

The RESOURCE

EXECUTIVE COACHING: IMPROVING PERFORMANCE TO STAY AT THE TOP OF THE GAME

Executive coaching is about improving performance. The level of the position does not matter; those at the top want to continue to improve. Even Tiger Woods uses a coach.

What Coaching Can Do

Executive coaching can be effective for executives at all levels when they are confronted with difficult situations. An executive coach serves as a sounding board, someone to whom the executive can turn to discuss important personal and job-related issues objectively and confidentially. Often, coaching is provided to new managers or executives making the transition to a new role. Occasionally, it is provided because executives have problems relating to peers or direct reports. At PSP, executive coaching often is provided as part of an ongoing developmental process that includes executive assessment and benchmarking as well as 360° feedback. Sometimes only an outside coach can tell an executive that he or she may be off target and may be causing problems with a particular action.

The time required for executive coaching varies depending on the issues and the individuals involved. Regardless, a great deal of commitment is required on the part of the executive. If commitment is lacking, coaching will not be successful, no matter how capable the coach. Some individuals enter executive coaching because of a mandate for self-improvement, merely complying and going through the motions. A good coach can discern executives who are truly committed.

There are times, however, when executive coaching is not called for. It will not help when the individual has no future in the organization or when coaching is seen as the person's last chance to "turn it around." The purpose of executive coaching is not to save an executive who no longer has the trust of his boss, peers and direct reports. If the company's top executives are not committed to the individual's success, coaching is not the answer.



How to Select a Coach

Selection of an executive coach starts with a coach's previous experience in counseling executives. In addition, a good fit between the coach and the executive in terms of personality is important. It also helps when the coach understands the company and political issues that may be involved.

Assessment skills are required to determine what course of action and coaching will best assist the executive. Another key for success is the coach's ability to build a trusting and effective relationship and provide feedback in a manner that will be well-received. Finally, a coach needs behavioral change expertise in order to help an executive shed ineffective behaviors and acquire new capabilities.

A word of caution on selecting a coach is in order. There is no agreed-upon definition of executive coaching and no formal training is required. Since literally anyone can represent oneself as a coach, careful assessment of credentials, qualifications and results is imperative when choosing an executive coach.

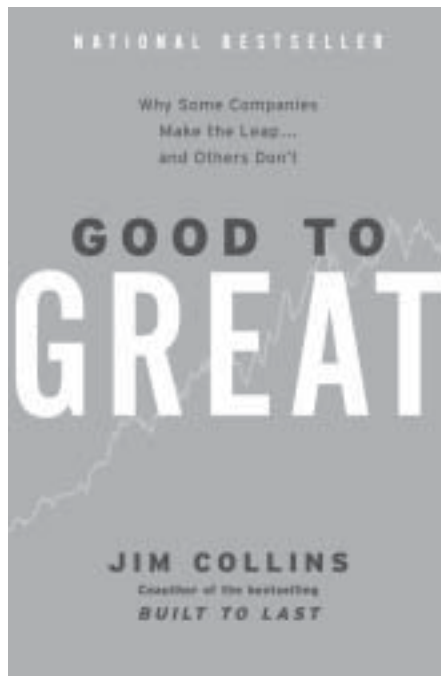
Facing Reality

Of foremost importance to any executive is to deal in reality, whether looking at one's own strengths and weaknesses or those of one's organization and direct reports. Executive positions, however, are often isolating. Without people with whom to talk in confidence, an executive may find it difficult to reflect objectively about issues. An executive coach becomes a mirror that reflects reality and how one's actions influence the chances of achieving the desired results.

Executive coaching works well for executives who are committed to change, willing to look at themselves and to accept feedback even when it is unflattering. Like Tiger Woods, in order to remain at the top of the game, the executive needs constant feedback, coaching, continuous practice, and improvement. Executives who recognize this will continue to learn and continue to succeed.

In *Good to Great: Why Some Companies Make the Leap... and Others Don't*, Jim Collins has written one of the most significant business books of the past year and perhaps of the decade. We want to alert our PSP customers to the wisdom of his findings. We share some highlights in this newsletter and encourage you to read the book and discuss it with your colleagues.

