Executive Coaching as a value creating tool for Organizations
What is the perceived impact of coaching on the companies that fund the process?

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Declaration of Research Work Integrity

This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature of any degree. This thesis is the result of my own investigations, except where otherwise stated. Other sources are acknowledged by giving explicit references. A bibliography is appended.

By signing the present document, I confirm and agree that I have read RU’s ethics code of conduct and fully understand the consequences of violating these rules in regards of my thesis.

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Acknowledgement

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Abstract

Coaching is an increasingly popular tool for organizational purposes. Companies see value in implementing coaching for a variety of reasons and believe that coaching outcomes have an impact on their employees in a positive manner which returns value to the organization (Brock, 2014). Coaching as an industry has grown exponentially over the last few decades and is at a critical point in its development. There is a lack of consensus among practitioners and theorists on what direction the industry should take. There is disagreement on how the concept is defined, how coaching should be applied, what qualifications coaching calls for and how coaching outcomes should be measured (Newsom & Dent, 2011).

Although there is correlation in growth of research with the growth of the industry, research has been unable to keep up with this growth of coaching in practice and has been unable to provide a concrete guideline or form a strong foundation for coaching to continue to grow in a unified direction (Hamlin, Ellinger, & Beattie, 2009).

There are many areas to coaching that require further research such as determining the organizational value gained from executive coaching. This research attempts to address this gap with an exploratory study from the organizational perspective of the impact coaching has on the company that pays for the coaching. The objective is to gain a deeper understanding on how the company representatives’ perceive the coaching process, why they choose to implement or offer coaching within their companies, how they do so and in what manner.

The findings of this study indicate that coaching does leave a positive impact on the companies that apply it and that the expectations the company representatives have are met. The purpose, which can vary, seems to be irrelevant when it comes to returned value if the expectations are defined beforehand. However, there is a clear lack of any measurement to evaluate the true effectiveness and mostly the success is determined on subjective terms.

It is concluded that there is clear indication that coaching has a positive impact on organizations but there is need for further research to determine the best practises of coaching and how this impact can be best evaluated beyond subjective means.

Keywords: Executive Coaching, Organizational Value, ROI, Performance Management, Leadership Development, Sustainable Change
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1. Introduction

Executive coaching as an industry has grown exponentially in the last few decades. It has become increasingly popular among organizations who see the potential in coaching to respond to a variety of the issues organizations face in a more complex and fast-paced business environment. As the world has changed in recent years, so have the workers and the problems organizations face (Brock, 2014).

Executive coaching focuses on personal growth and development of the participant. It is an individual based, conversational methodology that focuses on empowering the individual to find his own solutions (Bozer, Sarros, & Santora, 2013). The nature of coaching is such that it is beneficial when it comes to addressing behavioural changes, competencies and skill sets of individuals (Koroleva, 2016). Organizations can use coaching in various ways, such as to respond to performance problems, as a developmental tool, training, succession planning, change management etc. (Theeboom, Beersma, & Vianen, 2014).

However, despite the potential that coaching has in an organizational context and the consequential growth of the industry as a whole, there is much that is still unknown in this field. Evidence based research has been lacking in the field in general as has the general consensus of theorists on what coaching really means, what outcomes it should drive or what variables matter in the coaching process (Newsom & Dent, 2011).

The reason executive coaching was selected as the research material is based on the interest the researcher has on the concept in an organizational context. The researcher is both a trained coach as well as a graduate student of Human Resources and from what the researcher has learned about the status of the coaching industry, there is keen interest to study this subject further and try to gain a fuller understanding on the organizational perspective on what value is perceived to be gained from coaching. This perspective on the executive coaching relationship has not been extensively explored and there is a gap in the understanding of what organizations perceive the impact from coaching to be on their organizations.
1.1. Terms and Scope of the Topic

This research is of a qualitative nature and hence exploratory. In-depth interviews are conducted among managers and employees of several Icelandic organizations, where there is various experience in providing coaching to managers and employees. The purpose of the study is to explore what is the perceived impact of coaching on the organization. The focus is placed on gaining a deeper understanding of why organizations choose to fund executive coaching among their employees and managers, what their perspective is in the decision making and implementation process and how they perceive the outcomes.

Research in the field of coaching is limited, in particular from the organizational perspective. This research focuses on the organizational aspect of the coaching relationship and does not consider the perspective of the coach or the coach recipient (the coachee). Coaching is an old concept but a relative new industry. The concept has grown into many directions, among them executive coaching (Grant, Cavanagh, & Parker, 2010). For the purpose of this study we include any subcategory of coaching that takes place within an organizational context, is funded by a third party (organization or institution) for the purpose of employee development, performance or increased organizational value, under the term executive coaching.

This study hopes to shed light to the intricacies of the three-way coaching relationship, what recurrent themes emerge regarding this relationship and its outcomes and what - if anything - is gained for all stakeholders involved. It does not promote any method or approach of coaching beyond any other nor does it seek to answer in definite answers what the value brought into the participating organizations are. Additionally it is important to keep in mind that the conclusions drawn from this research may not apply outside of its scope and should not be generalized without careful consideration and analysis.

1.2. Outline of the Thesis

The following chapter (chapter 2) will begin with a literature review where firstly the concept of executive coaching will be discussed before delving into the history behind the concept and how the industry has developed and grown. Next to be addressed is how coaching can be used in a HRM context such as for what purpose it is used, before proceeding into discussing the limitations and challenges that organizations face when implementing the coaching process. The chapter will then proceed into discussing the long term outcomes versus the short term outcomes of coaching. Finally, the second chapter will address the current state of research on
the subject and identify the current gaps in research. The third chapter will contain an overview of the study which was conducted; the methodology used, description of participants, data collection and overview of how the data was analysed. The fourth chapter outlines the results of the data analysis. Next the fifth chapter contains the discussion of these findings and conclusions are drawn in response to the research question before finally the limitations of the study and recommendation for future research are discussed.
2. Theoretical Framework

The main objective of this chapter is to provide an insight into the status of empirical research on executive coaching as well as provide a contextual understanding of the concept coaching and executive coaching in particular, its history and development to date. Furthermore, an emphasis will be placed on how executive coaching can interlay with business results and organizational performance and be integrated into organizations as an HR tool.

