

WHAT *is* ? Coaching?

Are You Truly Ready...



Are You Ready For The Big Leagues? Coaching For The Serious Entrepreneur.

Introduction:

Despite the tremendous growth of the coaching profession, confusion still exists about exactly what it is and what kinds of results it delivers. The following materials explain how the coaching process works, how to determine if it's right for you and your organization, and offers tips for assessing your coaching readiness. The Premier Services Division of REIC is designed for business owners and entrepreneurs who want to achieve "best of the best" status in their respective industries and who want to build a business of significance and value.

I'll argue that enhancing self-awareness is the most important part of coaching, because without it nothing will change. Sometimes, finding out how one is perceived by others is eye-opening. There may be strengths that a client is not using to his or her best advantage, or weaknesses that turn out to be strong points that are overused or applied in the wrong situations. Sometimes the individual or the team assumes that other people are perceiving things, processing information, and learning in the same way that they do. Or, behaviors may be driven by mistaken rationales or beliefs.

It is ultimately empowering to accept that we all have some role in creating whatever situation we find ourselves in. Renowned management consultant Peter Block, writing in his classic book, *Flawless Consulting*, says that there are costs associated with our basic human need for innocence and safety. The price paid for innocence is helplessness when we do not see ourselves as contributors to our own problems. The price paid for safety is remaining stuck in the status quo. Coaches provide a safe space for the learning, experimentation, and risk-taking that can result in truly amazing changes for the better. Coaches who are experienced entrepreneurs can help you understand and implement business strategies you may not even be aware exist.

I. From *Kocsi Szeker* to Business Ally: The Evolution of the Coach

In the 16th century the Hungarian city of Kocs became renowned across Europe for the quality of its coaches. Scholars have guessed that these carriages were built using spring suspension systems that smoothed the ride for passengers as they traversed rough, unpaved roads. The English eventually dubbed the "kocsi szeker" a coach, and by the 18th century "coach" was British slang for a teacher or mentor who prepared students for exams "as swiftly as if they were carried by a coach."

An apt analogy for the modern business coach is a professional who assists executives and their teams in negotiating the sometimes rough road between where they and their organizations are and where they want to be. Essentially, the coach functions as a strategist, confidant, devil's advocate, accountability partner and mentor, all rolled into one and focused on helping business owners meet their business goals. Coaches focus Clients' on solutions, make them aware of their strengths, and identify areas for development so that blind spots, gaps in skills, or bad habits do not get in the way of success. Coaches also help chart out business strategies, analyze financial performance and blend the desire for business achievement with the necessity for a vibrant and meaningful personal life.

By understanding the individual, his or her environment, and how the person is perceived by others, a well-rounded picture emerges of what's working well, what needs improvement, and what might stand in the way of change. The coach can then employ a variety of tools and techniques based on the client's priorities and preferred learning style.

Coaching gets results by showing people and teams how to:

- **Focus on a meaningful agenda.** Individuals get clear on specific goals, create effective action plans, and measure their results.
- **Become more resourceful.** Procrastination, indecisiveness, over-busyness, and lack of motivation are usually symptoms of negative assumptions, or a lack of knowledge, resources, or skills.
- **Take action.** The coach and client work together to create assignments that produce results and further learning.

There is a built-in “accountability factor” that offers powerful motivation for following through on commitments.

- **Think bigger.** When people develop a clear and compelling vision for the future they become more willing to do what it takes to make the vision a reality.
- **View themselves objectively.** A good coach mirrors a client's world view, so that they can see the limiting beliefs and unproductive behaviors that are hindering their business growth.
- **Stop wasting time. It's all about priorities.** A coach helps identify and eliminate unproductive time drains, such as becoming buried in administrative tasks, chasing dead leads, or fretting over unimportant details so that clients can focus on activities that bring revenue in the door.

- **Get a life.** Coaching is about the whole person. Often, the issues in someone's business life show up in their personal life as well. Once the business starts working better, relationships, health, and emotional life start working better, too.

