

Trends in Executive Coaching

New DBM Research Reveals Emerging Best Practices

DBM conducted a research study in partnership with the Human Capital Institute on trends and emerging best practices in Executive Coaching. The 472 respondents were from a wide cross-section of industries and were comprised of HR Business Partners (32%), top Human Resources Executives (26%) and the remainder in Organizational Development and/or Training/Development roles (42%).

Results At-A-Glance

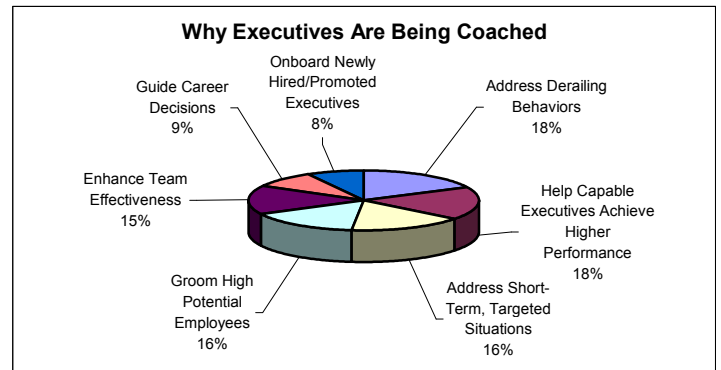
- The credibility and acceptance of coaching is high: 78% rate it good or excellent
- Return on coaching investment is generally perceived to be high – Some estimate as high as 500%
- Organizations are planning to increase their coaching investment in several targeted areas

Why Executives Are Being Coached

Reasons Cited as #1:

1. Address Derailing Behaviors: 18%
2. Help Capable Executives Achieve Higher Performance: 18%
3. Address Short-Term, Targeted Situations: 16%
4. Groom High Potential Employees: 16%
5. Enhance Team Effectiveness: 15%
6. Guide Career Decisions: 9%
7. Onboard Newly Hired/Promoted Executives: 8%

"We tend to use coaching to help executives be more effective at communicating and leading."

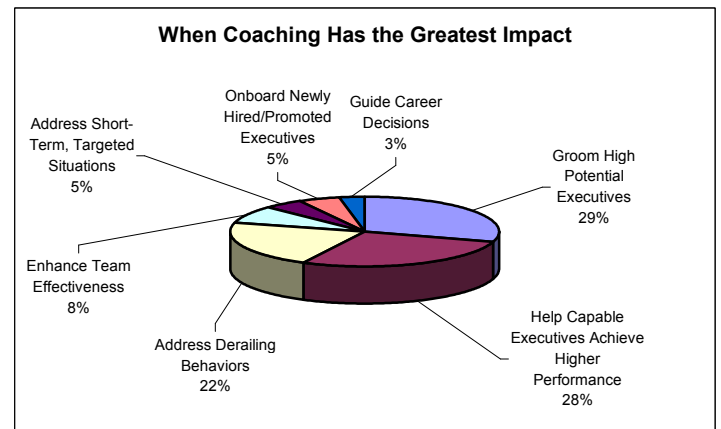


When Coaching Has the Greatest Impact

Circumstances Cited as #1:

1. Groom High Potential Executives: 29%
2. Help Capable Executives Achieve Higher Performance: 28%
3. Address Derailing Behaviors: 22%
4. Enhance Team Effectiveness: 8%
5. Address Short-Term, Targeted Situations: 5%
6. Onboard Newly Hired/Promoted Executives: 5%
7. Guide Career Decisions: 3%

"In our organization, the greatest impact I have seen is coaching the 'technical expert' who needs help being a better leader."

