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developing leaders



The Ridler Report 2009

TRENDS IN THE USE
OF EXECUTIVE COACHING

November 2009

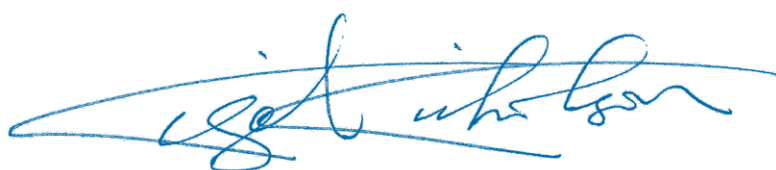
By Professor Nigel Nicholson, London Business School

Coaching has come of age, as the third Ridler Report amply testifies. Despite the burden on business finances of the current downturn the acceptance and reach of coaching continues to grow. Why? Because it is a practice that truly delivers.

As companies become more savvy and the standards of coaching practice rise, people can see and feel the benefits to their leaders, their company cultures and in their ability to cope with the pressures and challenges of these extraordinary times.

Yet, coaching still remains widely misunderstood – perceived as experts helping the weak and needy – rather than people being helped to find their own inner resources and strength to realise their potential. Coaching is, in reality, a kind of conversation anyone can have with anyone else, and as this penetrating report shows, it is a skill that is thankfully coming into the hands of more and more senior executives, enabling companies to help themselves be the best they can be.

I am delighted to warmly endorse this report and all the excellent enlightened practice that underlies it.



Nigel Nicholson

**Professor of Organisational Behaviour at London Business School,
and author of *Managing the Human Animal* and *Family Wars*.**



What is the Ridler Report?

The Ridler Report looks at emerging trends in the use of executive coaching, from the points of view of buyers of coaching and, for the first time in 2009, a senior executive who has benefited from coaching.

The Ridler Report is an annual research exercise carried out by London-based executive coaching boutique, Ridler & Co. 2009 is the third consecutive year that the Ridler Report has been issued. Over the course of its first three years the participants in the research have commented on the Ridler Report's intellectual rigour, quality of writing, clarity, innovation and outspokenness.

"The Ridler Report provides us with an invaluable overview of how other large organisations are using executive coaching. It also teases out new trends and variations and provides well informed commentary which generates ideas and reflection. We use the Ridler Report to understand better how executive coaching is developing beyond our own organisational boundary and to challenge our thinking and assumptions as to how best to deliver a high quality professional coaching service to a demanding client population."

Barbara Picheta,
Coaching Centre of Excellence, PricewaterhouseCoopers

The Ridler Report's ethos is to be, first of all, a service to those companies participating in the research but, secondly, for the market place as a whole. We do not charge for the Ridler Report. The final report is circulated first of all to those companies who have participated in the research, by completing the Ridler Report questionnaire. After an interval of a few months, the findings are made available more widely.

In 2009 we received a record 105 questionnaire responses from Chief Operating Officers, Human Resources and Learning and Development professionals in blue chip international corporates, international professional services practices, financial institutions, leading charities and public sector organisations – all of whom have used executive coaching extensively.



Ridler Report 2009 – key findings

Spending on executive coaching is rising. It appears that key executives are continuing to look for more, rather than less, support from executive coaching, in an attempt to cope with the pressures and challenges of these recessionary times. 39% of the organisations who took part in the Ridler Report research expected coaching spend to remain at the same levels in 2009 as in 2008 and 38% expected an increase in 2009 coaching spend compared with 2008.

The top three objective criteria by which companies select their executive coaches are relevant business experience, professional reputation and coaching accreditation – representing 15%, 14% and 13% of options selected in the Ridler Report, respectively. The most highly prized personal qualities of coaches were their ability to support and challenge clients (26%) and their personal gravitas in front of clients (23%).

Many large organisations are investing significantly in developing their internal coaching capability as a way of increasing efficiency in the use of their coaching budget. 28% of organisations taking part in the Ridler Report research specified that they are encouraging the use of more internal coaching, mainly to support their talented middle and senior management.

Coaching is increasingly seen as a skill which line managers need to develop and practise in the normal course of their work – to improve team performance and motivation. 52% of Ridler Report respondents said the most important lesson they had learned about coaching in the last two years was that coaching needs to be something line managers do with their reports in the normal course of their work.

Organisations are increasingly seeking specialist external executive coaching expertise, especially for their key executives who are on their way to the boardroom or are already there.

What makes the Ridler Report different from other coaching surveys?

"In a rapidly changing and sometimes chaotic coaching market, the clarity and succinct style of the Ridler Report provides a thorough and useful overview of contemporary issues in coaching, which helps client organisations to stay in touch with emerging trends."

Paul Ellis
Defence Academy of the UK

- The Ridler Report focuses exclusively on trends in the use of executive coaching – that is coaching as used in, and paid for by commercial and public sector organisations. Other kinds of coaching, used outside the corporate world, are not covered by the Ridler Report. By contrast, the International Coaching Federation's 'Global Coaching Client Study' (April 2009) includes relationship and life coaching.
- The Ridler Report articulates the practices and views of users (rather than providers) of executive coaching – mainly Human Resources and Learning & Development professionals. It is one of the very few forums where data from users of executive coaching is analysed, documented and shared.
- The views of coaches and coaching providers are expressly not presented in the Ridler Report unlike, for example, the Harvard Business Review Research Report (January 2009) which presented the views of leading coaches and coach trainers.
- The Ridler Report looks at trends not only through rigorous analysis of questionnaire data but also through comprehensive case studies which explore innovative new uses of executive coaching.