- ❖ *Good to Great*, a current bestseller, is based on a five-year research project that answers the question: How can a good company become a great one?
- ❖ Collins identified 11 good to great public companies that averaged returns of 6.9 times greater than the market, and had more than twice the performance rate of General Electric under the legendary Jack Welch.



- ❖ Companies profiled include Nucor, Kimberly Clark, Abbott Laboratories, Kroger, Gillette, Pitney Bowes and others. For each of these companies, the research found the same thing. No miracle moment transformed them from good to great. Neither were they run by dynamic, charismatic leaders. Instead, the key was a down-to-earth, pragmatic commitment to excellence and a process of disciplined effort.
- ❖ None of these companies became successes overnight. Success came as the result of a long-term transformation while the company was building a culture of self-discipline, with emphasis on sticking to their core business, i.e., what they did best.



- ❖ The most important thing is for a company to focus attention on doing the right things and to stop doing things that are not useful. The discipline of this effort can create a powerful flywheel effect that will accelerate with time, and ultimately this discipline will create the change desired.
- ❖ The good to great transformations do not happen overnight or in one big leap forward. Instead, they proceed in a disciplined but relentless fashion akin to pushing a giant, heavy flywheel until it gains momentum and hits a breakthrough point.

- ❖ Collins distinguished what he calls the “hedgehog concept” when leaders confront the brutal facts about their organization and its strengths and weaknesses. Leaders seek a central organizing idea that unifies and guides decisions around what they are best at doing, i.e., what most drives their economic engine and what they are most passionate about. On average, it took the good companies four years to crystallize their hedgehog concepts.
- ❖ The executive leaders in good to great companies began by getting the right people on the bus. They started not with where they were going, but with whom they were going. They get the right people on the bus and the wrong people off the bus, and then place the right people in the right seats. They stick with that approach—first the people, then the direction.

- ❖ Good to great leaders understand that by beginning with “who,” you can easily adapt to a fast-changing world. And if you have the right people on the bus, you don’t have to worry about motivating them, because they will motivate themselves. If you have the wrong people on the bus, it won’t matter whether or not you are heading in the right direction because a great division with mediocre people most often produces mediocre results.
- ❖ Having a new vision wasn’t as important as putting the right people in the right jobs and instituting a culture of discipline. The CEOs and leaders who ran the companies identified by Collins were “first and foremost for the company.” They surrounded themselves with smart, hard-working people not afraid to face their shortcomings who never lost sight of what their companies did best.
- ❖ Great companies know their shortcomings, according to Collins. “A lot of companies have a sense of what they do well, but very few have a sense of what they can do better than any other company. Equally very few have a piercing understanding . . . of what they can’t do well. Having the discipline not to do what you can’t do best in the world is crucial.”
- ❖ The good to great companies avoided jumping on new technology bandwagons but were often pioneers in application of carefully selected technologies that helped accelerate their flywheel momentum.
- ❖ The executives studied by Collins put the company first and showed a blend of personal humility with intense professional will.
- ❖ Great companies first build a culture of discipline—disciplined people engaged in disciplined thought, taking disciplined action.

LEADERSHIP DEVELOPMENT IS KEY FOR MIDDLE MANAGERS

Middle managers suffer from the middle child syndrome. They are responsible for directing employees in key performance areas and their success is required for obtaining important business results. However, they often are neglected within companies, getting neither the respect nor the attention they deserve. PSP believes that developing middle managers can return the investment many times over.

Middle Managers Play a Pivotal Role

What makes middle managers important is their position within the company. They are close to the action, with knowledge of operations and processes as well as first-hand relationships with customers and front-line employees. They are networked throughout the organization and know the important issues, where problems exist, and where opportunities lie. They are ultimately the leaders who will make change happen—or throw roadblocks in its way when they are not involved. Neglecting this group is detrimental to the company because middle management is both the proving ground and the development ground for future executives. The cost can be high; when a key middle manager leaves, a storehouse of knowledge leaves as well.



