



Photograph by Steve Cohen

## My Coach and I

Health, wellness, and wisdom are all fair game in the executive suite.

**Knowledge Review**  
by Des Dearlove and  
Stuart Crainer

**T**oday is Monday, and Marshall Goldsmith is in London en route to Singapore. Dr. Goldsmith has logged 7 million air miles, yet, as his e-mail signature says, “Life is good.”

Business is also good. Marshall Goldsmith is an executive coach, reputedly one of the world’s most popular and best paid. The *Wall Street Journal* ranked the 54-year-old UCLA Ph.D. among the top 10 executive educators. Dr. Goldsmith has coached more than 50 CEOs. His clients include senior executives and aspiring leaders at such companies as Boeing, ChevronTexaco, General Electric, Motorola, and Pitney Bowes.

Just a few years ago, news that a CEO or senior executive was using a coach would have raised eyebrows in the boardroom. Now it is the height of corporate fashion to assign an executive coach to improve leaders’ management performance and/or overcome their personal development deficiencies.

Among the high-profile leaders who have used coaches are David S. Pottruck, CEO of the Charles Schwab Corporation, who worked

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with ex-IBMer Terry Pearce; eBay Inc. CEO Meg Whitman, who was coached by John Thompson, head of the San Francisco consulting company Human Factors Inc.; and Paul O'Neill, the former treasury secretary and former CEO of Alcoa Inc., who was coached by Dan Ciampa, himself a former CEO of the consultancy Rath & Strong.

Coaching is most prevalent in the United States, but it is spreading globally. A 2002 survey of human resources professionals by the Hay Group, an HR consultancy, found that more than half the 150 organizations polled in Asia, Australia, Europe, and North America had increased their use of coaching in the previous 12 months; 16 percent were using coaches for the first time.

Executive coaches with the requisite skills (and some without them) charge anywhere from a few hundred dollars to \$15,000 a day; a handful of telephone conversations can cost thousands of dollars. The current coaching market is largely unregulated. Inevitably, the scent of money has attracted charlatans and sharks to executive coaching. The International Coach Federation (ICF), established in 1995, is the closest thing to a professional body

for coaches. It boasts 5,200 members — up from 1,500 in 1995 — and estimates that there are around 15,000 coaches in North America. It offers certification courses and recognition for coaches.

**S**tep back from the hyperbole, and executive coaching may be seen as a combination of mentoring, professional development, and support offered through a one-on-one relationship between a coach and an executive. These relationships focus on behavioral changes to hone leadership skills, enhance personal effectiveness, and correct unhelpful behaviors to improve job performance.

Terry Pearce famously helped David Pottruck rewire himself as a leader, evolving the finance company chief's leadership style from bruising to authentic and open. Their one-on-one coaching sessions included time at a sweat lodge in the wilds of northern Washington state, where a shaman led them in "spiritual cleansing." Along the way, everything from Mr. Pottruck's failed marriages to his personal values were pulled apart and examined. The duo later took their relationship a step further by writing a

book, *Clicks and Mortar: Passion Driven Growth in an Internet Driven World*, which was published at the height of dot-com mania. The book focuses on Mr. Pottruck's experience in leading Charles Schwab in the early days of its e-business development. Although *Clicks and Mortar* is somewhat dated now, in it Mr. Pottruck offers some timeless and useful leadership insights for CEO peers, including reflections on how leaders can inspire passion in employees. He also presents some candid revelations about his personal failings as a business leader and a husband and how he changed.

Coaching to achieve behavioral change is just one area that falls under the broad umbrella of executive coaching. There are also personal productivity coaches like David Allen, author of *Getting Things Done: The Art of Stress-Free Productivity*. His book offers a practical organizing system and supporting tools for managing information and obligations. His personal coaching consulting practice, the David Allen Company, designs and implements productivity tools and programs for people to use in their personal and professional lives.

There are even "energy coach-

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es.” Indeed, much of the coaching literature borrows, unsurprisingly, from the world of sport. Witness the number of former athletic stars on the management seminar circuit. Some leaders, as a neat justification for having an executive coach, use the fact that Tiger Woods has a coach. (Even the best can get better.)

