

*“Executive coaching, when done right, isn’t just a feel good experience. Executive coaching affects retention, job satisfaction, and individual and team productivity at the most senior levels of an organization.”*

# Keeping Your Coach Accountable

*By Noah Blumenthal, Elisa Mallis, and Karlin Sloan*

**E**VERYONE KNOWS THAT executive coaching works. Right? Wrong. Unfortunately, this cavalier attitude is all too prevalent in Human Resources, soft skills training, leadership development and yes, coaching. As a young and fast growing field, coaching still has a lot to prove, and purchasers of coaching services have a lot to learn.

Fortunately, coaching does indeed have a powerful impact, but only when competently performed, in the right circumstances, with the right support and for the right reasons. In order for the rapidly growing ranks of executive coaches to be differentiated from the pack, they will have to demonstrate their own accountability. This will mean defining the necessary circumstances for their coaching to be successful, and then, more importantly, measuring that success to show the purchasers that their investment resulted in positive change.

Measurement in coaching is critical for many reasons. As a group of practitioners, coaches need to more clearly define the changes they are capable of helping their clients to make. This will lay the groundwork for consumers to clearly understand what they can and can’t get from coaching, and conversely to

realize exactly how much value they can gain from coaching.

Executive coaching, when done right, isn’t just a feel good experience. It isn’t just another way to improve people skills. Executive coaching affects retention, job satisfaction, and individual and team productivity at the most senior levels of an organization. Buyers need to see in real dollar terms how big the payoff can be for what may seem like an expensive, individual investment. Finally, coaches need evidence to determine when to sell more, and buyers need evidence to determine when to buy more services following a successful coaching engagement. The only way to accomplish all of these goals is for coaches and buyers to get serious about measuring their work.

## **THE HUMAN PERFORMANCE FOCUS**

Clearly, it is becoming more and more important for organizations to fully support and enable the high performance of their workforce through training, retention, and management leadership development programs. Based on the 2003

Accenture Human Performance (HP) Workforce Study, a comprehensive research project that Accenture conducts annually and includes a survey of 200 senior executives at companies in six countries and in-depth case studies at nearly a dozen other organizations, four of the top five strategic priorities of respondents related directly to the workforce. These were: attracting and retaining skilled staff, increasing customer care and service, improving workforce performance, changing leadership and management behaviors, and changing organization culture and employee attitudes. Executives participating in the study saw “people issues” as more important to a company’s success than in previous years.

Results from Accenture’s most recent (2004) HP Workforce Study indicate that business confidence is now improving and many companies are moving past a primary focus on cost-cutting, and are ramping up investment in growth-oriented

activities. An important implication of this growth focus is that the war for talent will again intensify, making it even more difficult for companies that don’t excel in people development and retention to compete. The 2004 study also revealed that many organizations will not be well-positioned to compete in the improving economy because they have an under-performing workforce. The lack of solid workforce performance can be traced, in most cases, to shortcomings in organizations’ human resource and training practices.

#### WHY METRICS MATTER TO HUMAN PERFORMANCE

We all know that HR, Training, Organization Development and Leadership Development functions are often seen as expendable cost centers, unnecessary to the efficient running of

## ACCENTURE: A COACHING MEASUREMENT CASE STUDY

Amidst the many changes corporations have faced over the last couple years, maintaining a “great place to work” environment and mentality has been challenging. As an after effect, retention of top talent has become an issue and key concern for many companies. For most consulting companies like Accenture, whose people are their product and main asset, this is a critical concern. In setting up the measurements of success for its high potential leadership coaching program, Accenture took a broad view of what business objectives the program was addressing.

The first step was to tie the program to business objectives. These objectives were:

1. Raise self-awareness in Accenture’s high potential leaders in order to improve individual and company performance.
2. Improve morale and motivation without increasing monetary incentives.
3. Build inquiry skills in order to develop a coaching culture within Accenture.
4. Increase job satisfaction in order to raise retention of top performers, particularly during the recent changes in Accenture’s business and policies.
5. Increase company satisfaction and improve career tracking in order to support a culture of diversity at Accenture. (The program targeted high potential women employees.)