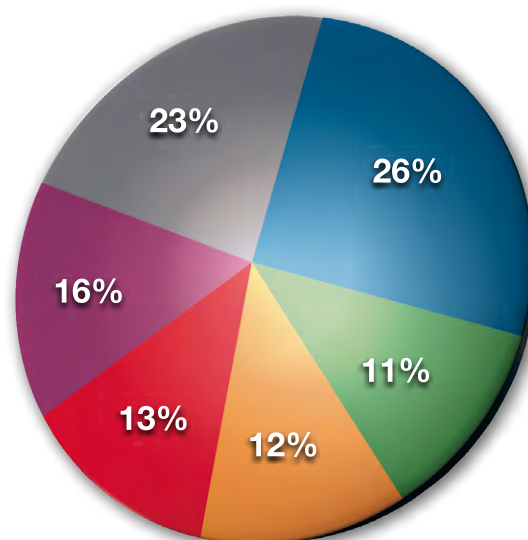


What is in this year's Ridler Report?

The following themes and case studies are included in this year's Ridler Report:

- PricewaterhouseCoopers' sophisticated approach to using executive coaching (page 5)
- Trends in spending on executive coaching in a recessionary year (page 6)
- Techniques which companies are using to manage optimally the boundaries of confidentiality between coach, executive being coached and the organisation (page 7)
- The growth of internal coaching and how this is increasingly integrated with external coaching – BUPA shares its experience of balancing the two (pages 8 and 9)
- How line managers can become better coaches (page 10)
- An interview with a CEO who describes his use of and return on investment from executive coaching (pages 12 and 13).

Industry sector analysis of Ridler Report 2009 questionnaire respondents



● Industrials and technology	26%
● Professional services	23%
● Financial services	16%
● Public sector & charities	13%
● Service Sector	12%
● Other	11%

PwC is an international business advisory firm with 16,000 employees in the UK, including 800 partners and 850 directors. As an organisation, PwC sees executive coaching as central to supporting the personal development of its senior people and enhancing business performance.

A holistic approach applies both to the extent to which coaching is integrated throughout the organisation and to the model of executive coaching used in the firm. What is notable is the breadth of ways in which coaching is used – on the job, to support the performance and development process, in career coaching and mentoring, and in core development programmes. People learn to work effectively in coaching trios and in learning groups and may experience team coaching as well as the core one-to-one coaching conversations. Executive coach Barbara Picheta comments: *“This means that people gain experience of working in service of their clients and colleagues, and of the processes of reflective practice, support and challenge, thinking widely and deeply about issues and recognising their own contribution to a situation – the processes which lie at the heart of effective coaching. The additional benefit is the ability to have meaningful conversations which deepen relationships with clients – vital in a client service business.”*



Two things combine to inform the holistic approach to executive coaching. These are the background of development referred to above and a culture which acknowledges what it is to be a human being in a professional role. Senior people work in complex roles with complex client organisations in ever changing markets and they bring the complexity and ambiguity of those roles with them when they enter an executive coaching relationship. What they also usually bring is a willingness to work at the levels required to develop new insights and understanding and bring about sustained change. This will often involve an exploration of both systemic and individual aspects as people address the relationship between themselves, their role and the organisation and seek to resolve the personal and professional challenges this throws up for them.

Transition to partnership and the taking up of a new leadership role are further occasions where a holistic approach to executive coaching can yield positive results. This period is often a catalyst for development, when people are open to thinking deeply about their skills, strengths, values, drives and limitations and are motivated to address them. Individuals may need to develop the ability to become better attuned to others, to address authority or confidence issues or to manage an excessive need to please others. At this career point, individual success depends to a large extent on 'becoming one's own person' and being clear about the contribution one is making. PwC believes that the reflective space of executive coaching and the opportunity to explore the personal dimension of the individual in context leads to thoughtful action and enhanced performance, which benefits both the individual and the organisation.

Such a way of working requires a high degree of skill in the executive coach, who helps the client to develop effective behavioural strategies, to make links and connections to deepen understanding and to manage the emotions and reactions provoked. Barbara Picheta believes this model of executive coaching matches the needs of its sophisticated executive coaching clients in the firm: *“The flourishing of executive coaching in PwC is an expression of the personal, the systemic, the organisational and the relational elements of the culture here.”*



HOW HAS SPENDING ON COACHING BEEN AFFECTED BY THE RECESSION?

In a recession one might have expected the volume of executive coaching to have been cut back. However our research suggests that this has not been the case.

We asked organisations “Will your organisation’s spend on coaching in 2009 decrease, increase or remain the same?” to which the reply was that over three quarters of our respondents expected their coaching spend to either increase or remain the same in 2009 (see graph opposite).

