THE ROI OF COACHING:



Identify how **coaching practices** can benefit you and your team. How might executive coaching **challenge** and **sharpen** your leadership skills? How could using a coaching approach with employees **inspire** your people and organization towards **transformation**? Dive into our resources and practical tips.





The field of coaching has exploded in recent years, with concentrations ranging from holistic nutrition to executive leadership. There's no denying that coaching is a versatile service, and a handy one. After all, the best athletes are those with people holding them accountable and pushing them to be their best selves. And in terms of self-improvement, coaching hits a deeply effective sweet spot between consulting and therapy, while focusing on the future and fostering self-discovery to improve performance.



CONSULTING

COACHING

THERAPY

Paid to come up with answers

Focuses on organizational performance

Strives for objectivity

Provides quantitative analysis of problems Advises individual leaders on business matters

Involves management in goal setting

Based on organizational ethics

Paid for by the company

Focuses on the future

Fosters individual performance in a business context

Helps executives discover their own path Paid to ask the right questions

Tackles difficult issues at work and home

Focuses on individual behavioral change

Explores subjective experience

Focuses on the past

Diagnoses and treats dysfunctionality

Based on medical ethics

Paid for by the individual

Source: HBR.org ¹



WHO NEEDS EXECUTIVE COACHING?

Executive coaching involves a coach with substantial executive experience supporting CEOs and business owners as they navigate the complex waters of corporate leadership. Candidates for executive coaching may be:

- ✓ In the process of leveling up and needing to increase their skills to match
- Feeling isolated or overwhelmed at the top
- Facing new challenges
- Unsure of their own gaps and areas for growth
- Struggling with self-accountability
- Simply in need of guidance while moving from Point A to Point B.

?

What areas of your professional life might benefit from the presence of an executive coach?

The executive coaching process is relational, strategic, and goal-focused. At Acumen, for example, we come alongside leaders to help them grow using a thought-provoking and creative process that maximizes personal and professional potential. Learn more here.



HOW CAN COACHING IMPACT YOUR TEAM AND ORGANIZATION?

Beyond executive leadership development, coaching has the potential to transform organizations like yours from the inside out – when leaders engage with their teams from a coaching posture of curiosity, humility, and empowerment. What better way to enrich your team's journey? After all, coaching is a process that prioritizes people – the heart and soul of an organization – and it's a process that produces results. When you approach your employees as a coach, you ask good, challenging questions in order to help them sharpen their skills and inspire them to reach their own solutions. Your Return on Investment – or, as we like to call it, your Return on Impact – will be a culture of trust, creativity, confidence, and productivity.

COACHING PRACTICES HAVE THE POTENTIAL TO TRANSFORM YOUR JOURNEY AND SUPPORT THE LONG-TERM HEALTH OF YOUR TEAM AND YOUR ORGANIZATION.

LET'S LOOK AT THE NUMBERS.



Relationships and people are what enrich your organization's narrative. Think about someone specific on your team. What goals would you be excited to empower and encourage them in tackling by coming alongside them as a coach?



of individuals who hired a coach report being satisfied or very satisfied with the process and results. process and results.

Source: Coaching Federation ²

HAVING A GUIDE - SOMEONE ASKING GOOD QUESTIONS AND ENCOURAGING CREATIVE PROBLEM-SOLVING AND SELF-AWARENESS - INCREASES WELL-BEING, PRODUCTIVITY, AND ACCOUNTABILITY.



A Metrix Global study.³ found that in a best-case scenario, executive coaching can have a **788% return on investment (ROI)**. This is based on factors including increases in productivity and employee retention.

EXECUTIVE COACHING RESULTS IN...

70% increase in individual performance50% increase in team performance48% increase in organizational performance



Source: The International Coaching Foundation ⁴

Here at Acumen, we can attest to the impact of executive coaching personally! Our partners consistently report that their participation in Acumen executive coaching has contributed to their well-being and financial success time and time again. Although our testimonials repeatedly call out the unquantifiable and deeply meaningful impact on people at involved leaders' organizations, there are specific financial metrics to point to as well. Sean Miller, Chairman of the Miller Group, attests that their **EBITA increased by over 9x thanks to his involvement with Acumen peer groups and coaching**, and Bob Meyers, CEO of iTedium, affirms that he has more than **tripled his financial profits since joining Acumen**.

EXECUTIVE COACHING HAS A HUGE IMPACT. NOW IMAGINE TAKING THAT IMPACT TO YOUR TEAM.



