

Coaching choices

Whether to use an internal or external coach?

The answer, unsurprisingly, depends on what one is trying to achieve and who it is that is purchasing the coaching services. It is however unlikely to be right for firms to offer only one or the other from either a best practice or an efficiency stand point.

Background

Coaching, in a professional services context, is most often applied to

- the development of skills and behaviours that will help grow and develop the individual;
- improve personal, team and practice performance;
- support change in a business or transformation of individual or group given a new role.

For some years now the role that both coaching and mentoring can play in helping an organisation achieve short term goals and strategic targets has been widely accepted. Mentoring has always been available within firms in a formal or often less formal support mechanism. Some would argue that coaching has more recently become the management intervention of choice with which to meet the development needs of businesses operating in a changing and dynamic market.

In the UK this has only more recently been seen as a non remedial intervention and considerable investment has been made in bringing coaching skills within professional services firms.

So why would anyone consider employing an external coach when the ability exists or can be developed within the firm?



Staying current

Coaching is a relatively new science that draws on the evolving understanding of psychology and the physiology of the brain. It also borrows techniques from psychotherapy and linguistics, all disciplines that have developed almost beyond recognition in a matter of a few decades. To keep abreast of developments and remain current in the practice of coaching is not the matter of a few hours or even a few days study a year. Most internal coaches have another primary role within the organisation and cannot hope to operate at the level of a coaching professional.

Would you consider having a student lead on an acquisition being made by one of the firms major clients, knowing that they had only completed an M&A module and attended a professional development workshop a year ago? Heaven forefend that the student is ordinarily a part of the private client tax team!

Independence

For coaching to be effective a relationship must exist based on openness and honesty. The coach needs to be 100% focused on what the coachee aims to achieve (although goals are often related to an identified improvement in skills, performance or attitude linked to business objectives set by a senior partner for example). This potentially exposes the internal coach to conflicts in terms of both confidentiality and loyalty.

This situation can be mitigated by using a coach from another practice or office.

The coach should also not be seen as being established within any hierarchical structure relative to the person receiving the coaching. In order to coach effectively the coach will need to challenge a person's perception and thinking process, they need to be able to question behaviours and use what might seem as a less than polite conversational style. None of this is possible if either party is in danger of feeling uncomfortable in their professional relationship outside the coaching sessions.

Circumstances

Circumstances and personal choice come into play in selecting someone to be your coach with qualitative and emotional factors central to the decision. Do I believe this coach can help me achieve my goals? Do I like and trust this coach? Is the firm able to provide an individual who can meet both these criteria with capacity, where and when required? A negative response to any of these questions would suggest an external coach should be considered.

Special situations will arise for example in restructuring or the merger of two firms where coaching around the change can speed

integration and where it may not be appropriate to have internal coaches (from either side) working with partners or staff in the early stages of transition/merger or post merger.

Specific knowledge or experience is often not needed in a coaching conversation but in certain circumstances it helps. Where this knowledge, experience or skill set is not well represented within the firm or at a level that is commensurate with the person requiring coaching, an external resource is often the best solution. This is particularly the case when coaching is required for the senior team and in areas such as leadership, marketing, sales, organisation development and (surprisingly) finance.

Credibility

The person who is to receive the benefit of coaching must be committed to the process and believe that the coach has the ability and skill to deliver results. This commitment can easily be undermined if the coach is not credible in the role. Ability and skill are only two of the traits needed for credibility. The coach also needs to exhibit the behaviours and importantly the values commensurate with being a good coach especially in the area for which coaching is required.

Clearly an internal coach is in an advantageous position being able over a period to establish their professional credibility, skill and experience.

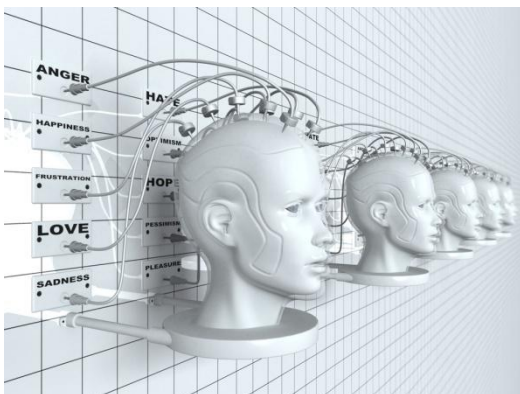
One might have some concerns if the person chosen to coach on team building is a poor team player, on leadership is a poor leader, on weight loss is morbidly obese and a compulsive eater.