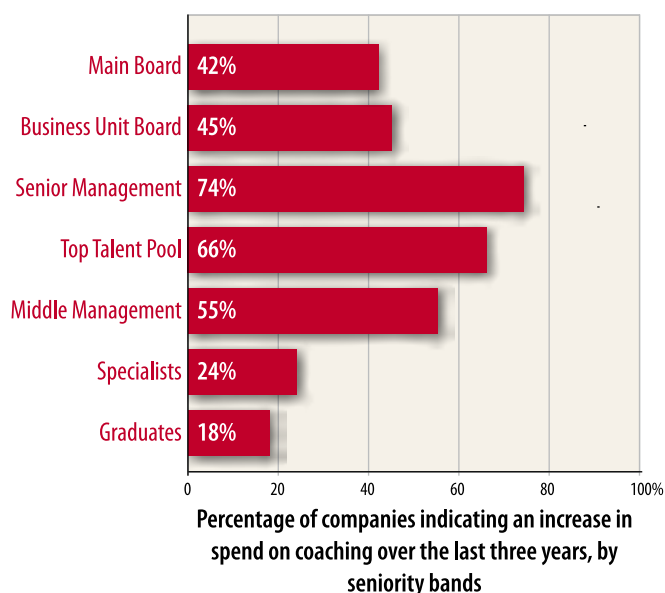
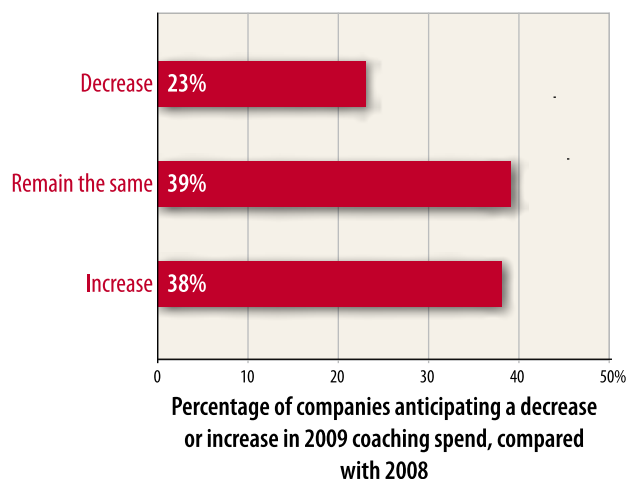
In 2008 the Ridler Report found that about three quarters of respondents were expecting coaching spend to increase or remain the same, compared with 2007, although the percentage expecting coaching spend to increase over the previous year dropped from 53% in 2008 to 38% in 2009.

There is a clear sense that many executives are continuing to find today’s leadership challenges more exacting and difficult than in the previous years of consistent business growth and are continuing to look for more rather than less support from executive coaching.

In recent years the use of executive coaching has clearly grown right across the organisational hierarchy. As the graph opposite shows, the greatest increases in the use of coaching over the last three years have been in the senior management group (just below board level) and top talent pools. Executives in these groups can perhaps especially benefit from coaching support during rapid transitions in their careers.

- 74% of respondents indicated an increase in the use of coaching for senior management over the last three years.
- 66% of respondents indicated an increase in the use of coaching for the top talent pool over the last three years.

Executive coaching at main board and business unit board levels has also grown significantly over the last three years, with 42% and 45% respectively of respondents increasing the use of coaching in these groups.



HOW IS CONFIDENTIALITY MANAGED IN COACHING ASSIGNMENTS?

We wanted to find out how organisations were managing the complex boundary issues which can arise when the coach works at a confidential level with the executive being coached and the organisation wishes at the same time to be kept informed about the progress of the coaching. The mechanisms through which organisations maximise the benefits of organisational involvement in the coaching and maintain appropriate levels of confidentiality of the relationship between the coach and the executive being coached were of particular interest.

We asked participants to indicate how formally they approached the upfront 'contracting' between coach, executive being coached and organisation. The graph opposite shows that 31% of respondents expected no formal contracting and 35% relied on informal / ad hoc contracting arrangements. 26% of respondents used some sort of written contract.

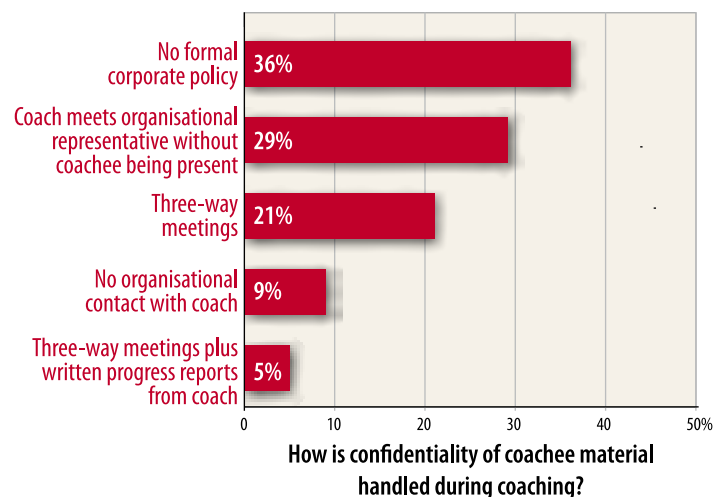
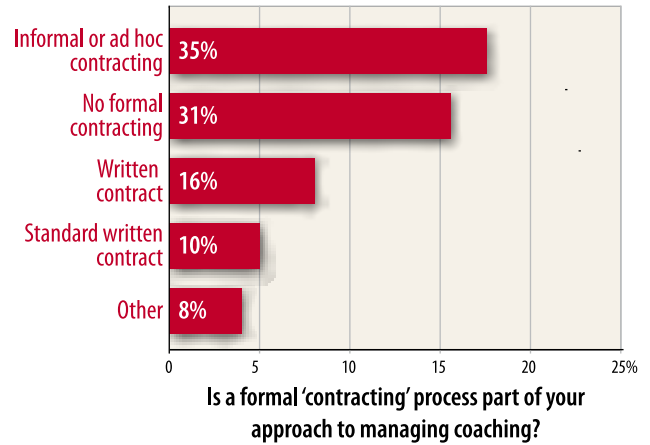
Some organisations varied the formality of contracting for different types of coaching assignment. One building society commented *"For external coaches there is a formal contract agreed between coach, coachee, line-manager and coordinator. For internal coaching, guidelines are provided but this is left up to the coach and coachee."*

The specific issue of how the confidentiality of material of the executive being coached is handled during the coaching yielded some interesting results – see graph opposite.

- 36% of respondents had no formal corporate policy, leaving contracting for confidentiality to coach and executive being coached to agree.
- 29% of respondents specified that the coach would meet periodically with an organisational representative during the coaching, without the executive being coached being present.
- 21% of respondents used three-way meetings between coach, executive being coached and organisational representative, to connect coach, executive being coached and organisation.