Creating a Developmental Culture

Leadership development programs targeted to this key middle management group help align their leadership behaviors with existing business strategy and goals. As with any change initiative, it is important to obtain buy-in from middle managers for any developmental process. Sharing business transition goals with them and gaining their input on what leaders in the company need to do differently in the future can provide important information and valuable insights. It can also help identify success

factors for a leadership competency model that can serve as the basis for achieving business goals.

Once a competency model is developed, managers can be measured against the success factors. PSP's customers use standardized management assessments for external benchmarking and 360° evaluations for internal performance feedback. The results from these assessments are then integrated, in a developmental interview, with a review of individual managers' own perceptions and specific business challenges.

Individualize Developmental Planning

From these interviews, individual training and developmental programs are created to target each manager's specific needs. This process helps obtain the middle manager's commitment to specific training and development goals because they have already identified key competencies necessary for achieving the business plan. The suggested program not only helps them be more effective on the job in achieving business results, but also helps in achieving personal career objectives.

When this developmental process is done for a middle management group as a whole, important group data can be assessed to identify skill or competency gaps. These can be targeted through group training sessions.

The emphasis is always on individual accountability of managers for their own development if they are to progress as future leaders. Companies give them the tools to work with, but it is up to them to "take it and run with it." Often, this developmental process will separate those who are fully committed to achieving success and those who are not. It is a way to identify future executive leaders.

Executive Follow-up and Coaching

Senior executives need to reinforce developmental action plans for middle managers with follow-up discussions and coaching. They should give particular attention to on-the-job experiences that might be helpful in developing individual skills and competencies. These projects need not be large. Smaller but more meaningful projects can provide valuable training experience while also contributing to a company's business results.

By targeting middle managers for development, executives are sending a clear message about their importance to the organization. At the same time, middle managers are impacting everyday company performance, creating the next generation of executive leaders, and aligning all parts of the company for achieving business success.



WHAT'S NEW @ PSP

RESOURCES FOR MIDDLE MANAGERS



Middle managers and executives can profit immensely from Larry Bossidy's new book, ***Execution: The Discipline of Getting Things Done***. The focus is on understanding how to link people, strategy, and operations—the three core processes of every business.

Most people learn their greatest lessons from mistakes rather than from successes. ***The 12 Bad Habits That Hold Good People Back*** by James Waldroop and Timothy Butler zeroes in on the most common behaviors that cause people to fall short of their career potential. This book can provide job-saving advice for ambitious middle managers.

First, Break All the Rules: What the World's Greatest Managers Do Differently by Marcus Buckingham and Curt Coffman stresses that good managers have the ability to recognize and develop talented individuals from the initial point of employment. Although this book is now three years old, its emphasis on talent and the need to treat every employee differently is refreshing and timely.

Corps Business: The 30 Management Principles of the U.S. Marines by David H. Freedman is universally applicable in any organization. This is a highly readable and practical book for middle managers and leaders alike.

Leading with the Heart: Coach K's Successful Strategies for Basketball, Business, and Life by famed Duke University coach Mike Krzyzewski is much more than another management book by an athletic coach. All leaders will enjoy Coach K's emphasis on earning trust, dealing with adversity and bringing out the best in people.



For recommendations on training resources on any management topic, contact PSP directly.

- ❖ Provided executive coaching services for one of the nation's largest home-building companies.
- ❖ Prepared career development training plans for middle managers at one of America's largest electrical grid operations.
- ❖ Tested more than 100 hourly production and professional employees for the start-up of a new chemical processing plant in China.
- ❖ Assessed candidates for a position as Division President for a nationwide distributor of funeral products and services.
- ❖ Evaluated Chief Financial Officer candidates for a metals company and a transportation company.
- ❖ Performed a job analysis and assessments for an electronics firm in western Pennsylvania.
- ❖ Developed a work behavior screening program for the mobile workforce of a nationwide electrical power producer.
- ❖ Launched TOTS, a telephone-operated testing system, for the sales force of a multi-state cemetery operation and management company.
- ❖ Installed PSP's Computer-Assisted Testing System at a Southwestern electric utility company.



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