According to another study, organizations that offer their employees training alone experience a 22% increase in productivity, but when that training is combined with one-on-one coaching, the figure rises to 88%.

80% of people who receive coaching report increased self-confidence, ⁶ and over 70% benefit from improved work performance, relationships, and more effective communication skills.



More anecdotally, a leader's coaching approach moves employees out of over-dependence on their managers and executives, keeps those managers and executives from becoming overwhelmed from solving everyone's problems for them, and builds the confidence employees need to step up to the plate on their most challenging assignments (The Coaching Habit, Michael Bungay Stanier). 7

BUT THERE'S A PROBLEM.

Although nearly 75% of managers have received training on how to coach their direct reports, **73% of employees never receive coaching at all**. When they do receive coaching from leadership, fewer than 25% of employees report feeling the coaching actually benefited them (The Coaching Habit, Michael Bungay Stanier). ⁷

According to the 2020 ICF Global Coaching Study, 8 the top three perceived obstacles to building a strong culture of coaching within an organization are: limited support from senior leaders (according to 50% of respondents), an inability to materially measure the impact of coaching practiced upon the team (42%), and a lack of budget for coaching activities (38%).

Which of these pieces of data stands out as most meaningful to you?

SO WHERE'S THE DISCONNECT?

Coaching is a posture, a skill, and a habit that moves far beyond just doling out advice. Check out our checklists and resources to develop your coaching practices in order to have maximum impact with your team.



WHAT ATTRIBUTES MAKE A GREAT COACH?



A deep sense of **caring** for the person in front of you.



The ability to **focus on someone else's needs** and agenda.



Willingness to **listen intently** and **encourage** the coachee to go deeper and explore.

These attributes can certainly be cultivated, but coaching is more than innate personal traits and abilities. Becoming an effective coach for your direct reports involves building habits of behavior that reflect the characteristics above.

Specifically, the **primary powerful tool of coaching is asking questions** – leaning into an attitude of humble curiosity rather than reactively and frequently dispensing advice. We say this without judgment: learning to react with questions instead of advice may require you to change behaviors that have become habitual!

Re-read that list.
Does it sound like
you? If not, what
might need to
change in order for
you to get there?



WHAT HOLDS US BACK FROM EFFECTIVE COACHING?

Well, in short... WE are what's holding us back. Have you ever found yourself steamrolling a conversation with your own solutions and advice – before taking the time to come alongside the person in front of you, consider their dilemma from all angles, and simply LISTEN for what they're asking of you?

We get it. We've been there too. Stanier calls this the Advice Monster – our urge to quickly respond to those who bring us problems with our own thoughts and solutions. You may find yourself compelled to jump to your advice because:

"IF THIS WERE A HAIKU INSTEAD OF A BOOK, IT WOULD READ: TELL LESS AND ASK MORE. YOUR ADVICE IS NOT AS GOOD AS YOU THINK IT IS."

-MICHAEL BUNGAY STANIER, THE COACHING HABIT

- You're impatient to add value to the conversation.
- ✓ You have a hard time keeping your hands off of every steering wheel you see.
- ✓ You enjoy playing the hero for those around you.

(Dig deeper: <u>The Coaching Habit.</u>)⁷



Be honest. How would you rate your own listening skills? How much do you struggle with the urge to dispense hasty advice for any or all of the reasons above?

In the interest of combatting your personal Advice Monster, we recommend trying one of these challenges and watching what unfolds:

- Spend an entire meeting without saying anything unless absolutely necessary.
- Spend an entire meeting ONLY asking questions.
 (Dig Deeper: <u>Sharpen, Dan Cooper & Drew Hiss</u>)



TO PUT IT SIMPLY: ONE STEP AT A TIME.

If you struggle to control your knee-jerk tendency to give advice, you'll want to develop the new habit of humble curiosity and active listening. This will take work and intentionality, but we're here with resources to support! You'll need to find your motive, identify your triggers, build micro-habits, practice effectively, and have a prevention plan.

You'll also need to remember this above all else: good questions are your greatest tool. Not sure what qualifies as a "good" question? We have you covered.

?

Ready to start shifting your habits into coaching mode?