II. How Coaching Works

Coaching relies on a number of business, awareness and psychological techniques and principles of adult learning to help people move out of their comfort zones, become more goal-directed, and change attitudes and behaviors that get in the way of business success. While some of the work involves developing a person's skills around organization, time management, leadership and strategic development, coaching also addresses the impact of a client's personal assumptions, interpretations, and beliefs.

Assumptions are usually projections of what someone thinks will happen in a current situation, based on a past experience or fear. For instance, one client was losing revenue because she did not have a policy regarding last-minute cancellations. Her assumption was that clients would be offended by such rules and would not want to work with her. Mistaken interpretations, particularly about other people's motives, are a frequent source of misunderstandings and conflict.

Everyone filters events through the lens of their personal experiences and beliefs. Sometimes this causes people to assign meaning based on criteria that are irrelevant to the situation, such as cultural norms or something their teacher said in the second grade. At one organization, a manager who worked very hard to make projects 100% accurate became incensed at a colleague for providing data with errors in it. He interpreted the inaccuracies to be the result of, "laziness, sloppiness, and not caring about her work." It turned out that the colleague found this man's manner intimidating, and rushed through his projects "to get him off my back."

Personal beliefs are ideas that are accepted as fact and rarely, if ever, challenged. The term "active inertia" was coined to describe how managers tend to respond to change, and even genuine crisis, by doing more of what has worked in the past, sometimes to the point of overlooking painfully obvious solutions to problems. Some of the beliefs my clients have operated with are, "No one can do the job as well as I can" (therefore I must do everything myself); "I can't afford good people" (so I must settle for mediocre performance); "If I ignore the situation, it might fix itself" (so I won't confront the issue); and "I am 100% responsible for everything that people in my department do" (which means that I must review everyone's work).

Change, of course, is difficult, and requires practice, patience, and consistent reinforcement. Kurt Lewin was a prominent social psychologist who said that transformation is a process of "unfreezing, change, and refreezing." According to this model, "unfreezing" is the stage at which

the person believes that it's appropriate and safe to try something different. This usually happens as a result of negative feedback, or when one notices that the results of their behavior do not match their self-image.

The next stage is change, which is the period when the individual is open to learning new skills, behaviors, and approaches, and actively seeks information and help. In the last stage, the new behavior, knowledge, or skill is "refrozen." This is the result of the person seeing how the change makes their life easier, and being in an environment that supports new habits.

III. Seven Things Coaches Do To Facilitate Lasting Change

#1: COACHES FOCUS ON SOLUTIONS.

Although it sounds counter-intuitive, coaches as a rule do not give advice to their clients. Rather, they use Socratic-like questioning to help people think outside the box, consider other options, and find their own solutions.

New research into brain functioning is validating the efficacy of this approach. Scientists have discovered that every person's brain processes information in a unique way, so the connections that one person makes to solve a problem will be completely different than those made by another. When the mind is focused on reaching a desired outcome, the brain connects data in a brand new way, which creates "aha!" moments.

Advice, on the other hand, reflects the needs, experiences, and thought process of the giver. More often than not, the needs of giver and receiver don't match, which is why people usually resist being told what to do.

Notice the difference, for example, between saying, "You should only respond to emails at 9:00am and 3:00pm," and asking a question that focuses someone on finding their own solution, such as, "Where do you need help prioritizing?"

Even suggestions work better when framed as open-ended questions. While coaching an overwhelmed entrepreneur, for instance, I posed queries like, "What tasks can you delegate? How valuable would it be to make a list of priorities for the week?"

#2: COACHES CHALLENGE ASSUMPTIONS AND BELIEFS.

Coaches regularly make use of cognitive psychology to help clients change thinking patterns that prevent the accurate assessment of business situations. Kant's paradigm offers an elegant way to understand the cognitive model. It proffer's that people's actions are not caused by a particular event, but rather by their interpretation of it.