Linking such soft items as self-awareness, morale, inquiry and satisfaction to performance, budget, retention and diversity allowed the participants and the coaches to better define the value added through the coaching program.

In partnership with the Accenture team, Karlin Sloan & Company provided a template for measuring the success of the coaching pilot program in the form of two surveys; one specifically for the participants in the program, and another for their individual

sponsors. Surveys were distributed at the first session, the midpoint, and the endpoint of the coaching program. Each individual survey was confidential, but the collective results were reported back to the organization. Survey topics covered satisfaction (with job, company and coaching), self-awareness, leadership skills, and progress toward individual coaching objectives.

#### Coaching Format

Eight selected participants from Accenture worked one-on-one with an individual executive coach for six months. A sponsor was identified for each participant (someone senior who managed them or assisted in their development in some way) who was privy to individual goals and results of the coaching program. The sponsor attended a minimum of one session along with the coachee in order to provide the coach and coachee with valuable insight into the development needs of the participant.

#### First Session Survey and Report

The results of the initial survey showed that the participants were somewhat enthusiastic about the program, but did not know how to use it in the best way possible. The top three rated items in the survey out of 27 questions were: “The coaching program is a valuable benefit”, “being a part of the coaching program increases my satisfaction with my opportunities to improve my leadership” and “I perform well under pressure.” At the bottom, the lowest scoring items were “I understand what is expected of me to succeed at Accenture.” “I feel I can achieve my career objectives at Accenture”, and “I am satisfied with my work.”

Important themes included low morale, poor communication with senior staff members in the organization, lack of clarity around goals and expectations, and lack of trust in Accenture.

an organization. Much of these beliefs come from the lack of good measurement of results. If there is no measurement of return on investment (ROI), there is no justification for the existence of HR/training as anything but an administrative and operations function. When human capital development programs like training and coaching are measured, however, we find that they result in a more powerful, energized, and prepared workforce, and we can justify the focus on human performance through targeted interventions that retain, motivate, and develop key human capital.

Measuring results in the area of human capital has traditionally been very challenging and only recently have attempts been made to develop robust diagnostic tools that can predict the value that interventions like training and coaching have on the organization.

Coaching, which is currently a commonly used leadership

development and retention intervention, has even less consistent and reliable measures of results than many other more traditional Human Resource and Training programs. Part of the reason for this is that coaching has only been widely used in organizations for the last five to ten years.

Those who do study the results of coaching have discovered profound impact. Twenty-four nonprofit Executive Directors who participated in a coaching program reported improvements in leadership and management skills, organizational alignment, individual confidence, personal lives, job satisfaction, tenure and turnover. A separate study of 100 executives sought to look beyond individual impact; participant estimates of the financial benefits of coaching equaled ROI of 570%.

Each of these studies was rigorous in its research approach. At the same time, both display how easy it can be to measure the results of coaching. These studies used surveys and

## Endpoint Survey and Report

Coachee survey responses improved at both the midpoint and the endpoint of the program. Ratings for 17 out of 20 items that were in both survey 1 and survey 3 increased in survey 3. Ratings for 23 out of 29 items that were in both survey 2 and survey 3 increased in survey 3.

The highest scoring item in the endpoint survey was, "The coaching program was a valuable benefit." The lowest scoring item was, "I would have made the same improvements in the same amount of time without the coaching program." There were two major goals for this coaching program: improving leadership skills and increasing retention. The participants clearly believed that they had developed their leadership capabilities as a result of the coaching. For items covering achievement of leadership development goals, 89% of the responses suggested progress toward and/or achievement of goals.