A HANDY ACRONYM

Good questions are the heart of a successful leader's coaching practices, but of course there's always more to learn! Harvard Business Review's Bill George and Zach Clayton write:

"JUST AS GREAT ATHLETES SEEK OUT GREAT COACHES, THE BEST PEOPLE WANT TO WORK FOR LEADERS WHO COACH THEM TO REACH THEIR FULL POTENTIAL AND WHO WILL HELP THEM BECOME BETTER COACHES THEMSELVES."

In response to this need, a handy acronym was developed:



Care for your teammates



Organize them in their "sweet spot"



Align them around the organization's purpose and values



Challenge them to reach their potential



Help them reach their goals

(Dig deeper: <u>Successful Leaders are Great Coaches</u>)¹⁰



Take a second look at the COACH list above. Where are you strong? Where could your practices use some improvement?

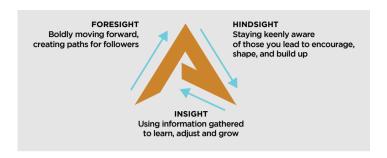
As you move towards a coaching approach with your team, you and your employees will gain confidence, problem-solving skills, and business results. The goal of coaching is a team that is sharpened – challenged – and inspired to go above and beyond. When you function as a coach, the moment your team is solving their own problems and taking on their own challenges with enthusiasm is the moment you've won. Your approach matters, and the presence of a coach leader – a guide, rather than a "boss" – is what creates all the difference.

Interested in learning more about how Acumen can help with this process? <u>Discover more about our executive coaching offerings here.</u>

ABOUT ACUMEN

Acumen is an exclusive community of CEO/Owners focused on:

- Helping you grow your top line
- Optimize your bottom line
- Enrich your storyline



Acumen. The word itself has multiple dimensions. Certainly its meaning in the context of business is meaningful. Keen Insight; Shrewdness; Wisdom; Ingenuity; Insight. It's Latin origin "to sharpen" is significant and a natural ty-in to one of our pillar verses from Proverbs 27:17 'As iron sharpens iron, so one man sharpens another.'

THE ACUMEN DISTINCTIVES



Acumen is for CEOS AND OWNERS who seek RESULTS.



COMMUNITY



Acumen is a place for **CHALLENGE**



Acumen is for people of **PASSION**



Acumen is rooted in **PURPOSE**

Leadership is a challenging and lonely endeavor involving long hours, difficult decisions and being the final word on everything. In this "every man for himself" world, you've probably realized: there is no playbook for CEOs and business owners. But what if there was a group of leaders just like you who were committed to helping each other maximize their impact on their customers, employees, suppliers and community? Welcome to Acumen. Sharpen your edge.

Interested in learning more about how you can be sharpened, challenged, and inspired more as a leader?

We'd love to chat: https://acumenimpact.com/contact-us/



REFERENCED RESOURCES

- 1. Diane Coutu and Carol Kauffman, What Can Coaches Do for You?, 2009, https://hbr.org/2009/01/what-can-coaches-do-for-you
- 2. International Coaching Federation, Frequently Asked Questions, https://coachingfederation.org/faqs
- 3. Merrill C. Anderson, Ph.D. MetrixGlobal, LLC, Executive Briefing: Case Study on the Return on Investment of Executive Coaching, http://gvasuccess.com/articles/ExetutiveBriefing.pdf
- 4. The ROI of Executive Coaching, https://www.american.edu/provost/ogps/executive-education/executive-coaching.cfm
- 5. Gerald Olivero, K. Denise Bane, and Richard E. Kopelman, Executive Coaching as a Transfer of Training Tool: Effects on Productivity in a Public Agency, 1997, https://journals.sagepub.com/doi/abs/10.1177/009102609702600403
- 6. Institute of Coaching, Benefits of Coaching, https://instituteofcoaching.org/coaching-overview/coaching-benefits
- 7. Michael Bungay Stanier, The Coaching Habit: Say Less, Ask More & Change the Way You Lead Forever, https://www.amazon.com/Coaching-Habit-Less-Change-Forever/dp/0978440749
- 8. 2020 ICF Global Coaching Study, https://coachingfederation.org/app/uploads/2020/09/FINAL_ICF_GCS2020_ExecutiveSummary.pdf
- 9. Dan Cooper and Drew Hiss, Sharpen: A Guidebook for Business Ownership and Adventures in Leadership, 2019, https://www.amazon.com/Sharpen-Guidebook-Ownership-Adventures-Leadership/dp/0578566621
- 10. Bill George and Zach Clayton, Successful Leaders Are Great Coaches, 2022, https://hbr.org/2022/10/successful-leaders-are-great-coaches