According to Kant's Paradigm:

- #1. I see a tiger (perception)
- #2. I believe that I am in danger (thought)
- #3. I feel afraid (feeling/emotion)
- #4. I run (behavior)

Most people assume that their perception (#1) causes action (#4): "Yikes! I see a ferocious tiger that could maul or kill me, so I'm outta here!" However, it's really our thoughts about what we see (#2) that move us to a feeling that then triggers an action. (Imagine, for instance, that you see a tiger in a cage at the zoo. In that case, your thoughts, feelings, and behavior would be quite different.)

In coaching, the cognitive approach shows clients how to align their thoughts with a behavior that they want to change. One budding entrepreneur realized that she was associating every "no" from a prospect with an indictment of her product ("It's not good enough"). She learned to reframe her thinking and look at cold calling as a process of matching the right customers to the right product.

This technique can also be used to test assumptions about company strategy, your competitors, what's possible to achieve, and other situations that are governed by the status quo or ripe for a new approach.

#3: COACHES LOOK BENEATH THE SURFACE.

In many instances, people's weaknesses are strengths that are over-emphasized. A classic example of how "too much of a good thing" can derail managers is when energy is focused on technical expertise at the expense of actually managing a company or department or work team. Another example is trying to solve every problem with a "hard" skill like analysis and forgetting to listen and empathize.

One executive was unaware of the mixed messages that she was sending to staff, encouraging them to take responsibility for projects, yet insisting on reviewing their work in detail. In addition to frustrating subordinates, the behavior added many hours to her already long work week.

Organizational psychologists Robert Kegan and Lisa Laskow Lahey developed the theory of a "competing commitment" to explain why people engage in behavior that thwarts their ability to achieve an outcome they genuinely want. It involves a person identifying something that they are committed to doing, having or achieving, and then looking at what is currently being done or

not done that prevents the change from happening. The next step is to reflect on what the action or inaction is suggesting that the person might be more committed to (this is the competing commitment). Lastly, the individual identifies the assumption that supports the competing commitment.

#4: COACHES KNOW THAT LESS IS MORE.

Paradoxically, coaches often help people become more efficient by getting them to do less. In a book called *Working Ourselves to Death*, Diane Fasel writes that people who put in the most effort “are not the best producers in terms of efficiency and creativity.” Instead, the most successful individuals are the ones who strike a comfortable balance between their work and personal lives. Many clients I work with grapple with trying to do too much, and wind up feeling trapped by their current circumstances. Typical scenarios include trying to meet unrealistic deadlines, being on the job “24/7,” feeling paralyzed by too many urgent demands, and fearing that pushing back will result in job or income loss.

Experience shows that when people decide to say no to excessive demands (self-imposed or not) and re-prioritize according to what brings them a sense of accomplishment and fulfillment, the conditions of their lives improve, almost “magically.”

#5: COACHES CHALLENGE THE STATUS QUO.

Sometimes a counter-intuitive approach can open the way for new opportunities. This was artfully illustrated in a classic Seinfeld episode where perennial loser George Costanza decides to “do the opposite” of his first inclination. Instead of ordering his usual tuna on toast, he orders chicken salad on rye, which attracts the attention of a gorgeous blonde. They begin dating even though George admits to her that he’s living with his parents. She gets him an interview with the New York Yankees and he lands his dream job after yelling at George Steinbrenner.

One company, facing a decline in sales, increased the number of products it produced and thus the frequency of marketing messages sent to its customers. Several months later it was discovered that large numbers of customers were opting out of the email, fax and other marketing channels. Paradoxically, more marketing led to a shrinking pool of prospects.

While there were a number of other factors contributing to the sales losses, a few daring managers suggested counter-intuitive ideas, including slowing the launch of new products and devoting more energy to maximizing sales of existing, successful ones; sending fewer marketing solicitations to smaller groups of more tightly qualified prospects; and scaling back growth expectations to align with current market conditions.