2.1. What is Coaching?

To understand what really lies behind the word coaching can be difficult, as the concept has a long and intricate history. The word coach derives from a vehicle, usually a bus or carriage pulled by horses, which has the purpose of taking people on journeys between places. In a different meaning coach also refers to a person whose job it is to train and organize a team or individual in a specific subject or sport (Coach Meaning, n.d.).

Coaching can be thought of in relation to both these meanings as its primary function is to bring an individual from one place to another, in a journey of self-discovery and growth (“ICF, the Gold Standard in Coaching | Read About ICF.,” n.d.). Most professionals and theorists agree on the general understanding that coaching is about the mutual relationship between coach and coachee and that the process has the purpose of facilitating professional and personal growth within the coachee (Bozer & Jones, 2018). However it has many more different interpretations and viewpoints that sprung from the fact that the coaching industry on a whole is still gaining form and consensus on what it stands for, despite its recent growth in popularity (Hamlin et al., 2009).

The International Coaching Federation (ICF) defines coaching as a creative and thought provoking partnership between the coach and client which has the aim to facilitate further growth from the coachee both professionally as well as personally by allowing him to realize his own potential (“ICF, the Gold Standard in Coaching | Read About ICF.,” n.d.). This definition is both big and general and opens to further narrower interpretation. In a more focused aspect, coaching has also been referred to as a process where new skills, perspectives and tools for self-improvement are discovered (Kombarakaran, Baker, Yang, & Fernandes, 2008). MCC certified coach Michael Stratford (2015) expresses that there were no teaching
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methods around before coaching, that relied solely on the wisdom of the student. He believes that coaching is all about respect for the clients capacity and capabilities and that the coaching relationship is all about helping the client realise his potential and mastering it. Yet another definition claims coaching to be a process which can be used for improving performance at work (Fournies, 1987). A more narrow and result oriented definition by Grant (2001) refers to coaching as a systematic collaboration between two parties, coach and coachee, where the coachee gains a better perception of life quality and increased performance which has been facilitated through personal growth and self-directed learning as a result of the coaching process.

Table 1 illustrates several further examples of the variety of executive coaching definitions and showcases the different emphasises each practitioner or theorist has on what competencies are integral to coaching.
Despite the different emphasis these definitions share, all of them come from similar roots and are based on the same core belief that coaching is all about supporting the individual to grow through some kind of intervention or facilitation by the coach. The essence of most coaching definitions could be captured in the description of coaching being a facilitative process enabled by the coach to improve growth whether the area is in better performance, skill improvement or better competence both on personal and professional level (Hamlin et al., 2009). Most
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theorists can agree that coaching at its core is about the mutual relationship between the coach and coachee with the aim of the coachee developing both personally as well as professionally (Grant et al., 2010).

2.1.1. What Coaching is Not

Although these definitions capture very well what coaching is about, it does perhaps not provide a very clear image of what it is not. Coaching draws its roots from many different professions and has been influenced by a variety of fields, such as socioeconomics, sociology, philosophy, psychology, education, business, sports and communication (Brock, 2014), and yet it should not be mistaken for other conversational based processes such as consulting, therapy, teaching or advising (Maltbia, Marsick, & Ghosh, 2014).

A coaching session is a conversation based process between coach and client, but it is based on the coachee doing the actual work. The coaches’ responsibility is first and foremost to encourage the coachees path to self-discovery and assist him or her with finding the right solutions, goals and strategies to further these discoveries. The coach does not provide the solutions nor does he give advice or counsels the client. Rather he tries to promote what is already within the client by asking the right questions and by using active listening and nudging the coachee to keep focus in the place they have deemed important (Stradford, 2015).

Although coaching has several things in common with other conversational helping and developmental methods, this process differentiates from other related fields in several important ways. In consulting for example, the consultant has to have expert knowledge on the subject that he is consulting on. He provides advice and solutions based on his experience and expertise and the client then has the choice of whether to accept that advice or not (Brosseau, 2012).

Mentoring is also similar to coaching in some ways, such as both are developmental tools that are individually based and work a lot with goal setting. Both of these fields also usually deal with significant transitions the individual aspires to make. However, there is also an important distinction between the two. Mentoring is advice based, where the mentor attempts to provide the mentee with knowledge, skills or provide some growth based on the mentors experience (Clutterbuck, 2008). Also further differing from the field of coaching, the mentor usually performs the same tasks and function that the mentee does, while the coach is not necessarily someone familiar with the specifies of the job role. Additionally the mentor is
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not solely focused on the improvement of the mentee, but also has his own job responsibilities coinciding with his mentor responsibilities (Judge & Cowell, 1997).

Again coaching may have several similarities with therapy or counselling, however fundamentally they differ from each other based on the content issues and the intention. While generally therapy is said to focus on the past, while coaching primarily deals with the future. This can be said to be a bit of a simplification and it can be claimed that it is really a matter of what kind of therapy is in question and to which degree it is used (Bluckert, 2005). Additionally the focus of therapy and coaching often differs. In therapy the purpose often relates to interpersonal health or a specific issue affecting your health and well-being, for example depression. Meanwhile coaching is more of a goal orientated method that focuses on releasing unfulfilled potential through self-discovery (Hart, Blattner, & Leipsic, 2001).

Coaching is often also referred to in conjecture with methods such as facilitation, training or teaching and while there are common features between all these methods it is important to keep in mind the distinction between them so the right expectations and framework may be met (Rekalde, Jon Landeta, Albizu, & Fernandez-Ferrin, 2017).

2.2. Origins of Coaching

Coaching has become an established field within the human resource and organizational landscape. Its purpose being to encourage and support both purposeful and positive long term change. Coaching under this pretence is usually referred to as executive coaching or business coaching but as the coaching industry has grown and matured it has evolved into even deeper specialization and niches like management coaching, leadership coaching, health coaching, financial coaching, lifestyle coaching and more have gained a footing in the coaching industry (Brock, 2014) For the purpose of this study we refer to executive coaching as any kind of coaching that takes place within an organizational setting, involving three players, the organization as the client, coach, either internal or external, and coachee as the employee or manager, and where the process is funded by the client.

