

Equipping lea

How executive coaching can help mana

Ashu Khanna

Organisations are caught in a dilemma. The recent global economic meltdown has required many companies to cut back costs drastically and tighten their belts wherever possible — including reducing the resources dedicated to leadership development.

Simultaneously, CEOs across industries view maximising the productivity of their current leaders and developing the next generation of leaders as mission critical.

A 2008 consulting survey found that 56 per cent of employers in the US were experiencing a leadership shortage that was impeding organisational performance.

Economies have changed since the “sub-prime crisis” unfolded. The impact of the financial crisis has been far-reaching. People have been left feeling exposed, vulnerable and directionless due to the loss of opportunity, employment and financial worth.

Companies realise that the current environment requires a unique leadership approach that is more focused. Organisations and individuals have to be more proactive about organisational dilemmas such as cultural change, transitional challenges, resource rationalisation and expenditure reallocation.

This is not the first time that the world has been gripped by crisis. However, the question that arises is: How do you survive such crisis? Surely, such times underline the need for ‘leadership’.

LEADERSHIP DEVELOPMENT

How do companies reconcile their need to develop leaders while still managing costs and ensuring a return on investment in such turbulent times?

One-on-one executive coaching is the answer. Executive coaching provides:

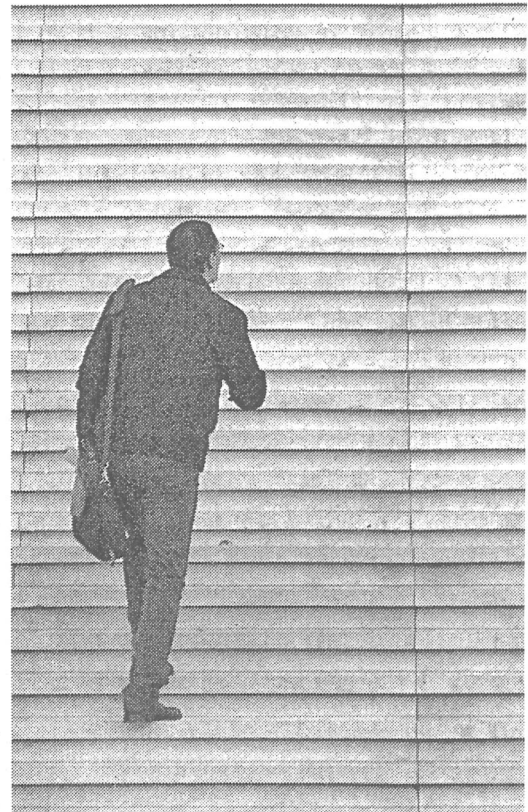
Highly focussed development that is specific to the individual leader in the context of his or her current job.

Clearly defined, measurable objectives that are collectively agreed to by the boss, the leader being coached and the coach.

Observable behavioural change and business impact within a defined timeframe.

THE BENEFITS OF COACHING

Let’s take a look at how coaching can benefit the next generation of leaders — those being brought into the organisation from outside and current leaders who need to face up to the new strategic and global challenges.



An alternative view: The guidance offers managers new perspectives on their work.

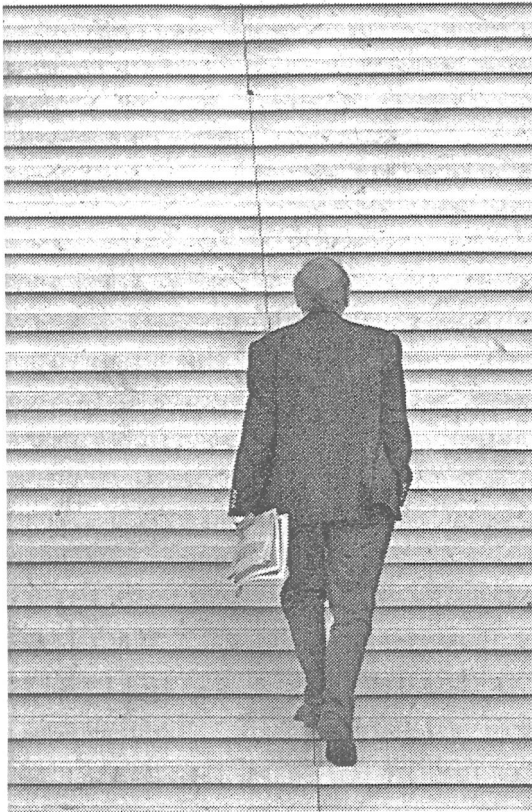
As an executive coach I happened to come across a young dynamic entrepreneur backed by a capable team, who was unable to motivate his people. He seemed to be wrestling with ‘useless team issues’ rather than creating business traction.