Coaches of top athletes also work directly with business leaders. Performance psychologist Jim Loehr and his partner Tony Schwartz, authors of *The Power of Full Engagement: Managing Energy, Not Time, Is the Key to High Performance and Personal Renewal* and founders of Orlando, Fla.-based LGE Performance Systems, have applied years of experience in coaching and training world-class athletes, including tennis star Monica Seles, speed skater Dan Jansen, and golfer Mark O’Meara. Using a model for managing physical, emotional, intellectual, and spiritual energy and changing behaviors — a model that has reinvigorated the achievements of sport’s elites — they put executives through a training program to help them become what they call corporate athletes. *The Power of Full Engagement* is a rare example of a self-help book that gives readers substantive guid-

ance they can use immediately, regardless of whether they choose to partake of LGE’s more extensive onsite programs and services.

**T**alk of shamans and speed skaters notwithstanding, executive coaching has legitimate roots in psychology. Much of today’s best work derives from the research of three organizational theorists: psychologist Harry Levinson, chairman of the Boston-based Levinson Institute and clinical professor of psychology emeritus in the Department of Psychiatry at Harvard Medical School; group dynamics pioneer Kurt Lewin and his Field Theory; and Edgar Schein of the Massachusetts Institute of Technology’s Sloan School of Management.

Professor Schein says coaching covers a wide spectrum of activities, from helping people learn a new system to helping them broaden their outlook on what the company is doing. “I think of coaching as establishing a set of behaviors that help the client to develop new ways of seeing, feeling about, and behaving in problematic situations,” he writes in his essay “Coaching and Consultation: Are They the Same?” (which can be found in *Coaching for Lead-*

*ership: How the World’s Greatest Coaches Help Leaders Learn*, a collection of essays edited by Marshall Goldsmith, Laurence Lyons, and Alyssa Freas). The coach, Professor Schein argues, has three key roles. At times the coach might be an expert who simply passes on the benefit of his or her experience. At other times, he or she may be a diagnostician and prescriber, identifying problems and offering remedies. Finally, there is the coach as “process-oriented therapist,” helping clients gain insight into their situation and helping them improve their behavior. According to Professor Schein, the proper balance and timing of these three roles depends on the individual situation.

In the corporate world, however, theory is less important than outcome. In *Coaching: Winning Strategies for Individuals and Teams*, Dennis C. Kinlaw defines coaching as “a disciplined personal interaction with one or more persons which produces winning results for individuals, teams, and organizations by focusing and refocusing them on performance goals and facilitating their achievement of these goals.”

Coaching’s lure for pressured

executives is the opportunity to safely forget about the usual baggage and be frank. “An executive coach provides a safe place. Who else can CEOs turn to? They are surrounded by senior managers who drink from the same water fountain,” says Robert C. Berkley, who has been coaching executives for more than 10 years and runs his company, GroupMV LLC, from West Tisbury, Mass. Mr. Berkley, a former instructor at the online coach training organization Coach U (who has also served as chief information officer at Pearson PLC and Simon & Schuster Inc.), is a master certified coach — an ICF certification held by fewer than 1 percent of its members.

Often the executive coach is a corporate father confessor. Because there are not enough confessors with credibility to go around, creative minds are at work trying to scale the process. For example, the HR consultancy Hewitt Associates Inc., which manages what is reputed to be the world’s largest executive coaching network, is now using Marshall Goldsmith’s coaching methodology.

Executive coaches cater to different echelons of business leaders. Some specialize in middle managers. “You can think of it as entry-

level executive coaching,” says Mr. Berkley. Demand is also growing for coaches who can help talented but inexperienced business leaders in their 30s and 40s who struggle with team building and need to develop their management and leadership skills but have few mentors. They tend to burn out quickly in their jobs. “These executives often come to me in a fog. They tell me they should be excited about their work, but they’re struggling to put their heart into it,” Mr. Berkley says.

**J**ust as there are different sorts of clients, Mr. Berkley identifies three main categories of coaches. First is the mentor coach, typically someone with strong experience in business. The second kind is a trained coach who may or may not have been an executive, but is someone with skills unique to the executive coaching industry. Program coaches, finally, are hired to do a specific job; an executive who must give a lot of presentations might hire a public-speaking coach. Debra Benton, who bills herself as a speaker, author, and consultant, coaches executives on how to present themselves; her client list includes Pepsi, Hewlett-Packard, IBM, and NASA.

Well-known U.S. executive coaches come from a variety of backgrounds. Some are business academics, such as MIT’s Professor Schein and the University of Michigan’s Noel Tichy, who coached Jack Welch and had a controversial relationship with former Ford executive Jacques Nasser in the 1990s. Others, such as Dan Ciampa, are consultants or former executives who have found a new niche. Many coaches are psychologists or counselors. They include life-planning coaches such as Richard J. Leider, author of *Repacking Your Bags: Lighten Your Load for the Rest of Your Life* and *The Power of Purpose: Creating Meaning in Your Life and Work*. Mr. Leider is a founding partner of the Minneapolis-based training firm Inventure Group, which lists AT&T, Caterpillar, and General Motors as clients. Some coaches even coach coaches. Mr. Leider, for example, coaches Marshall Goldsmith.