The birth of executive coaching and its consequent development was a response to a need that organizations and institutions had, to offer their employees developmental opportunities. Before, this need was met by other social and professional networks but as the world has grown increasingly more complex and fast changing, the everyday worker has changed from what he once was, and so has the organizational environment (Brock, 2014). As the organizational environment has developed, so has the general worker. More and more jobs
require more specialisation from their workers. Knowledge workers are workers that belong to high level industries and have jobs that require a lot of theoretical and analytical knowledge (Tartari, Huang, Lorenzo, & Bercovits, 2017). These kinds of employees are now less loyal to a specific organization and less willing to commit themselves long term and seek instead constantly for more development and new and better opportunities. This has created a new need within organizations, to provide their workers with tools that can respond to this need (Newsom & Dent, 2011).

Despite the recent popularity and growth of coaching as an industry, in response to this changing landscape, the concept itself has a long history and its roots can be traced back thousands of years, back to the basic activity of helping another individual reaching their personal goals. “Whether you call them coaches, mentors, elders or masters, they appear in the first histories of human activity, and their influence stretches in an unbroken line to the present day.” (Brock, 2014). The philosophy of coaching can be seen throughout history and the forefathers of coaching can be recognized in historical pillars such as Socrates, Confucius or Muhammad. Coaching can always be recognized in the separation of those who value and encourage self-discovery against those who favour strict rules of behaviour (Brock, 2014).

Although it can be said that all the different branches of coaching draw their roots from the same believe based practices that underpin the ancient roots of coaching, modern coaching has grown in many different directions (Brock, 2014). The problem with coaching today however, is not only the lack of consensus on what coaching is or how it should be conducted or the many directions it has taken, but rather its lack of strong foundation in empirical research. Although coaching as a concept has a rich and established history, as an industry it is still relatively young. Despite this, coaching in its modern form has become a widespread, popular and expansive tool to use for both personal and professional development and the foundation that coaching stands on has not been able to keep up with this fast growth (Hamlin et al., 2009).

2.3. Coaching today – how and why has it grown?

Despite its popularity, modern coaching is a relatively young field, one that has barley entered its “teenage years” on the developmental/growth scale and there is little research on the effects and processes of coaching to back up its increasingly widespread use in an organizational setting (Newsom & Dent, 2011).

Executive coaching is coaching that takes place in an organizational setting, and is primarily focused on driving personal, job or organizational related goals and has the ultimate
intention of improving organizational performance (Hamlin et al., 2009). Executive coaching is commonly structured in a one on one relationship between the coach and a manager/executive within an organization. However, team coaching is also a form of executive coaching that has been gaining popularity. Team coaching is consistent with the typical framework of executive coaching, but also has the aim of a team finding synergy in their cooperation and communication. This can include clearing expectations of team members, stimulating problems solving, recognizing mutual goals and so on (Rousseau, Aubé, & Tremblay, 2013). For the purpose of this research, focus will be primarily based on individual based coaching. Whether individual based or team based, this type of coaching is closely related to business coaching which can be defined as the process of facilitating businesses and business owners and/or managers to drive business related goals to achieve long term success (Hamlin et al., 2009).

The roots of modern executive coaching can be traced back to the ’60s when psychologists were the first to respond to the increasing need of providing workers with more personalized development when they started to establish themselves within organizations to assist with employee development (Newsom & Dent, 2011). After World War 2 the world went through extensive changes, both in regards to the business environment but also in regards to the perception people had on the importance of self-improvement and human relationships. Coaching in its modern form is a response to these changes and executive coaching in particular developed in response to these emerging needs. It should be recognized that what drove this change was not new developments in the theories or tools of coaching, which had been established for decades but rather the change in external conditions that allowed for acceptance and need of what coaching stands for (Brock, 2014).

Throughout the ’70s the development of leadership models and organizational cultures continued and coaching continued to grow in response to these changes by providing a potential answer to unmet needs in this regard. In the ’80s the human potential movement caused coaching to reach even further outside of the business scope. As technological advances continued to be made and business environments continued to change at a faster pace and become more and more complex, coaching started to emerge as a distinct discipline and the growth of coaching now continued to grow at an exponential rate, far outgrowing the established research on the subject (Brock, 2014).

As the rapid growth of coaching continued, there became a need to better define coaching and to synchronize established coaching practices and methods (Newsom & Dent, 2011). Multitude of institutions, associations and journals emerged in response to this need.
Among them were institutions like the International Federation of Coaching (ICF), the International Association of Coaching (IAC), the Association for Coaching (AC) and the International Consortium for Coaching in Organizations (ICCO) which were established to respond to this need. However, despite this plethora of new players into the field, they did not manage to come together and reach a consensus around the problem of defining and establishing coaching as a profession in one unified direction, rather they have made the problem more noticeable (Brock, 2014).

It is only the last couple of decades that interest in evidence based coaching has emerged and as the need for more evidence based coaching grew, universities started designing and offering certification in the field of coaching. The first program was offered in the University of Washington in the year 1998 and by 2005 the university programs had expanded to over 24 colleges and universities. By the year 2009 over 152 programs affiliated with some kind of accredited institutions were associated with coaching. The European Mentoring and Coaching Council (EMCC) was the first professional institution associated with coaching that is based on evidence coaching (Brock, 2014).

2.4. Organizational Purpose for Executive Coaching

Increasingly popular and widespread, one is left to wonder what it is about executive coaching that attracts organizations to implement it as a tool in an organizational context. Organizations have been drawn to coaching as they see it as a potential tool to increase their bottom line, while employees see the benefits in developing themselves to get further ahead (Newsom & Dent, 2011).

For some organizations the value in coaching is seen as a potential tool for employee development and growth (Newsom & Dent, 2011). Others have used coaching in response to performance problems and see it as a possible tool in correcting behavioural issues and thus increasing performance (Cassidy & Medsker, 2009), and even others see the potential in establishing and sustaining positive long-term change (Koroleva, 2016). Some organizations have adapted coaching for the use of effective feedback giving, team building, talent management and succession planning (Peterson, 2016) and others see the use for coaching in compliance requirements, for reinforcement of desired leadership behaviours or to better the workplace morale (Conboy & Kelly, 2016).