Often between mentor and mentee there is an element of mutual choice. Conversely

internal coaches tend to be appointed based on the assessment of a third party as to an appropriate match and this rarely will take into account what the individual to be coached will use in their assessment of credibility which can be quite subjective.

Opportunity

Those tasked with the responsibility of learning and development within a professional services firm should also consider the opportunity benefit of using an external resource. The opportunity to engage in a style of thinking not currently part of the firms culture, the opportunity to use tools not in the firms toolbox, the opportunity to transfer skills and knowledge in short supply.



The counter argument to this is that if a coaching culture is desirable, coaching skills need to be kept current and this means regular practice. Overuse of external coaches can curtail the opportunity for internal coaches to stay current.

Commercial

Cost and capacity utilisation are two topics that normally get aired under this heading.

Coaching is costly and the return on investment has been subjective at best. To a certain extent research published in reports by professional association bodies such as the ACCA, SRA and CIPD amongst others have

now gone some way towards mainstream acceptance that time and budget invested in coaching is paid for over and over again by the results achieved.

Larger firms have taken this on board and have realised that the upfront cost of training coaches (£5,000 to £15,000) to work within the organisation can be relatively small compared with hiring in professional coaches (£500 to £3000 per day). There is no available study to measure the relative effectiveness and value of using internal or external coaches covering the range of coaching situations encountered in a professional services firm.

Using trained capacity within the organisation certainly has potential cash flow advantages but opportunity cost will also need to be taken into account. The tendency has been for non fee earning staff to provide coaching although this is beginning to be more widely replaced with a top to bottom coaching culture. With reduction in staff numbers and a focus on core fee earning activities we have yet to see if there is sufficient capacity to meet coaching needs or whether the availability of coaching provided by internal assets or external coaches is curtailed.



Control

Coaching can deliver immense benefits to a professional firm but the coaching process brings with it some risks which need to be controlled. Ownership or sponsorship of the coaching contract needs to be clearly established. Desired outcome, appropriate and suitable process methodology, costs, duration, measures of success and milestones, feedback mechanisms and parameters including confidentiality need to be agreed.

Qualifications need to be established, maintained and suitable for the task in hand. This degree of control can arguably best be established when using internal resources.

The situation is exacerbated by the unregulated nature of the coaching industry with no globally accepted qualification and differing standards of accredited training.

Congruity

Within professional firms people really are the organisation's greatest asset. Training and development have always been a key focus and generally take a number of forms. CPD, mentoring, coaching, training, seminar and conference programmes will all be part of the learning and development offering made to staff.

Alignment of these to business goals, creating a common language and culture binding the offerings together builds a sense of professionalism and is therefore highly desirable. Clearly this can best be achieved using internally developed programmes, bespoke external programmes and internal deliverers.

An external coach would need to fully understand the extant processes, style, language etc. and be able to adapt in order to

complement and support the aims of the learning and development programme.

Developing trends and other considerations that might affect the choice of an internal or external coach

- Supervision, the role of the external coach as coach/supervisor to internal coaches
- The change in the structure of professional firms – availability and suitability of coaches
- The need to leverage value from existing clients by cross selling – skills and insights
- Offering coaching as an additional service to the existing client base as a differentiator, to develop the perception of the firm as a business partner rather than just service provider
- CPD trends towards soft skills and need for supplementary support to skills training.
- Technology integration with e-learning programmes, learning and development initiatives

Conclusion

Our conclusion is that professional firms should consider a flexible open minded approach considering the preferences of the individual and the requirements of the business in the context of desired outcomes and size of investment.

There is very likely no absolute best answer and in a market place with a relatively new and evolving profession the whole question as to how best to source coaching for key individuals needs to be kept under close scrutiny.



The one further inevitable conclusion is that coaching is here to stay and will be a key component of future learning and development budgets. Its importance summarised as “the management intervention best suited to this changing and dynamic market” CIPD. A view strongly endorsed by several recent reports from the ACCA.

With this in mind, more professional firms probably need to consider formulating a policy to deal with the question whether an internal coach is really the best option for someone who has requested or could benefit from coaching.

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