As for retention, 25% (2 out of 8) of program participants had been considering leaving Accenture and stated that the coaching experience convinced them to stay and try to work out their difficulties. When participants were asked to estimate their intended tenure with the organization before and after the coaching program, anecdotal evidence suggested that the participants' expected tenure was longer following the coaching program. One suggested reason for this was that participants found ways to deal with issues better than they had in the past. Of course, another suggestion was that the coaching program exactly coincided with the promotion cycle; participants' attitudes toward tenure could also have been affected by their promotions, separate and aside from any effect from the coaching program.

Other evidence also points to the positive impact that coaching is likely to have on retention. In fact, the satisfaction statistics

are particularly relevant. All 7 items regarding satisfaction with Accenture and the coaching program increased from survey 2 to survey 3 and 6 out of 7 increased from survey 1 to survey 3. This is particularly noteworthy since satisfaction is a critical indicator for retention.

If the retention of those two participants were the only benefit of the coaching program, it would more than compensate for the cost of the program. These participants each have 10 years of experience with Accenture. They are knowledge workers and have been identified as high potential leaders. Their replacements would take years to train at great expense. While the long term effect of the coaching program on retention is still to be determined, in the short term it has already paid significant dividends on the company's investment.

The sponsor surveys at the endpoint were uniformly positive. Out of 13 items that gauged improvement, 96% of the item responses from all of the surveys were positive that the participant had improved in each area.

## The Impact

1. Accenture was able to determine that there was a positive return on investment, and to compare the rate of return with other leadership development initiatives. Ultimately, it was proven that coaching is a viable way to address key business issues within the organization, and the program is being adopted in multiple cities.
2. The coaches and coachees were given clear guidelines about the success or failure of their one-on-one engagements, and that clarity enabled better results.

interviews to collect their data, which consisted of participant perceptions on variables like satisfaction, learning, behavior change and personal and organizational impact. While some companies may seek research methods with control groups and more objective measures, for the vast majority, simple and cost-effective procedures can go a long way to help both the practitioner and the purchaser understand the impact of coaching.

## MEASUREMENT OF COACHING: A “HOW TO”

### 1. Set clear organizational and individual objectives

In order to have a powerful impact on the organization, coaching needs to be measured by multiple objectives. Individual objectives give clear focus to a one-on-one engagement. Organizational objectives are the ultimate performance metrics used to assess whether this human performance intervention actually creates value for the company. Individual objectives may be set at the beginning of a coaching engagement, and shift or solidify over time.

### 2. Create both self-assessment and objective measures

Self-assessment is a simple way to determine basics like satisfaction with the program, the organization, or one’s work. Self-assessment may be inaccurate, however, when it comes to performance and behavior. Sponsor assessments, 360 interviews,

and surveys of key stakeholders can be invaluable in validating coachee perceptions.

These objective measures provide valuable feedback, giving the individual outside perspectives on their behavioral and performance changes or lack thereof. Objective measurement also provides an initial benchmark that can be used to analyze and compare progress made. With this information individuals can better understand whether or not they are really making progress and, with the help of their coach, they can identify and address the obstacles that may be getting in their way.

### 3. Create a mechanism to address external variables that assists the coachee in meeting goals (make sure all success or lack of success is not attributed to the coaching)

Within coaching, there are many variables for which we can’t account, such as opportunity, cost of time spent, or external variables such as economic or environmental factors. In order to account for these, some suggest that the coachee be asked to gauge how accurate they believe their assessment to be.

The coachee can be asked to weight several common external variables (i.e. current economic and marketplace conditions, current level of growth and rate of change within the organization, amount of time available) in terms of how much they impact the successful progression toward the individual and organizational objectives that have been identified. In addition, the coachee can identify any additional external variables

## AUTHORS

**NOAH BLUMENTHAL** is the founder and President of Leading Principles, Inc., a consulting and coaching company based in New York. Prior to having his own firm, Noah led an internal consulting group at UBS Financial Services responsible for team development and coaching. He also worked at Chase Manhattan Bank in their Organizational Capability team where he built competency, leadership and values based 360 assessment tools and coached executives on their results. Noah has completed graduate work in Psychometrics at Fordham University and in Organizational Psychology at Columbia University. He can be reached at [noah@leadingprinciples.com](mailto:noah@leadingprinciples.com).