The Fifth Discipline Fieldbook contains an intriguing exercise called “The Five Whys” that can help to identify the origins of a business problem. State a recurring situation (e.g. sales

are falling) and then ask, “Why is this happening?” Write down the answer, and to that reply ask again, “Why is this happening?” (for example, sales are falling ... why is this happening? Customers are opting out of email marketing ... why is this happening? We’re sending them too many solicitations ... Why is this happening?...). Repeat the questioning for a total of five “whys.” What emerges as the root issue may surprise you.

#6: COACHES ENHANCE SELF-AWARENESS.

One of the leading causes of executive derailment is inadequately developed emotional intelligence, or what used to be termed “people skills.” Emotional intelligence can be broadly defined as an individual’s ability to understand and manage his or her own emotions, and to respond empathically and authentically to others. Daniel Goleman popularized the concept in two hugely popular books, *Emotional Intelligence* and *Working with Emotional Intelligence*. He identifies five “EI” categories (self-awareness, self-regulation, motivation, empathy, and social skill) that enable people to develop a host of specific competencies, including self-confidence, initiative, achievement drive, service orientation, and persuasiveness.

EI capabilities become more critical as job complexity increases, and intangibles like “leading and motivating” become key requirements. Goleman found that 67% of the abilities needed for effective performance were EI competencies, and that IQ accounts for only about 25% of job success. Coaching has been shown to be quite effective in developing new “emotional habits” because it provides opportunities for on-going practice and consistent reinforcement of “EI savvy” behaviors.

#7 Coaches Help Organizations Build Value.

The premier coaches in the world are experienced entrepreneurs themselves. They understand financial statements, ratio’s, business strategies and implementation techniques that help businesses become more profitable and valuable. A vital part of the coaching process is to make sure the business owner/entrepreneur client isn’t just spinning their wheels, creating cash flow... but not building anything of value. So many business owners get caught up on the gerbil wheel of running a business, they don’t build a sellable asset that can create a financial and personal legacy for themselves, their families and the other stakeholders in the business.

The emotional impact of a job well done is a wonderful benefit to being a business owner. However this falls far short of creating a legacy of financial and personal significance and achievement. The experienced coaches at REIC help you accomplish both.

LEADERSHIP COACHING

Individuals in leadership roles usually have responsibility for shaping and communicating a company’s values, long-term vision, mission, and strategy. Regardless of the size of an

organization, it is imperative that individuals in leadership roles are clear about the principles that dictate how the company operates (values), the long-term objectives for the business (vision), the reason that the firm is in business and the benefits that its products or services provide (mission), and have a realistic plan for reaching goals in an efficient and timely manner (strategy).

Leadership is a particular concern for the small business owner or entrepreneur. It can be challenging to go from being the “content expert” (the one who creates the product or service) to the “person in charge of the company.” Coaching can be invaluable for helping these executives develop and communicate a strategic plan, clarify their role as president or CEO, delegate authority to others, and focus attention on a long-term vision.

In some cases, a work culture audit can reveal disparities in how various groups view a company’s priorities, systems of reward and punishment, criteria for decision-making, requirements for success, and other aspects of “company life.”

Leaders are also called on to preside over major change and transition. Sometimes the change is driven by external circumstances like the economy, evolving customer needs, new competitors or technologies, or legal and regulatory statutes. Other times, the transitions are the result of internal factors such as rapid growth, restructuring, or a merger, acquisition, or company sale. Because savvy managers are things like being able to accurately assess one’s strengths and weaknesses, develop trust and get buy-in from others on projects, think before taking action, and other characteristics commonly associated with seasoned and effective leaders.

Coaching has been shown to be quite effective in developing new “emotional habits” because it provides opportunities for on-going practice and consistent reinforcement of “EI savvy” behaviors. For example, a coach can point out how perfectionist tendencies are preventing an executive from seeing the big picture, how too much trouble-shooting can be interpreted by others “negative,” or the drawbacks of failing to solicit ideas from others in order to get the job done.

IV. Coaching for Performance

Business coaching generally addresses leadership, management, communications and performance. While some clients focus exclusively on one area, most present challenges that involve two or more categories at the same time.