The coaching field also boasts self-proclaimed experts on motivation, assorted medical practitioners, and a host of others from the health and wellness fields. The mix of disciplines, practices, terminology, and aspirations suggests coaching is in a state of excitable flux, on par with

## Coaching Resources

Works mentioned in this review.

David Allen, *Getting Things Done: The Art of Stress-Free Productivity* (Viking Penguin, 2001), 288 pages, \$24.95.

D.A. Benton, *How to Act Like a CEO: 10 Rules for Getting to the Top and Staying There* (McGraw-Hill, 2000), 204 pages, \$19.95.

Steven Berglas, *Reclaiming the Fire: How Successful People Overcome Burnout* (Random House, 2001), 256 pages, \$25.95.

Marshall Goldsmith, Laurence Lyons, and Alyssa Freas (eds), *Coaching for Leadership: How the World's Greatest Coaches Help Leaders Learn* (Jossey-Bass/Pfeiffer, 2000), 432 pages, \$45.

Dennis C. Kinlaw, *Coaching: Winning Strategies for Individuals and Teams* (Gower Publishing, 1997), 208 pages, \$74.95.

Richard J. Leider with David A. Shapiro, *Repacking Your Bags: Lighten Your Load for the Rest of Your Life* (Berrett-Koehler, 1994), 250 pages, \$21.95.

Jim Loehr and Tony Schwartz, *The Power of Full Engagement: Managing Energy, Not Time, Is the Key to High Performance and Personal Renewal* (The Free Press, 2003), 256 pages, \$26.

Talane Miedaner, *Coach Yourself to Success: 101 Tips from a Personal Coach for Reaching Your Goals at Work and in Life* (McGraw-Hill, 1999), 256 pages, \$14.95.

David S. Pottruck and Terry Pearce, *Clicks and Mortar: Passion Driven Growth in an Internet Driven World* (John Wiley & Sons, 2000), 352 pages, \$17.95.

GroupMV LLC: [www.groupmv.com](http://www.groupmv.com)

HeartMath LLC: [www.heartmath.com](http://www.heartmath.com)

The International Coach Federation: [www.coachfederation.org](http://www.coachfederation.org)

University of Maryland University College National Leadership Institute: [www.umuc.edu/nli](http://www.umuc.edu/nli)

Stanford Executive Briefings videos, sold by Kantola Productions, \$95 for one (\$79 each for four or more); [www.kantola.com](http://www.kantola.com)

the state of psychotherapy at the beginning of the 20th century. Although the Jung and Freud of coaching have yet to emerge, it is not for want of trying.

One of the problems with any populist trend is that many hitch a lift on the passing bandwagon. Because executive coaching is growing fast, some coaching professionals with business backgrounds worry that there are too many people moving out of psychological counseling into business coaching who may not have the requisite knowledge of management and understanding of the particular demands on executives.

At the same time, coaches who focus on people's physical and emotional health warn that coaches without psychological training often do executive clients more harm than good. One coach offering such a caution is Steven Berglas, a researcher and instructor at the Anderson School at UCLA who spent 25 years in the psychiatry department at Harvard Medical School. He is the author of *Reclaiming the Fire: How Successful People Overcome Burnout*.

Books and videos are a means by which coaches can share their

techniques with a larger audience. The gung-ho, can-do attitude of the self-help genre is evident in many of the works on offer, and the messages in most are quite similar and mostly common sense. Talane Miedaner's *Coach Yourself to Success: 101 Tips from a Personal Coach for Reaching Your Goals at Work and in Life* is a typical title. Debra Benton's books, which include *How to Act Like a CEO: 10 Rules for Getting to the Top and Staying There* and *How to Think Like a CEO: The 22 Vital Traits You Need to Be the Person at the Top*, have sold well. However, CEO autobiographies are hard to beat. Why read what an executive coach has to say on the subject when you can read Jack Welch or Larry Bossidy?

No book can replicate the human touch. A more promising avenue may be interactive technology that could be used to bridge the interpersonal gap between the executive in need of coaching and the expert. For example, the University of Maryland's National Leadership Institute offers an 11-week leadership development program that combines online classes and in-person coaching. HeartMath LLC, based in Boulder Creek, Calif., has a variety of interactive e-learning tools

focused on helping executives in high-stress jobs be more effective leaders. The company's "Executive Strategies for Coherent Performance" combines interactive software with individual coaching by telephone.