Wherever the need is drawn from or what value is perceived to be gained from the coaching process, many theorists believe that coaching is but a natural response to the ever
increasing complexity of needs from both individuals and organisations. As the external environment has changed in recent years, both organizations have had to adapt as well as the individual (Brock, 2014). The demands made of employees are constantly changing and the employees must not only be able to keep up with technological advances, be more forward thinking, be more proactive in evaluating customer needs, offer solutions to problems that do not exist yet, stay ahead of the competition but they must also proof themselves as efficient leaders. Meanwhile organizations must be able to offer these employees the right opportunities to develop, the right incentives to stay with their organization, the right tools to deal with more complex problems, or risk losing their investment to a competing firm (Maltbia et al., 2014).

In this changed business environment it has become a priority to establish new ways for companies, managers and employees to work together in alignment and executive coaching can play an essential part to achieve this state (Sherman & Freas, 2004). For many organizations, they see executive coaching as a cost effective way to deliver career development geared to specific strategic objectives of an organization (Hall, Otazo, & Hollenbeck, 2000). Although the perceived value for coaching varies and it is implemented by organizations for various purposes and different methods, the purposes of coaching can be broadly categorized into three categories; performance related, developmental related or change related (Maltbia et al., 2014).

2.4.1. Coaching and Development

Executive coaching in its essence is a multitier tool and organizations see different value from its usage and use it for the purposes best suited for them. One aspect of this, as previously mentioned, is the demand for more holistic employee development. In today’s business environment it is expected that leaders and managers within organizations possess enough emotional intelligence in order to be competent at their jobs. However this component seems to be found lacking in many, causing many organizations to be unprepared to effectively deal with a whole plethora of staff related problems, such as employee development, feedback giving, training assessment etc. Companies have looked to executive coaching as a solution to these problems because of how coaching assists individuals in shifting their perspectives and behaviours from their own volition (Sherman & Freas, 2004).

Coaching as a developmental tool can be used in various ways such as for leadership development of managers and executives and some organizations believe that executives in particular need coaching in order understand their roles and the new expectations that it entails.
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(Kombarakaran et al., 2008). In fact executive coaching has been identified as one of the most efficient and effective tools in leadership development as it can respond to and adjust to any shifts and changes that occur in the external environment in a timely manner (Maltbia et al., 2014).

Further, developmental coaching can be linked to increased personal fulfilment, discovering the meaning or passion in your work, finding the right balance between your work life and personal life or generally just building up your competencies and skills in order to become a more capable and desirable employee. In a more wider context developmental coaching can also assist in contribution to the organization as a whole, for example by assisting and empowering coachees to drive business results (Maltbia et al., 2014). This can mean everything from improving your communication, your strategic thinking, empowering your staff, encourage innovation, increasing loyalty and all in all improving leadership qualities (Theeboom et al., 2014).

Feldman and Lankau (2008) examined several empirical studies (Gegner, 1997; Olivero, Bane, and Kopelman, 1997; Hall et al., 1999; Kampa-Kokesch’s, 2001; McGovern et al., 2001) on the subject of coaching in relation to development and found that the coaching outcomes could generally be categorised into four different categories. Firstly, affective reactions, which contained outcomes relating to the coachees feelings and perception on his coaching experience. Secondly, the category of learning outcomes, which contained outcomes relating to how much knowledge and/or skills were gained from the coaching process. The third category was in regards to behavioural changes and contained outcomes which measured how much the coachee changed their daily on-the-job behaviour after having completed their coaching process. The fourth, and last category related to outcomes that measured organizational results. These outcomes referred to how much the coaching process had affected organizational outcomes such as productivity, quality of work, or the obtainment of organizational goals (Feldman & Lankau, 2005).

Some theorists have raised the concern that there is critical need to understand the coachees perspective in a more distinct manner from the coaches perspective. As is, most studies have emphasised the perspective of the coach and models and recognized outcomes are based on this. The clients agenda is often simpler than the one of the coach and the coachee may experience his outcomes and breakthroughs differently (de Haan, Bertie, Day, & Sills, 2010). A research conducted by de Haan et al., (2010) found that the coachees themselves do not experience a critical moment in the coaching process until they have started to look at their issue or subject differently, once they have discovered a new insight into the problem or once
they have taken an unanticipated decision. This study was one of the first of its kind, to specifically research the perspective of the coachee and compare it to the perspective of the coach. The study specifically looked at how the coachee experienced his critical moment in the coaching process. The results clearly indicated that there was need to further research this topic. Although some aspects were similar in regards to identifying development outcomes, the study did indicate that the perspective of the coachee was not always consistent to the perspective of the coach. These results indicate that more research from this perspective is needed to confirm the developmental outcomes of the coaching experience (de Haan et al., 2010).

Rekalde et al. (2017) compared the developmental use of coaching to other developmental techniques and found that coaching was in fact a lot more effective than other developmental tools organizations had to offer, in regards to the observed behavioural changes and sustainability. However the costs, the specificity and the potential length the coaching process can take limits how it can be applied as a continuous and permanent developmental tool. What differentiates executive coaching from other developmental tools and what perhaps makes it more desirable to organizations, in some cases, is that in its essence it is both targeted and purposeful and has the potential to lead to long term development that is sustainable (Athanasopolou & Dopson, 2018).

One additional and increasingly popular reason for the usage of coaching within organizations, which is worth mentioning, is as a tool to change behaviour and attitudes in individuals (Koroleva, 2016). A common challenge that organizations face is maintaining a successful and sustainable leadership within their organizations. To have a sustainable leadership structure, it is essential to have some kind of succession planning in place, so that when the time comes for one leader to step down, or a new leader to take his place they are able to step into the new role where this change causes minimum disruption to the organization as a whole (Sharma & Sengupta, 2017). Coaching for succession planning is closely related to leadership development but where coaching for succession planning revolves around preparing this individual to be ready to fulfil this specific leadership role within the organization and preparing the individual in questions to deal with the changes in his circumstances when the time comes (Sharma & Sengputa, 2017).
2.4.2. Coaching and Performance

A popular and widespread use of coaching is in regards to performance intervention. This use of coaching has the goal of helping employees or managers and executives to improve performance in identified areas (Cassidy & Medsker, 2009).

Coaching can be a useful tool in the performance improvement field because, unlike teaching, it focuses on a two-way communication adjusted to the individual in question. The process is based on feedback and self-discovery encouraging the necessary realization from the coachee to make the appropriate changes needed (Champathes, 2006). What coaching has beyond other performance management tools is the right environment for the coachee to take the feedback he is given and truly feel he can work with it. Coaching should create a safe space, where there is trust and honesty. This is based on the assumption that the coach and coachee have managed to create this necessary safe space, that the coach is honest and straightforward in his feedback and that the coachee is open to hearing the feedback he is given (Jones, Woods, & Guillaume, 2016).