He was dynamic, had a long-term vision, was sharp with numbers and had an inherent ability to assess businesses. However, frequent resignations by team members and the inability of others to deliver to their boss’ expectations upset proceedings. He lacked the patience to support his team while it rode up the learning curve. Needless to say, the quality of work suffered. Since he spent most of his time taking on the work of his colleagues, new business development was severely affected.

Engaging with a coach triggered a paradigm shift in his perspective. It enabled him to identify ‘diseased areas’ and re-focus his skills. With the support of coaching and guided enquiry, analysis and discussion, several ‘barriers’ that needed to be broken down were identified. He discovered that his dominant style of working and impatience were barriers in the development of his subordi-

Leaders for crisis

Leaders tackle the new business challenges.



ed by an external professional can give
— Reuters

nates. His workload had increased due to poor delegation and had created a vicious circle of inefficient time management, low interpersonal skills, short-sighted vision, low team productivity and morale that impacted organisational growth. Coaching enabled him to carry the mantle of a leader, enhance individual productivity and maximise employee potential.

According to the Hay Group study of Fortune 500 companies, 25-40 per cent of corporations use executive coaching. Many of the world's most admired corporations such as GE invest in coaching, with the annual spend going up to \$1 billion. A recent study of executive coaching in a Fortune 500 firm by Metrix Global reported a 529 per cent return on investment and according to a global leadership development survey, 86 per cent of companies said they used coaching to sharpen the skills of managers who were identified as future leaders (Harvard Business Review).

In another instance, executive coaching enabled the national head of sales and marketing of a leading organisation (in the automobile sector) to address leadership issues

that helped him better adapt to a more senior leadership position. Though he is knowledgeable about his work and is highly regarded by clients, his networking and business development skills are very low. Through coaching he improved his time management skills and ability to take risks — attributes that are crucial to efficiency in the new senior management position. He has started developing his team, delegating work and managing timelines. Coaching has shifted his focus to stronger communication with subordinates and peers.

Coaching is most effective for executives who are willing to invest in their growth.

Even the best executives can be coached. Even if you're amongst the top management, a professional who looks into your practice and skills from the outside can often guide you to higher levels.

It is lonely at the top. The leadership position by its very nature often isolates the entrepreneur or CEO and he often finds himself unable to brainstorm his business strategy with colleagues. Certain business decisions may appear 'high risk' at a given moment in time. It also requires tremendous courage and clarity of thought to actually implement 'unpopular' decisions. A sense of denial may creep in, in the face of adversity. A coach is able to support the top management to keep its eye on the vision and chart a new course of action.

The collapse of Lehman Brothers was attributed by analysts to the over-confidence of its dynamic CEO, Richard Fuld. Real estate loans and other toxic assets increasingly weighed on its balance sheet, especially after the collapse of Bear Stearns in March 2008. It was reported that "Fuld had typical hubris that any long-term CEO has: 'I built this thing, and it's got more value than the marketplace understands'."

An error of judgment on the part of a few select people led to the collapse of many long-standing institutions.

In high-pressure situations where there is a loss of clarity of thought, a coach may be able to reconnect the individual with reality. Alternatively, a coach could assist the affected people recreate their life by looking for innovative opportunities. Executive coaching provides a development strategy that meets today's needs while preparing the leadership team for the future. It can be your strategic partner in preparing a leadership team for today and tomorrow.

(The writer is an executive coach and leadership development consultant.)