Videos are another resource that executives can use to assimilate the messages of business leaders, management thinkers, and executive coaches. For example, the Stanford Graduate School of Business offers its Executive Briefings series on video. Filmed at monthly presentations on the Stanford campus, the series features leading business minds, including Bill Gates, Harvard professor Clayton Christensen, and Terry Pearce. Although it was recorded in 1994, Mr. Pearce's best-selling *The Mastery of Speaking as a Leader* is a master class in contemporary public speaking.

**A**ll of this marketplace activity can deflect attention from the issue of whether coaching actually works. Amid the publishing detritus, persuasive research is thin. The fact that at present almost anyone can set himself or herself up as an executive coach means that for those consid-

ering using executive coaching services, caveat emptor applies — in spades.

In the corporate world, inputs inevitably are weighed against outputs and investments judged on their returns. Right now, it is too early to tell whether coaching is essential, or whether it is just a passing fad. As was the case with many corporate fashions before it, the danger for today's growing executive coaching market is that its own momentum could derail it. Hyperbole and snake oil beget disappointment and cynicism, as surely as success breeds success.

Robert Berkley believes that the bandwagon effect can last only so long. "Eventually that will reach a plateau," he says. "But the coaches with the experience, skills, and temperament to sit across the table from a CEO, having been there themselves, will remain." +

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**Blockbusters: The Five Keys to Developing Great New Products**

By Gary S. Lynn and  
Richard R. Reilly  
HarperBusiness, 2002  
272 pages, \$24.95

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In a recent study, a sample of 200 CEOs from the 1,000 largest companies in the U.S. said that they believed that new product development was the single most important source for growth in their firms. The same study showed them spending twice as much of their time on financial planning as on the development of new products. This is unfortunate, as Gary S. Lynn and Richard R. Reilly point out in *Blockbusters: The Five Keys to Developing Great New Products*. These two professors at the Stevens Institute of Technology in Hoboken, N.J., show that the commitment of senior management time to active roles in new product development is an essential component of success.

Writing in a breezy, accessible style, the professors identify five factors that seem to feature heavily in both success and failure: senior management commitment, a clear and stable vision for the product, improvisation with rapid proto-

typing and fast feedback, intensive information exchange, and collaboration under pressure. Developers of so-called blockbuster products performed well in all five areas. A poor score on the authors' Innovation Report Card in any one area equated to much-reduced chances of success. The fifth factor is actually a reflection of how well integrated the first four are.

Professors Lynn and Reilly suggest that members of senior management can play several roles — project leader, technical guru, coach, active champion — but their emphasis should be on demonstrating commitment (not just participation and support) to the success of the projects. One of the early tasks of senior management is to help establish a stable vision that describes the product “pillars” — the essential requirements — and the scope of the product. In companies the authors studied, once these pillars were established, successful new product development teams resisted changing the requirements. In incremental innovations, the requirements emerge from complete immersion in the customer context. In the case of radical innovations, customers don't know what they don't know, and the vision for the product must be fueled internally by the passions of the team and their belief in the innovation. Thus, the Corning Corporation's research into optical fiber in the 1950s and 1960s was driven by the enthusiasm of its scientists — prime customers such as AT&T didn't want to hear that

their new, expensive copper networks might soon be obsolete!

Highly successful teams tended not to follow the orderly but often ponderous “Stage-Gate” product review process. Rather, they engaged in what the authors call “Lickety Stick” improvisation: Here customers are continually exposed to rapidly produced prototypes as teams search for the elusive “hot yes” — the sign that they have a “must-have” product. During this tumultuous period, effective information exchange was critical. Often teams were colocated with data and news updates displayed in “war rooms” situated close to the scene of action. Teams with regular face-to-face communication brought their products to market faster than those that operated in permanent “virtual mode.” Monday-morning meetings seemed to be the most popular way of focusing teams for the week and firing up their enthusiasm.

The contexts that sustain successful innovation in organizations are now well known at a generic level. The advantage of this book is that it goes into greater depth than usual, is based on 10 years of extensive fieldwork, and is illustrated with excellent examples, including the development of the wildly popular Iomega Zip drive and the evolution of Colgate-Palmolive's Total toothpaste (which dethroned Procter & Gamble Company's Crest, ending its 30-year reign). As a result, the reader gets a much better idea of what effective new product development actually entails. +