Coaching is seen as a beneficial tool in regards to performance because of how it is individually focused and how it can access the roots of what is causing the problem with the individual in question and then empower the individual to take the necessary steps to create his own action plan to move forward. In organizational terms, this usage of coaching and the ideology behind it can be classified as a motivational strategy (Cassidy & Medsker, 2009). A motivational strategy is a strategy which centres on the factors that drive the learning of the individual and empowers him to take accountability to make the best of the resources he has to achieve his learning goals (Al-Mahrooqi, Abrar-Ul-Hassan, & Asante, 2012).

When managers or executives performance do not meet the expectations of higher management, organizations are faced with the choice of whether to let them go or take corrective actions. As there is considerable investment in training high profile managers and leaders, organizations increasingly seek to address possible issues with corrective action rather than cut their losses (Judge & Cowell, 1997).

Coaching for performance can have the effect of building up necessary capabilities, increase performance, set and reach appropriate goals or clarifying roles and responsibilities (Maltbia et al., 2014). However, that is not to say that coaching is a go to solution for all performance problems. Coaching is more suited as a tool in performance issues for more complex skills, high task identity and reliance on tacit knowledge. Examples of jobs where coaching would be useful if performance issues arose would for example be selling, product
design, negotiation and management. For less complex jobs traditional training and performance tools may apply better than coaching (Champathes, 2006).

Although not all organizations choose to use coaching as a performance improvement tool, or even find it suitable for that purpose, it can be argued that performance management is inherently built into the coaching process due to how goal setting is a natural part of the coaching process. Goal-setting in general is a well-established tool of performance management. Even further supporting this view is that the goal setting in coaching commonly relates to work activities and promotes opportunities of learning and improved behaviour (Jones et al., 2016).

2.4.3. Coaching and Change Management

Companies often experience difficulties when it comes to responding to change, one reason being that it is in people’s nature to resist change. Coaching can be a valuable tool in facilitating change and getting key people within the organization on board with the change process (Maltbia et al., 2014). Organizational change can bring up a lot of turmoil for all the stakeholders involved. Employees and managers often have to face a variety of issues when going through changes, even if they are not resistant to it. Coaching can help employees with resilience, work on individuals becoming more solution focused and help them deal properly with the negative emotions that are sure to surface, such as depression, hopelessness, lack of results etc. (Grant, 2014).

The reality organizations face today is that in order to survive they need to be able to adapt to changing circumstances and respond quickly to fast changing external environment. Meaning that unpredictable organizational change has increased in the last two decades and so it has become vital that organizations know how to go through the change process and know how to properly prepare their employees so the outcome is successful (Halton, 2017).

Situations such as these bring about many challenges for the employees, such as managing to maintain their current work goals while simultaneously adapting to the changes which can bring a lot of stress. What employees, and managers in particular, need to effectively deal with change is the right psychological and behavioural skills and this is where coaching comes in (Boyatzis, 2017).

As an agent of change, coaching enables executives, leaders and key employees to question the status quo. Coaching enables them to approach situations from a different perspective and encourage learning and see opportunities in mistakes and failures. It can be
beneficial that the leaders themselves coach their subordinates through change, particularly if change is not uncommon within the organizational environment. By doing so leaders can increase their employees resilience as well as inspire them to adapt a more future oriented mind-set and encourage them to be optimistic about future opportunities (Gilley, Gilley, & McMillan, 2009).

When coaching for change, an important factor to achieve success is that the coachee feels a desire to participate in the change process. It is critical that he is not resistant to the process or most likely the coaching process will not be successful. If there is genuine desire on the behalf of the participants to grow and develop the coaching effort moves beyond an instrumental focus and accounts for the personal vision and values of the people involved. Thereby giving them more ownership in the process and increasing the chance of success (Smith, Van Oosten, & Boyatzis, 2009).

However, concerns have been raised on whether coaching can be considered a reliable tool in this regard and if the coaching, in some cases, can make a delicate situation even worse. The main concern lies in the qualification and capabilities of the coach in question and whether he is up to the task or not. Theorist generally agree that there is more need to research this subject further before it can be determined if coaching is a reliable long-term tool to assist in the change process (Nowack, 2003). Although there is need for further research into the role of coaching in the change process, current research findings in change management indicate that coaching is a significant predictor of change effectiveness (Gilley et al., 2009).

2.4.4. Coaching and other HR aspects

As the examples here above show, the purpose of coaching can vary and can depend on the value the organizations see for it. The use for developmental purposes, performance improvements and change management have been briefly discussed. Other possible uses of coaching in an HR context, as was mentioned here above in chapter 2.4, are for example in regards to training, goal setting, team work, feedback and communication. Ultimately these factors lead to further development or changed performance through improvement in competencies, skills or behaviour and mind-set.

What makes coaching an attractive tool for organizations, regardless of the purpose, is that as a tool coaching is structured as an individually focused method that creates an open and trusting space where individuals can speak freely and are not constrained by any other external factors. Coaching as a tool has the ability to narrow the focus to what really matters and
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allowing the individual to take ownership of his own progress and discoveries. This method can be used in various purposes that fit whatever need organizations may have and that they can see value from (Grant, 2014).

However, it is important to keep in mind that coaching, like every tool and method, has its limitations. When coachees fail to experience satisfaction from their coaching experience, the results could be detrimental and at the very least, fail to achieve sustainable change. Even possibly cause further resistance to future coaching or management efforts (Nanduri, 2018). Despite the apparent success of executive coaching, organizations need to be aware of possible pitfalls before making decisions on whether to introduce coaching as a tool in their organization.

2.5. Pitfalls and Challenges

Once the need for coaching has been determined and organizations have made the decision to implement executive coaching, or at least shown the interest to get more familiar with the tool, they are faced with some difficult challenges. These challenges include how to proceed to actual implementation and the next steps taken can easily determine how successful their coaching venture will turn out to be (Hamlin et al., 2009).