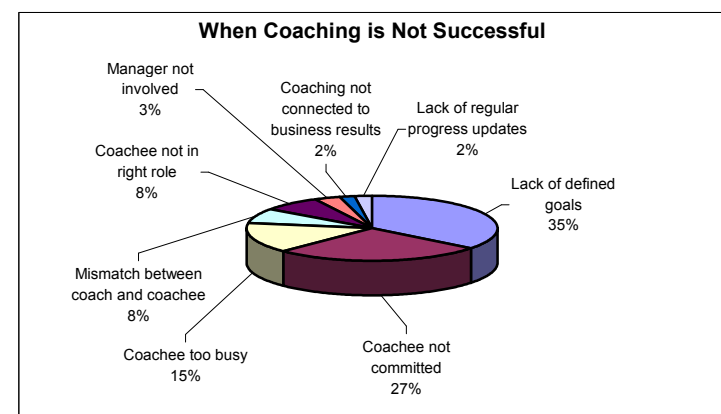


When Coaching Is Not Successful

Circumstances Cited as #1:

1. Lack of Defined Goals: 35%
2. Coachee Not Committed: 27%
3. Coachee Too Busy: 15%
4. Mismatch Between the Coach and Coachee: 8%
5. Coachee Not in the Right Role: 8%
6. Manager Not Involved: 3%
7. Coaching Not Connected to Business Results: 2%
8. Lack of Regular Progress Updates: 2%

"It's critical that there be up-front contracting with the sponsor for the coaching (i.e. the boss), and that they be involved on an ongoing basis. You need that commitment from the start."



Top Success Factors



- **“Making the Match”**
 - Ensure coach has sound methodology
 - Identify coaches with business experience and industry/company knowledge
 - Emphasize coach’s chemistry with coachee and corporate culture
 - Manage expectations of coachee and coach
 - Allow interview to take place in person

- **“Time and Touch”**
 - Allow 4-6 months to develop new behaviors
 - Emphasize primarily face-to-face coaching with blend of over-the-phone

- **“Measure, Measure, Measure”**
 - Assess progress/achievement vs. up-front objectives
 - Solicit evaluation from the coach
 - Seek out anecdotal evidence of change and impact

“The political savvy of the coach and a familiarity of the political environment and culture of the organization are very important factors.”

“It takes time to change behavior, and committing to that time is critical for success.”

“You need to ensure coaching opportunities are aligned to the business objectives, and that they are measured.”

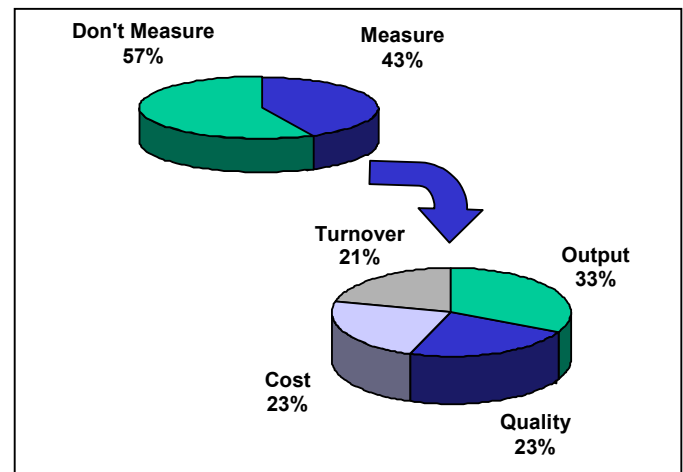
Measuring Financial Impact

Of the 43% who measure financial impact, the factors most often tracked are:

- Output: 33%
- Quality: 23%
- Cost: 23%
- Turnover: 21%

For those who measure financial impact, 77% estimate the **ROI** to be at least equal to the investment and **as high as 500%**.

“With positive ROI, it is not difficult to make the case for coaching.”



Future Trends

Organizations plan to **increase** their investment primarily in:

- Grooming high potential employees
- Helping capable executives achieve higher performance
- Enhancing team effectiveness

...While **decreasing** their use of coaching for:

- Addressing derailing behaviors
- Guiding career decisions

“We will focus on coaching high potential females and women returners.”

“We plan to do internal ‘marketing’ around the potential value of coaching relationships.”