**ELISA MALLIS, MA, MEd**, is a Human Performance Consultant and Professional Coach in the UK, who works for Accenture. She has consulted to Fortune 500 companies and has coached numerous corporate executives and leadership teams to experience positive results that are measurable. Elisa earned an MA in Organizational Psychology and a MEd in Counseling Psychology, both from Columbia University. She is a member of the

ICF’s Internal Coaching Programs Council, and is the Chair for the 2005 International Spirit at Work Awards Committee. Elisa can be reached at [elisa.m.mallis@accenture.com](mailto:elisa.m.mallis@accenture.com).

**KARLIN SLOAN, MA**, is the founder of Karlin Sloan & Company, providers of organization development consulting and executive coaching to world-wide clients. Ms. Sloan is considered a thought leader in executive coaching, and is a frequent orator on the topic of coaching and leadership development. She has been featured on ABC’s “Moneyscope” Fox Channel Five’s “Good Day New York” and Boston Cable Network’s “The Art of Coaching”. Fortune Small Business Magazine recognized Ms. Sloan for her consulting work with organizations following the terrorist attacks of September 11th. She holds an MA in clinical psychology from the Professional School of Psychology in San Francisco, and executive coach certification through the William James Institute Center for Executive Coaching. Karlin can be reached at [Ksloan@karlinsloan.com](mailto:Ksloan@karlinsloan.com).

and then weight those. By analyzing the coachee's responses some conclusions can be determined (e.g. what is the opportunity cost for time spent on the coaching) and in some cases there may be actions that can be taken to address some of the external variables that are acting as roadblocks to key objectives.

## CONCLUSION

The current emphasis on human performance (and therefore training, coaching, and other forms of people development) is just one aspect of a major shift that is taking place in the way organizations operate. The shift is to a more global, ethical, innovative, open, holistic, and collaborative way of operating. Such a shift has a powerful, positive impact on organizations and on society as a whole. In order to fully embrace tools like coaching that effectively facilitate that shift, organizations

will need to clearly link business meaning and value to them. It's our responsibility as buyers and practitioners of coaching to do just that. ■

## REFERENCES

- Anderson, Dianna, and Anderson, Merrill (2004). *Coaching that counts: Harnessing the power of leadership coaching to deliver strategic value*. Boston: Butterworth-Heinemann.
- O'Neill, Mary Beth (2005). "An ROI method for executive coaching: Have the client convince the coach of the return on investment." *International Journal of Coaching in Organizations*.
- Phillips, Jack Ph.D. and Phillips, Patricia (2004). "Measuring ROI in executive coaching." *Executive Coach Magazine*, February, Spring, pp.18-21.

## OD Practitioner

### THE OD PRACTITIONER INVITES ARTICLES

Reflection on our work is an important and usual activity for OD practitioners. Writing about our work provides the opportunity for self evaluation. A published article gives us work to distribute to our clients. A published article is an occasion for collegial conversation and feedback!

Here are some considerations to hold in mind when writing:

- A statement of the organization challenge
- The diagnostic model(s) used to frame the issue
- Reference to the theory or use of case studies to formulate the diagnosis
- Specific interventions used
- Key learnings regarding both the organization challenge and the limitations of the client situation

If you wish to discuss your ideas with the Editor, Marilyn Blair, you may contact her at [marilyneblair@msn.com](mailto:marilyneblair@msn.com) or 303-985-4858.

Articles can be up to 4,000 words, including References.

Please email articles to: [ODPSubmit@odnetwork.org](mailto:ODPSubmit@odnetwork.org).