The organization must decide which way to proceed with, in an industry that lacks any clear identity. The venues and definitions of coaching are many, and not all defined coaching practices base on the same competencies or framework (Maltbia et al., 2014). The lack of any conclusive evidence regarding the coaching process is one of the most commonly cited problems the industry faces (Grant et al., 2010). The organization must decide on whether to use internal or external coaching (see chapter 2.5.2), individual or team based coaching, it must evaluate the qualifications of the coach and determine they must also determine what the most effective framework around the coaching process should be. However, the reality the client faces is that there is generally little understanding of what design characteristics moderate the effectiveness of the coaching process and there is a lack of evidence based research to guide the way for organizations to confidently determine their best path forward (Jones, Woods, & Guillaume, 2014).

The decisions and considerations to be made are various and unfortunately there is no right answer. The lack of focus that clouds the coaching industry on a whole only expands on this problem and can make it an even more difficult and challenging problem for organizations to proceed, and to proceed in the right manner (Maltbia et al., 2014). The main things the client needs to consider is the coaching technique, the coaching format and what type of coach to hire
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(Jones et al., 2014). With the increasing popularity of coaching, without having the proper backing or understanding from evidence based research, there is genuine concern about the ethics and guidelines associated with the industry of executive coaching (Franckeiss, 2009).

2.5.1. The Coach

Maltbila et al. (2014) stipulate that for coaches to be truly qualified in the field of organizational coaching, they must have an understanding of human performance and that this understanding is derived from examining the content, the context and the conduct of the executive coaching competencies. As it is, there is no regulation of the field of coaching meaning that just about anyone can call themselves a coach by any method they see fit (Judge & Cowell, 1997).

Most of the studies on executive coaching have focused on researching the coaching outcomes and the coaching process itself. There is limited number of studies that put the focus on the development and qualifications of the coach himself. However the results from these studies, which have focused on the developmental need of the coach, indicate that it still remains unclear what background coaches should have or what skills they should use for the coaching process to be most effective (de Haan, 2008). The question which is left behind is who is then most qualified to be an executive coach?

Some theorist have argued that due to their training, psychologists are the most qualified coaches but others have counter argued that for coaches to be successful they need to have a understanding of the business environment and so the best coaches would be those with a background in business and familiar with the concepts of leadership, management and organizational functions (Feldman & Lankau, 2005). The views on this vary but a research conducted by Newsom and Dent (2011) determined that educational background or work experience did not directly correlate to the quality of professional coaching. Additionally they identified mutual competencies that professional coaches chose to draw on, regardless of their educational background or qualifications. These are competencies that directly relate to relationship building and behavioural interventions. Whether a coach came from a psychological background or business background, leadership and interpersonal skills were still the most common topics discussed in the coaching process (Newsom & Dent, 2011).

Regardless of who the coach is, what his qualifications are or his background, it is vital that in this process that the coach remains the “uncompromising trusted tough-minded advocate of greater focus and balanced assertiveness on the part of their client” (Ledgerwood, 2003, p.5). The coachee may have additional tools at his disposal, whether the coaching effort is in regards
to development, performance, change or something else. This can include other people such as an advisor, support system, teacher and so on and so it becomes more important that the coach and his role have clear responsibilities and a scope of operation (Ledgerwood, 2003).

Ultimately there has been too little focus on what skills and competencies are vital for the coach to possess or what background he should have to contribute to the coaching process and desired coaching outcomes to be most effective (Franckeiss, 2009). Yet despite the theoretical framework lacking, executive coaching in whatever its form, upholds the same underpinning principals of collaboration, accountability, responsibility, commitment, action planning and action (Green, Oades, & Grant, 2006). Newsome & Dent (2011) introduced the Executive Coaching Work Behaviour Survey, a tool designed to measure professional coach activities, goal setting, attainment activities and relationship activities. The results of their research supports previous research findings that relationship building and behavioural change are fundamental factors in the executive coaching process. Furthermore, their research gives credence to executive coaching as a work-based, client-oriented, one-on-one experience that challenges the coachee to assess his or her strengths, analyse their need for development and take action on their need for growth and improvement. Other studies that collaborate these results are for example Stern (2008), Feldman & Lankau (2005) and Frisch (2001).

The assumption can therefore be drawn that even though the specific needed competencies and skills set of the coach has not been determined, that as long as the coach is able to create a supportive relationship and trusting environment, establish personally valued goals and create an action plan on how to achieve them and lastly engage in the processes, the coaching process can be considered successful (Grant, 2014).

2.5.2. Internal or External coaching

Another consideration for organizations is deciding on whether to use internal coaching or external coaching. An internal coach is someone who already works within the organization and most often juggles his coaching role and responsibility alongside his “normal” work responsibilities. Commonly internal coaches are employees from the HR department and often they do not have any specific training as a professional coach (Smith, 2017).

Meanwhile external coaches are outside contractors hired by the organization to come and coach this specific employee and has no other relationship to the organization beyond his coaching (Schalk & Landeta, 2017).
A potential risk of hiring external coaches whom are unfamiliar with the business is that they could potentially lead their clients astray in their decision making. Yet hiring only internal coaches can also bring problems of its own, such as issues of conflict of interest and ethical considerations (Hall et al., 2000). There is no universal best fit for either internal or external coaching. Organizations must each evaluate based on their situation what best suits their needs on a case-by-case basis. There are a variety of factors which can have an influence in deciding what method better suits their needs (Conboy & Kelly, 2016).

When it comes to internal coaching the organization must consider factors such as ethical guidelines, issues of confidentiality and conflict of interest. Additionally they must consider if the employee in question has the ability to operate in the capacity of a coach (Smith, 2017). For example in the case where the internal coach has other roles and responsibilities within the organization, which might clash with possible information gained from the coaching role. The coaching relationship is always confidential, and so if the coach gains sensitive information in his capacity as a coach it might put him in a conflicting position. His loyalty to the organization may be put in a compromising situation against his responsibilities as a coach and loyalty to his coachee (Conboy & Kelly, 2016). However, despite these possible negative effects of internal coaching, there is also some value in it above external coaching. For one it can be more beneficial in cases where organizations are looking for a coach who has an understanding of the organization, its values, structure or industry. Similarly, if the organizations want someone they are familiar with and trust and have assurance of their competence, an internal coach can also be a viable option. Another factor to consider are the associated costs of the coaching program and the financial capacity of the organization, but internal coaching is often more cost efficient then external one. External coaching can vary in price, but finding the right coach for you can be costly (Conboy & Kelly, 2016).