Given the high proportion of respondents who had no formal corporate policy towards management of confidentiality, we decided to ask a handful of respondents who had a specified policy, what they did. The following themes emerged from our discussions:

- Organisations want to be involved in coaching assignments because it means they can monitor the business benefits arising. The line manager of the executive being coached is usually the preferred organisational representative to be involved.
- Written coaching objectives which are agreed and shared with the organisation from the start of the coaching are helpful – they give the line manager of the executive being coached a yardstick for evaluating whether the coaching is yielding the desired results for the business.
- Meetings between coach and organisation without the executive being coached present are not uncommon – the agenda is usually limited to an overview of the coaching work, and respondents emphasised that confidential information about the executive being coached is not sought in these meetings.
- Many of the organisations which had formulated a policy to manage confidentiality advocated the use of 'three-way' meetings between coach, executive being coached and organisational representative, on the grounds that such meetings enabled the organisation to be involved while protecting the confidentiality of the executive being coached.



"Northgate Information Solutions actively encourages three-way meetings between coach, coachee and the coachee's line manager, at the beginning of the coaching process. This gives the line manager an opportunity to articulate the business's objectives for the coaching, the coachee hears their line manager's views about what they should be working on and the coachee also has the opportunity to disclose whatever they wish to disclose about themselves. We find that the three-way meeting sets a firm foundation for the success of the subsequent coaching work."

Annah Ross
Group Learning & Development Manager
Northgate Information Solutions

THE USE OF INTERNAL VERSUS EXTERNAL COACHING RESOURCES

The Ridler Report questionnaire asked “In what ways are you looking to develop greater efficiency or effectiveness in the use of your coaching budget?”

By far the most commonly cited response, at 28%, was “Encouraging the use of more internal coaching”.

The next most common responses were reducing fee rates (15%) and introducing stricter quality standards for external coaches (14%).

Many respondent companies have invested considerably in developing their internal coaching capability, from among the ranks of line managers, Human Resources and Learning & Development professionals, mainly to support their talented middle and senior management.

In many of these companies, external coaches are used in a selective way for Board / Executive Committee, strategic business unit and group function leaders and, in the larger corporates, one level below this.

Case study

One major car manufacturer told us that they had trained over the past five years a cadre of around forty internal coaches. Initially there was little or no coordinated deployment of these internal skills but there is now a much more business-driven approach to their use.

Internal resources are now targeted at four distinct business needs:

- Managers with difficult or poor performing groups
- High potential talent who are required to ‘step up’ to more demanding roles
- Leaders with responsibility for transformational and cultural change initiatives
- Team coaching for process transformation teams e.g. new product development.

This company has appointed one individual to drive the utilisation of internal coaches, maintain quality standards and evaluate the benefits. This has resulted in fewer, but higher quality, internal coaches being used in a much more targeted way. Alongside this approach, the organisation has also increased its use of external executive coaches – the recently appointed CEO and several Board members now have dedicated external coaches.

Their Organisational Development manager commented “This is a major change for us. Previously coaching was seen as fixing problems or as a remedial step but the CEO has now become the role model for driving the use of executive coaching as a leadership development practice and we are now much more business-focused in our use of internal resources.”

There remain some significant issues for companies who have developed a blended use of internal and external coaching. These seem to fall into the following categories:

- Creating a positive culture – to deliver lasting benefits a positive culture needs to be created, where executive coaching is seen as being about supporting leaders through transition or transformational change, rather than as a remedial or turn-around activity.
- Organisational context – in some organisations the predominant business model is not fully conducive to the more developmental or transformational aspects of coaching. For example, in engineering or very technical contexts, coaching is too often seen as being about ‘fixing problems’ or ‘fixing people’ or is too closely identified with instructing. In some financial services contexts, the cult of the stellar individual contributor may mitigate against team-based performance or the need to develop collaborative relationships and the short-term results focus may not support the more developmental aspects of coaching.
- Internal coaching barriers – trust, independence and confidentiality are sometimes cited as barriers to the use of internal coaching resources. This is often due to functional allegiances or organisational positioning where internal coaches can struggle with the ‘decentring’ needed to be an effective coach.
- Business focus – the coaching world is awash with life coaches, style coaches and a plethora of sub-species. Those accountable for the marshalling of internal and external resources must work hard to position their coaching provision on real business and transformational issues, rather than being seen as too ‘woolly’.

A detailed example of the challenges faced in balancing the use of internal and external coaching resources is provided opposite, in our feature case study from BUPA.



Like many organisations, BUPA, the UK's leading health insurance provider, is facing increasingly complex market and business challenges. Over the past five years, the business has become more international, with acquisitions in the USA and elsewhere, and more diverse, adding lifestyle and fitness activities to the well-established health insurance and hospital portfolio. At the same time, and after years of sustained growth, there is a need to drive enhanced customer and sales performance as well as manage the cost base.

Over these five years, BUPA has invested significantly in executive coaching for the key talent pool – mainly focused on its high potential managers and senior leaders – and has developed a balanced approach to the use of internal and external skills and resources.

Starting about five years ago, BUPA identified a group of about thirty internal managers who were trained in coaching skills, to support the high potential pool. These individuals were all given similar training and were twinned with a number of promising executives. At the time, external executive coaches were used only for the 'top level talent', where they needed the kudos and external credibility.



Over the past two or three years, the approach has developed further, to bring greater consistency to the internal coaching support and to move it towards a greater focus on meeting future challenges and on performance rather than merely on leadership.

"At first, our initial coaching efforts were probably a bit too self-development oriented – too pink and fluffy...over the past two years, we have moved to a tighter and smaller group of coaches who really work on improving performance and focusing on the business issues" says Keith Stopforth, BUPA's UK & North America Head of Talent Management and Development.