PERFORMANCE COACHING

Individuals seeking performance coaching are typically in sales, marketing, or customer service roles. A coach provides the consistent support and reinforcement needed to learn new skills or habits, particularly in preparation for promotions or the addition of new responsibilities. Sometimes the coach steps in to supply the individual attention that time-strapped managers

can't. At other times, the coach works with both the individual and his or her manager to assure mutual understanding of goals, expectations, and procedures.

Typical results are improved goal-setting, a better ability to prioritize, and better organization of time and resources. The improved results build confidence and motivation as well.

V. The Coaching Process

Although coaching is customized to address the specific needs of each client, it generally follows a series of steps that serve to align individual goals with the strategies and objectives of the organization, allow the collection of data from a number of sources, and continue individual development once the coaching has concluded.

- **Goal setting establishes desired outcomes, time frames, milestones, and how success will be measured.** The role of individual stakeholders is clarified, and guidelines are established regarding confidentiality and information sharing.
- **Assessment paints an accurate picture of the current situation.** This process is customized and typically includes two in-depth individual calls with the coach which reveal the clients true attitudes and paradigms about all aspects of their lives; business and personal.
- **Development planning,** which is based on the assessment data, outlines areas that the individual will work on during the coaching process.
- **Coaching initially consists of one-on-one sessions that usually last between one and one-and-a-half hours each.** It typically encompasses: awareness of strengths and the impact of current behavior; action to learn new skills, build competencies, change behaviors, and achieve results; reflection on ways to improve and refine skills and behavior.

The bottom line is the bottom line. In business, success can be measured several ways, however the most important is the bottom line. Financial measures and financial accountability are vital to the success of the coaching process. Creating the key financial success indicators for your organization and then being willing to honestly measure (and change when necessary) the strategies and actions that create your results are the cornerstone of business achievement.

VI. Assessing Your Coaching Readiness

Coaching is an interactive process that requires an investment of time, money and energy on the part of the client. Unlike consultants, who are experts hired to develop and implement specific plans, coaches offer tools, strategies, and encouragement so that each client can broaden their perspective, enhance their skills, and function more efficiently.

People who get the most from coaching are willing to admit that they don't have all the answers, and are open to new ways of handling situations. To help assess your coaching readiness, consider whether you are:

- **Willing to try something new.** Coaching involves movement outside of the so-called comfort zone, risk-taking, and experimentation.
- **Able to look at oneself objectively.** A prerequisite for change is the readiness to take stock of strengths, weaknesses, and opportunities for learning, and to honestly evaluate the impact that actions have on colleagues and the organization.
- **Open to receiving feedback.** Part of the coach's job is to provide objective feedback about behaviors that the coach observes, or topics that a client raises. In addition, the assessment phase of coaching usually involves interviews with individuals who interact with the client (e.g. co-workers, bosses) and/or the administration of standardized instruments to identify personality style, behavior preference, motivation, leadership style, and other dimensions of an individual.
- **Willing to change.** Successful coaching outcomes require a skilled coach and a client who is ready to develop and grow. Individuals who are not motivated to change, or who have extraordinary demands on their time may not be ready for coaching in the near term.
- **Realistic in your expectations.** Lasting change takes time, and coaching is a process that typically spans several months and demands the active involvement of the client. Disappointing outcomes usually happen when clients want their coach to solve their problems or tell them what to do, or when they assign themselves goals that are unrealistic given the restraints of time, resources, or current skills.
- **Accountability and measurement.** The willingness to be held accountable, to be challenged and to stretch beyond previously established levels of achievement are necessary ingredients for success in our coaching process. Without the willingness to be held accountable, coaching simply doesn't work. You must be willing to put your ego aside and do what is in the best interest of your business to succeed in business. Most entrepreneurs who fail or who don't evolve into their full potential lack the ability to manage their egos.

As you may have already realized the Premier Coaching Services at REIC are for serious entrepreneurs only. To apply for admission into the program and work directly with John Alexandrov, [click here to complete our prospective client questionnaire](#). Complete the questionnaire and return it to REIC within 48 hours and our staff will schedule an admissions interview for you.