The purpose of the coaching can also be an influencing factor. In general if coaching is applied as a developmental tool, internal coaches can provide successful development to employees and executives in a broader and more cost efficient way than external coaches (Smith, 2017). However, some have found that the higher up in the hierarchy the coachee is the more suitable it is to use an external coach, for example in regards to leadership development (Conboy & Kelly, 2016). In a similar aspect in the case of performance improvements, external coaches can achieve better results as an impartial third party (Schalk & Landeta, 2017).

Smith (2017) found that internal coaching can in fact have a positive influence on business results and what matters most in this regard is that whoever has the role of the coach
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is objective, has the trust and credibility of other employees, maintains confidentiality and is independent to his department. However the results of this study also showed that internal coaches often adapt their coaching style to a blended style of coaching and mentoring, but this did not affect the outcome of the process.

2.5.3. Framework

Like with every aspect of coaching, there is a lack of evidence based research that can be used to establish a fixed framework or methods that show the best practices of coaching in order to achieve sustainable results. Meaning that individuals constantly face the same challenges because they are unable to take actions on tried methods or experience (Koroleva, 2016).

One of the things organizations need to carefully consider is the power structure of the coaching partnership (Newsom & Dent, 2011). Although the organization may be the one providing and funding the coaching, they are not entitled to be involved in the process and there is the real possibility that the relationship between coach and coachee will grow out of the control of the organization (Hall et al., 2000). In executive coaching you have three stakeholders, client, coach and coachee, and yet the coach and the coachee must still be able to maintain the same requirements in their relationship while also fulfilling the obligations towards the client. Even further complicating this equation is the fact that the client can consist of a collection of people such as the coachees’ boss, human resource employees or a number of other representatives within the organization. In cases where the coach is an internal coach, there is an additional layer of conflicting roles to consider. If the purpose of the coaching is not aligned with all three parties the odds are that it will not be successful for the client or the coachee (Newsom & Dent, 2011).

For coaching to truly leave its mark in an organizational purpose, it is essential that the purpose of the coaching is strategic in nature and that it is implemented, aligned and organized according to the organizations needs to be able to drive that change. (Sherman & Freas, 2004) It is important that companies know that their coaching efforts have a positive effect on their organization and not only the individual, because otherwise it does not make sense for them to invest in it. By using coaching strategically, it becomes more likely that the impact coaching has driven is broader and leads to more massive changes and results (Ledgerwood, 2003).

An example of using coaching in a strategic manner is by using coaching for a specific purpose on well identified individuals. By doing so the results can affect a large portion of the company through them. This can be beneficial when organizations are attempting to change
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their culture or generally going through changes, or when organizations are trying to improve some specific factors, such as innovation or independent thinking (Ledgerwood, 2003).

If organizations implement coaching as a tool without any specific purpose behind it and expect to achieve high results, they will likely be disappointed. The coaching needs to be aligned to the organization’s needs and all parties involved need to be aiming for the same goal (Sherman & Freas, 2004).

2.5.4. Measuring the Outcome

Most organizations are in business in order to maximise their profits and therefore commonly seek some sort of validation that their coaching effort does deliver its value for money (Grant, 2012). However, despite this, many organizations do not have any specific strategy in place to measure the effectiveness of their coaching processes and largely rely on self-reported measures to estimate the value the coaching has brought into the organization. Although self-reporting measures can be acceptable measures, particularly in social psychology, it can be argued that this kind of measurement is too simplistic to effectively measure the true value of coaching. Coaching is about goal-attainment and in order to properly assess the effectiveness coaching has had in obtaining these goals, it is important that the data this evaluation is based on is objective in nature. This is something that self-reporting on its own cannot accomplish (Spence, 2007). Most of the feedback that is given from the coaching process is subjective meaning that it is not empirically valid of the actual effectiveness or goal achievement. There are however several possible methods possible to better evaluate the effectiveness of coaching (Feldman & Lankau, 2005).

Return of Investment (ROI) measures the financial return of investment and some theorists (i.e. Hernez-Broome, 2010; McGovern et al., 2001) believe that this is the best way to measure the effectiveness of coaching (Grant, 2012). ROI is a straightforward measure on effectiveness as well as it provides an overall picture of the investment involved. This might provide comfort to some managers, especially during difficult economic periods. However ROI focuses solely on the financial perspective which might not provide the best perspective of value in coaching (De Meuse, Dai, & Lee, 2009). In order to calculate the ROI you both need to have the estimated costs of the coaching program as well as the estimated value. This can cause a problem due to the difficulty of calculating some costs aspects involved in the coaching process, such as opportunity costs. The value of coaching is hard to underpin solely in financial measures because of how hard it can be to estimate what of the coachees’ performance can be
attributed solely to the coaching process and what not, as well as how that performance directly contributed to which revenue stream (Grant, 2014). Furthermore researchers have established that the methods used to measure the ROI from coaching are highly questionable (Sherman & Freas, 2004).

Despite this the importance of evaluating the effectiveness of coaching should not be discounted, there is just a need for a more comprehensive measuring tool which can be applied to coaching outcomes (Grant, 2012).

It has been suggested by some researchers that a better way to measure the value of coaching is by identifying the specific goals that the coaching is meant to achieve. One suggested way of measurement is by using GAS, which stands for Goal Attainment Scaling. Some theorist suggest that this methodology shows promise in controlling the sources of distortion and bias which present themselves in self-reporting measurement and therefore it can further contribute to the research field by enhancing the quality of research due to its more rigorous approach to measurement (Spence, 2007). The strengths of GAS lie in its flexibility and how it can be applied over a spectrum of applied settings. It also reduces bias and errors as its outcomes are not being solely based on subjective assessment. Rather the attainment is determined by the individual with the assistance of the coach or researcher and is based on collected data. Lastly the calculation of GAS allow for performance to be assessed over a period of time and can be adjusted to focus specifically within a subject or used in comparison of more diversified groups (Schlosser, 2004). Using GAS is relatively easy. The first step is to obtain a pre-coaching goal attainment score. This is accomplished by having the potential coachees rate their success for each of their goals on a simple five point scale. Once this is completed all the ratings are summed up and divided by the total number of goals and the mean attainment score is established. This process is then repeated at suitable intervals, such as during follow ups. Once a suitable enough of scores have been achieved it becomes possible to conduct a statistical analysis of the data which will indicate the effectiveness coaching has had on the goal attainment (Spence, 2007).