BUPA now has a smaller group of twelve to fifteen internal coaches, usually senior Learning & Development consultants and internal business managers, who are coordinated by a full-time internal coach who drives training and standards, monitors performance, benefits and progress and deals with issues such as maintaining the confidentiality contract and managing boundaries. *"These are often highly confidential coaching conversations so trust and support are essential qualities for our internal coaches... they must respect the individual's need for containment and be focused on their interests"* commented Keith Stopforth.

Internal coaching in BUPA now concentrates on key executives and high potentials in their talent pool – most are two or three levels below the Board and are leading key business initiatives or having to step-up to a more general management role. This trend to greater use of targeted internal coaching and to cascade its use deeper into the management structure is driven by several factors.

"We need to move our game on significantly in the area of individual leadership performance – training has not always worked here and coaching is bringing faster results" says Keith Stopforth. Looking at why this is in more detail, he commented *"This approach is also more effective than using training courses as we really get under the skin of the individual manager. For example, we are working hard to develop our clinical community – mainly medics – to take a more business and commercially focused approach to their leadership. By using coaching we will accelerate them up the learning into action curve."*

Turning to the use of external coaching in BUPA UK & North America Division, this has moved from being 'outside the norm' to a more targeted approach for senior executives, especially those in business unit leadership roles or with Board potential. There are around eight to ten executives in BUPA UK & North America Division who currently have an external executive coach, typically over an extended period of one or two years.

These coaches are chosen through recommendation and referral at the moment and are matched with care to the executive's needs and personal style. *"There are a mix of reasons to choose an external coach"* says Keith Stopforth *"Often the individual has taken on a much bigger challenge at strategic business unit leadership or international level or we have used an internal coach already and the individual needs more of a "wake-up call" to step up their game. But in addition, we use externals to provide fresh perspective and objectivity and to work through some of the more top-level confidential and political issues"*.

In the past twelve months, an interesting development has been the use of external coaches in tandem with executive development programmes. BUPA UK Membership selected a cadre of six high potential managers for a series of business school short programmes and coupled these with external coaching support over a nine month period. Several individuals are now in more significant roles whilst others have transitioned to an internal coach for on-going support. This kind of initiative shows how internal and external coaching resources can be leveraged to give 'the best of both worlds'.

Looking to the future, BUPA expects the balanced approach to the use of external and internal coaches to continue at senior management and high potential level. In parallel, coaching looks set to become more embedded as a management practice with front-line managers taking on more of a performance coaching role in their day-to-day activity.

This is already happening in the Sales and Operations area of the UK Membership business where there is big push on performance and the implementation of systems thinking and business process transformation.

"We believe that coaching adds significant value in our business and increases the pace of results from our senior managers – it is no longer seen as support but more as essential in achieving leadership capability across our business" concludes Keith Stopforth.

DEVELOPING THE LINE MANAGER AS COACH

The Ridler Report questionnaire asked “What are the most important lessons you have learned about how coaching can best contribute to your business?”

By far the most commonly cited response, at 52%, was “Coaching needs to be something line managers do with their reports, in the normal course of their work”.

As Professor Nigel Nicholson of London Business School points out in the foreword to this report “Coaching is, in reality, a kind of conversation anyone can have with anyone else”.

It is becoming clearer and clearer that coaching is a skill which all line managers must utilise to improve performance and motivation.

“As a charity we are, in essence, working a two pronged approach – ensuring that any external coaching is value added whilst continuing to establish an internal coaching culture amongst line managers.”

Barbara Simpson
Director of Talent and Learning, Cancer Research UK

Some of the drivers of the increasing emphasis on creating a coaching culture include:

- Organisational maturity – many have already seen the benefits of external coaching at top levels and want to leverage these practices within their organisations.
- Perception of the benefits of coaching – paradoxically, it is sometimes seen as a distraction from building line management ownership of the leadership and development of their own people. One Learning & Development director commented “It’s not good enough to out-source performance problems to Human Resources or to a coach”.
- External visibility – if one looks at the curriculum for many business school general management programmes, coaching skills feature prominently – they are increasingly seen as a ‘must-have’ skill for line managers.



Case study

A leading international luxury goods retailer told us that line manager-led coaching is a way of life in its retail and technical skills areas where the environment is already conducive to coaching by the line manager. Small dispersed business operations and lean local infrastructure mean that there is little Human Resources or Learning & Development resource to augment the favoured line-led approach. Their International Training Director commented “Our emphasis is on creating an environment where good leadership, openness, transparency and effective performance go hand-in-hand. We don’t see a role for separate internal coaches as they would substitute for the manager-led approach.”

He also described how the intention of “line manager as coach” was now becoming a reality, through a combination of top-level support for the practice and a recently launched leadership programme using 360 feedback and coaching skills. He commented “This approach is creating a situation where we are shifting from an attitude of ‘there’s a performance problem so fix it or fire the person’ to one where leadership coaching and support are valued as interventions to support the business.”

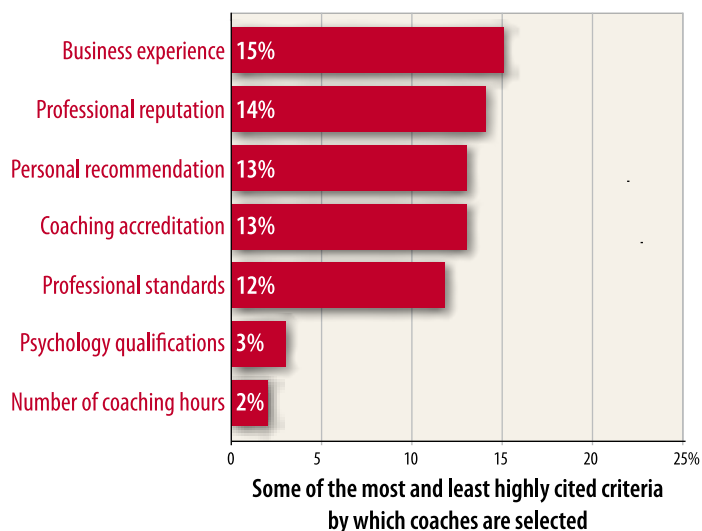
The evident enthusiasm for the line manager as coach idea raises the question of whether specialist executive coaching resource is still needed. The respondents to the Ridler Report seem to think it is, citing the following factors:

