of coached and competent corporate and government leaders might need less help from consultants, but that day has not arrived and it is not imminent. What is more likely is that coaching and consulting will work as interdependent professions. They will share the common aim of improved corporate performance, each using its own approach.

Traditional consultants will still be needed to help define functions in light of changing requirements, devise improved processes, and design organizational structures to support them.

Coaching can add another dimension in understanding how people will respond to both the new systems and the process of change. In addition, coaches can be extremely useful in assisting key staff to strengthen their abilities to lead in these circumstances.

Where consulting applies analytical and intellectual skills, coaching works with the human equation.

Coaching can be effective in generating the focus and momentum needed to change the course of a large enterprise. It can address the needs for leadership and teamwork that, left untended, can undo the best of recommendations. Indeed, coaching can change some of the follow-on work parameters, particularly the implementation phases.

Management consultants often assist an organization manage the implementation of complex reports and recommendations. Consultants with coaching skills can now also offer to work with clients to help them be more flexible and better able to meet new challenges. Rather than solve the client's problems, a coaching orientation seeks to help them become better problem-solvers.

In addition, coaching offers a different viewpoint on the people in organizations—particularly large organizations—that allows a more compassionate interpretation of their actions and greater possibility for improvements in performance. Many organizations confuse the competence of their people with the effectiveness of their internal processes.

As a result, they sometimes punish the staff when the process breaks down. In other cases, companies forget that in most cases the people they hire are intelligent, interested in their work, and have a basic desire to do well. Only after several years of careful training do

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## Harvard Business Review

"The goal of coaching is the goal of good management: to make the most of an organization's valuable resources."