- Top leaders often experience loneliness in their positions and there may be few possibilities for a top executive to have coaching-type discussions at this level.
- If your line manager is the source of your problems then it would not be surprising if you did not wish to have a coaching conversation with them, but an executive coach instead.
- Complex leadership and transformational coaching may be too great a burden on many line managers, who may not have the time, the inclination or the expertise to contain such potentially difficult and lengthy conversations.
- Top executives often become embroiled in internal organisational issues and give too little attention to the external and customer-facing agenda. Research suggests that those who spend more time on the external agenda are more successful in weathering the fast-changing business environment. External coaching can often provide access to fresh perspectives and challenge accepted orthodoxies.
- Executive derailment is a major factor impacting on top management success and many need expert support and challenge from an executive coach to make the successful transition to the Executive Committee and Board table.

When asked “By which criteria do you select coaches?” respondents cited (in order of frequency of selection of each option):

- Relevant business experience
- Professional reputation as a coach
- Personal recommendation
- Coaching accreditation
- High professional coaching standards.

The ICF Global Coaching Study (April 2009) found that personal referral is the commonest (46%) way to find a coach.

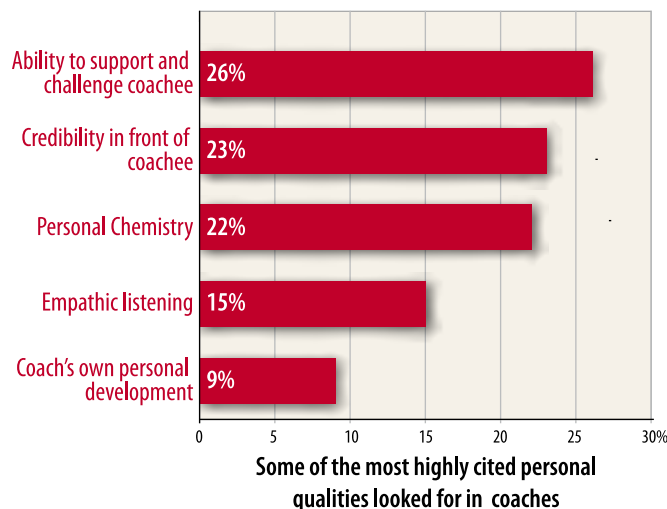


Psychological training was not seen to be as important a quality in coaches as business experience or professional reputation, although there were several notable proponents of a selective use of coaches with psychological training.

“Business performance is not just about hard-nosed processes. Santander also values executive coaches who have psychological training as it gives them a professional understanding of why people react the way they do. This can be especially important when rapid organisational change puts key people under pressure.”

Richard O’Flynn
Talent and Development Consultant, Santander

The most highly prized personal qualities looked for in executive coaches were the coach’s ability to support and challenge the executive being coached and the coach’s credibility and personal gravitas in front of the executive being coached. Evidence of the coach’s personal development through their own psychotherapy or coaching was less highly valued by users of executive coaching.



Interestingly, when we asked “How do you allocate coaches to executives looking for coaching?” the most frequently selected option (by 34% of respondents) was by specific expertise of the coach. For example, a FTSE 100 retailer advised us that they might decide to use a ‘white coat’ (psychologist) coach where an attitudinal step-change in the executive being coached was identified as desirable whereas they would be more likely to choose a ‘pin stripe’ coach (with senior level business experience) for a board member.

“We make use of external expert coaches for specific areas of expertise e.g. transition to firm leadership or for business development issues, in career transition or developing someone for the partner track. In addition, we use our internal abilities to offer more informal coaching and to define needs. For the senior fee earning staff, we tend to find that external coaches often have greater impact and will enhance the possibility of creating changes in behaviour.”

Head of Development
International law firm

More and more, the evidence suggests that the effectiveness of executive coaching depends on aligning the individual’s business role (what I do) with their personal credo (who I am). This is amply illustrated by both the PwC case study (page 5) and the interview which follows with Simon Thompson (pages 12 and 13).



WHAT IS IT LIKE TO BE A SENIOR LEADER AT THE RECEIVING END OF EXECUTIVE COACHING?

The CEO has been coached by Clive Mann, Managing Director of Ridler & Co. He speaks here about why he chose executive coaching as his main development tool, how he has used coaching and the return on investment which he and his company have seen on his executive coaching.

In September 2009, when this interview was conducted, the client was CEO of a well-known dot com web travel agency and retailer. He had profit and loss responsibility for this market-leading business employing in excess of 1,700 people across Europe and out-source partners in many destinations, including India and Argentina.

The CEO is interviewed by Clive Mann.

Clive: What made you choose executive coaching out of the range of possible interventions for your development as a senior business leader?

CEO: I could have gone on a formal training programme but training teaches you theory and it is a linear experience. I have never experienced life that actually matches what they teach you on a training programme. The next option is a mentoring programme but it can be very hard to speak openly about your observations of a corporation to a mentor who has probably been in the company for twenty years and built the business, warts and all, themselves. So the next coaching opportunity is your boss, but what if your boss is the problem, in which case how do you have a truly open discussion with your boss about improving how you interact with them? In essence coaching has the benefit over these three situations because the conversations you have in a coaching environment are probably the only conversations you can have that are one hundred percent confidential. If I had to sum up what coaching is for me, it is about having a personal confidant.

What about confidentiality? Have there been any times when you have felt uncomfortable about sharing material because you thought hang on, if the company is paying, is this really confidential?

The answer to that is simply yes, initially, but I think the difference is you quickly proved to me that I don't have to worry about it. You have made it very clear that executive coaching is for my development. Yes, it will bring substantial benefits to the company, but you are not a spy and you have always been very clear about the boundaries of information that are given to the company and in all cases you have given me control of those boundaries.

Would you ever consider being coached by an internal coach in your organisation?

No, I wouldn't. The big difference is that you are coaching me for me. That is paid for by the company but I am not being coached by the company. I'm being coached to make me better which then makes the company better – that is a completely different relationship.

At Ridler & Co I use three-way meetings between the executive being coached, the coach and the boss of the executive being coached as the central mechanism for involving the organisation in the coaching work. How was it for you to be bringing in your boss – the Chairman, into those three way meetings?

I think it worked very well because the Chairman and I had a very open relationship so it was a mutually beneficial discussion. I think the three-way meetings gave my employer an insight into what was going on in the

coaching work and at the end of the day they are paying so that is pretty reasonable. Secondly, it gave them an opportunity to let you and I know what my actual behaviours are in the organisation because I want to understand better the reaction I am having on others. Without that insight you risk working in isolation – that is no good for anyone.

How did the Chairman feel about you having executive coaching?

His view is I am as effective as I have ever been, from a commercial perspective, but now I manage to do it without the historical people bruising.

How much of your effectiveness does he attribute to coaching?

Well I think he attributes it all to coaching because he knows that I've been on no training courses and I don't have a mentor, so it's got to be coming from somewhere else.

What have you learned about how to get the best out of an executive coach?

One thing I have done of late is that if I do start having an issue with something I want to discuss, I will ring you up between coaching sessions to discuss really practical things like "I am going into this firestorm – what can I do?" I think if you are really working on some tight specifics then that interaction in between sessions becomes extremely useful. As I said earlier, you cannot beat live practice.

"...the conversations you have in a coaching environment are probably the only conversations you can have that are one hundred percent confidential. If I had to sum up what coaching is for me, it is about having a personal confidant."

CEO interviewee

How helpful have you found getting tailored 360 feedback as part of the coaching work?

What surprised me was how much more positive people's view of me was than I expected. I think that helped me to relax a bit. I think it's important that you and I have some eyes and ears in the company and you can do it through a 360 review and through three-way meetings. They both work well.

What are your feelings about the structure of our work together – like the length of the sessions (two hours) or the monthly frequency?

I think the most important thing is to have a rhythm in the length of sessions and the interval between them. That gives you an opportunity to learn and test in the workplace and then to go back to coaching and say that this worked or this didn't work. Sometimes I do have to be told more than once and it's best if the frequency of being told is closer together. Fundamentally you have got to put the commitment in – coaching is a classic situation of effort in is a result out.

How do you translate the ideas and discussions from your coaching into your day-to-day work?

I think you have to pick some real, not theoretical things, and what you want to do about them. It's a very practical matter of identification of the issue and a very practical implementation of the solution.

How do you find coaching helps you with that?

Well, coaching does help because you are actually going to have to come back and answer to someone. I have sat before work meetings where I

In an interview with a CEO client of Clive Mann, the CEO talks about his experience of executive coaching

have written down what you said to me. It's almost having your coach rattling around in your head. Fundamentally, Clive, I would hate to come back in here and let you down because it's not just letting me down, it's actually disrespecting you because you are trying to help me, so I think that if you've got that sort of consciousness of mind and commitment towards it you get a good output.

What sort of topics have you found most beneficial to bring into coaching?

I would say issues of style – how things are done and generally on a person-to-person basis – like getting the best out of peer relationships. To give you an example I will pick my favourite topic which is selective disclosure of weaknesses – the fact of demonstrating a greater level of humanity at work by making it clear to people that there are things you are not good at. It is an issue of style and completely counter-intuitive – and incredibly effective. I would never have believed that to say that you are weaker means you are stronger. Since when has that ever computed in corporate life? Like never, but it works beautifully!

How do you think your organisation has benefited from the coaching you have received?

We have got staff attrition down, the engagement survey is the best it has been since we started tracking it two years ago, the business is making more money, we have better customer satisfaction, we have more customers coming back to the business...the business is doing rather well now. I am not saying it's all down to me, I'm not saying it's all down to my coach but fundamentally I am there as the leader of that organisation, I have got better and the business has got better. What is also interesting for me is that the behaviours I am now manifesting, my leaders are also manifesting – it's having a ripple effect down the line, not just at my direct report level but all the way down. An example of this would be my focus on relationships up, down and across the matrix organisation. My leaders have learned that they need to drive change through influence, not by complaining! It would appear that better leadership behaviour at the top equals better behaviour all the way down.

Has coaching helped you become clearer about your career path?

What coaching has done is make me realise there is no reason why I cannot achieve what I want to achieve. I think I was always clear I had potential. I just was never sure whether I could actually attain my goal. Now the things that were holding me back, in particular the ones I almost did not want to face, are getting sorted out, suddenly the potential increases again. I have always had a very strong value system but I am now much clearer about the organisations that I should work for and those that I shouldn't.

What return do you think your organisation has had on their investment in your coaching?

Well, if I look at the EBITDA (earnings before interest, tax, depreciation and amortisation) improvement, Clive, I think they have probably had a factor of several thousand percent of benefit out of it. The better you are at leadership the better the business should perform – I think that's just a simple reality. Great leaders lead great businesses that satisfy customers that make money.

How do you think you benefit from coaching at a personal and professional level?

The benefits on a personal level are that you just become more competent. I would also suggest that you actually become happier and you have a lot less stress around the place as well. I think the fact that you

are happier and less stressed and more competent actually means that you are going to perform better and if you are going to perform better you are going to progress better, earn more money or spend less time at work and more time at home. For me I have enjoyed the benefit in all three of these areas but I think it depends on what your focus is. One of the things about coaching is that you do actually learn what you are good at and what you are not so good at and you become okay with your findings. I now understand why I am bad at certain things, I'm working on improving them and I am happy about that – it removes the stress from the game because you actually understand why you have your levels of incompetence as opposed to just sitting there completely confused. Confusion and not knowing what to do is an incredibly stressful situation.

How would you measure the success of coaching for you as a person and a business leader?

I think I measure it in two ways. First it is about my reputation in the business – whether great people want to work for me, that's my big measurement, so that's probably number one. The second way I measure it is actually how I feel about me. I am much happier now about the way I operate than I was a year ago. Because I am better than I was I have less stress and I feel a lot happier. Growth in profit, engagement surveys etc are outputs and I would rather measure some of the inputs such as do I feel happier and is my reputation solid? I think those things will then result in the hard business outputs, so my inclination is more to measure the things that are closer to me rather than the things that are on the P&L. The P&L will follow.

"People don't believe brand statements and buildings and corporations. They believe their leaders, so the better you can make the leader, the better the corporation will become."

CEO interviewee

Has coaching benefited your personal life at all?

Oh absolutely. One thing I have learned is that what happens at home is very reflective of what happens at work and vice versa. I understand now why it is I think the way I think and why it is I feel the way I feel. I can now tag some of my life experiences together and figure out why it is I have got to where I am. The biggest benefit from it all is not me, it's not my work, it's actually my family because of some of the insights I now have about my pluses and minuses. I am now very aware of the effect I can have on my wife and children – both positive and negative. I now have much greater awareness but I am still a student in comparison to my wife!

Is there anything else you would like to say about your experience of executive coaching?

You are only going to get out of executive coaching what you put in. So if you commit yourself to it, if you are very very clear on what it is you are trying to achieve, if you listen well, if you test what it is you learn and if you are open and honest and respect the person sat over from you then I think you will have a fantastic benefit.

Thanks very much for your time and your insights.

RIDLER REPORT RESEARCH METHODOLOGY

Ridler & Co is committed to understanding and sharing with the market place the evolving needs of users of executive coaching, through formal research in the annual Ridler Report and by constantly talking informally to our clients about their needs and expectations.

The Ridler Report 2009 is based on an intensive programme of research through mid 2009:

- The Ridler Report questionnaire was designed in discussions with senior human resources professionals and a senior representative of APECS.
- The questionnaire was sent out in April 2009 to users of executive coaching within blue chip UK and international businesses.
- Questionnaires were returned to Ridler & Co between April and October 2009.
- Detailed analysis and follow-up were completed in October 2009 with a series of interviews with:
 - ▶ Senior Human Resources and Learning & Development professionals in companies participating in the research.
 - ▶ A senior business leader, with four years' experience of being coached.

For the purposes of the Ridler Report research, we refer to executive coaching as one-to-one consultation, provided by executive coaches who may operate inside or outside the organisation, which addresses individual development and business performance in the context of the organisation.

Ridler & Co is very grateful to all those who took the time to take part in the Ridler Report research, by both completing the questionnaire and participating in interviews. We are especially grateful to Barbara Picheta of PricewaterhouseCoopers, Keith Stopforth of BUPA and Simon Thompson of Apple, for generously giving their time in the presentation of case material and allowing us to use the material in the Ridler Report.

Ridler & Co welcomes views on the Ridler Report or its contents, especially from users of executive coaching – Human Resources or Learning & Development professionals or executives interested in coaching or having had the experience of being coached.

Please feel free to let us have any comments by contacting Clive Mann or Laura Taylor on +44 20 7112 6750 or by email to clive.mann@ridlerandco.com.

Ridler & Co is an executive coaching boutique based in Mayfair, Central London. We work with leaders in the private and public sectors, helping them to be the best they can be.

Each of our clients has a responsibility for determining the future direction of their organisation. Clients are typically CEOs, directors and senior executives of private and public sector organisations and partners in professional services firms. We also work with top teams and boards.

Ridler & Co's mission is to help leaders to build the connection between who they are, what they do and the results they deliver.

We believe this process of alignment is vitally important. Bringing together the individual's personal credo (who I am) with their business role (what I do) enhances the individual's performance and connects this powerfully with their organisation's success.

But the approach goes beyond this, addressing how leaders can discover and mobilise the full range of their personal resources – motivations, talents and interests – using these more fully and effectively in the service of their individual and organisational goals.

The results are that our clients' organisations move closer to their goals, deliver impressive financial results and our individual clients sustain the upward momentum in their careers.

Ridler & Co's approach also brings wider benefits to our clients, their colleagues and families. Through working with us, they:

- Become more energised and forward-thinking
- Focus more clearly on what really matters to drive their organisations forward
- Are better able to manage challenging work relationships and to motivate their teams
- Have a clearer sense of their own professional direction and how this aligns with their organisation's strategic goals
- Achieve the right personal balance between their work drivers, their values and motivations and their personal family life.

Ridler & Co's executive coaches are high calibre professionals. Through their own extensive senior level business experience, they bring a keen understanding of organisations, the interpersonal dynamics which exist within them and the pressures that are placed on leaders.

Our executive coaches have rigorous professional training in the practice of working with leaders and top teams. They bring many years' experience of this work, inside major organisations, with world class business schools and in independent professional practice.

Ridler & Co's leadership team

Ridler & Co's leadership team consists of Clive Mann, David Findley and Laura Taylor.



David Findley
Associate Director



Clive Mann
Managing Director & Founder



Laura Taylor
Operations Director



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