Despite its possible potential, GAS has not been commonly used to measure the effectiveness of coaching to date by researchers (Grant, 2014). There are some limitations associated with this type of measuring that are important to keep in mind. Firstly there is concern regarding the statistical analysis of the GAS scores. The data is treated as interval data as opposed to ordinal data so that the scores can be computed into standard scores, but it does open questions on the validity of the method. Additionally there are concerns that the
calculation of the GAS scores and consequently their interpretation are based on several assumed values such as an assumed mean and standard deviation (MacKay & Lundie, 1998).

An alternative suggestion from the GAS methodology is using the well-being and engagement framework (WBEF). These types of frameworks allow for evaluation over time. The use of WBEF can be multidimensional. For example it can be used to determine what kind of assistance the individual (coachee) really needs, as well it can be used to determine what the focus of the coaching effort should be. Although this methodology has its potential it is currently not fully developed. It is primarily a conceptual model and the specific measures needed have not been designed and there is clear need for further development of this methodology before it can be fully established as an effective measurement tool for coaching. However there are a number of pre-existing measures that can be adapted and applied to the model in the meantime (Grant, 2012).

However, there are some theorists whom believe that it’s impossible to measure the true success behind coaching with any tangible measures and that the success should be measured with only qualitative data. The success cannot only be measured in performance or profits, but there are also value in more intangible results of coaching, such as creating fruitful relationships with people (Sherman & Freas, 2004).

Despite its young age and despite the variety of factors that are still relatively unknown about coaching, it is clear that executive coaching has become a big hit world-wide, in particular among western organizations and an increasing number of successful and well-known companies invest in coaching (Sherman & Freas, 2004). Within the last three decades, the coaching industry as a whole has grown to a multibillion-dollar global market (Armstrong, 2011). And this exponential growth of coaching does not seem to be diminishing any time soon. By 2014 the global market of executive coaching had grown to over a 2 billion dollar market annually (Maltbia et al., 2014). As the coaching industry grows it becomes increasingly relevant to develop the right measurement tools to measure true effectiveness that coaching has (Grant, 2001).

### 2.6. The Benefits of Coaching, long term and short term

Executive coaching has been shown to have the potential to leave substantial impact on organizations such as through performance improvement, increased employee satisfaction, leadership development, improving communication, stress reduction, problem solving, learning and behaviour change (Koroleva, 2016; Bozer & Sarros, 2012; Newsom & Dent,
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2011; Grant et al., 2010). Yet despite there being several indicators that coaching does lead to positive change, there is a lack of evidence on the effectiveness of coaching on organizations that supports the long-term effects of sustainable changes (Koroleva, 2016).

It is important to keep in mind that change is not linear in nature and it may take time for sustainable change to become apparent. Most studies that have been conducted on the effects on coaching only measure the short term effects and usually take place right after the coaching process ends, and thus do not take into consideration if coaching leaves any long term impact (Nanduri, 2018). Executives and organizational representatives are increasingly aware of this and seek more proof that their investment in coaching leaves lasting and sustainable results. Organizational representatives increasingly look for assurances of sustainable outcomes from their coaching efforts. As the expenditures on coaching increase, reassurances that the outcomes are sustainable and not only short term, are called for. Being sustainable means that the desired change is long-term, it is consistent and it is resilient to outside pressures and considerations (Eizenberg & Jabareen, 2017). Executives look for sustainability because they increasingly demand that the changes leave a long-term, deeper impact. Additionally if change is not sustainable it means that organizations ultimately lose their investment and become more reluctant to try again (Koroleva, 2016). In the same manner the coachees themselves see the interest in making their changes sustainable and therefore more impactful, both personally as well as professionally (Nanduri, 2018).

And so it has become more relevant to recognize what variables stimulate long-term sustainable change and this has become a more recent research focus on coaching. For sustainable change to be possible the coachee needs to be willing to change, the coach needs to have the necessary expertise and the rapport between coach and client needs to allow for change to happen (Koroleva, 2016). Furthermore the coachee needs to be self-aware enough, practice repeatedly and the necessary reinforcements to create and measure new habits need to be in place. Furthermore Grant (2001) says it is imperative, that for change to be sustainable it needs to leave an impact on the coachees’ personal sense of self.

Figure 1, shows a model put forth by Koroleva (2016), where sustainable change in coaching can be observed. She stipulates that for sustainable change to occur three factors need to be present; the coachees attitude, resources and routinisation.
For each factor to be fulfilled several variables need to be in place. Koroleva (2016) states that unless the coachee has the “right attitude”, sustainable change will not occur. What is meant here by the “right attitude” is that it is imperative that the coachee is willing, open and ready for the change to occur. These variables are consistent with what previous research has found, that in order for coaching to be effective, the clients perception and engagement in the process is paramount (Bozer et al., 2013; Sherman & Freas, 2004). These variables under attitudes are not always so easily achieved and there may be a need for a different approach on behalf of the coaches to achieve this desired state of mind within the coachee. The coaches need to have a stronger assessment stage before they begin the coaching itself if they hope to achieve this (Koroleva, 2016).

Secondly, resources represent what components are needed for the process of sustainability. These five components; trusting the coaching relationship, space to think, feeling special, feedback and learning, are all essential factors and have vital implications on the coaching process itself. The coach himself needs to be able to fulfil this role and the coachee needs to be able to capitalize on these resources (Koroleva, 2016).

Finally the third factor, routinisation, refers to the implementation process of the change. It is this factor that makes the change stick and become a regular life and work behaviour. This factors maintains that by practicing and repeating the behaviour it will become the norm. It is also relevant that you feel that by sticking to this change, you are doing something for yourself. On an individual level you are accomplishing a certain level of fulfilment while on an organizational level you are fulfilling a need of endorsement (Koroleva, 2016).

Supporting these results, a recent study conducted by Nanduri (2018) found that for sustainable change to happen it is necessary that there are sincere efforts and intrinsic
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motivation on behalf of the coachee. Equally essential is the coaches’ ability to awaken and reinforce the coachees interest. A study conducted by Nanduri (2018) indicated that for the sustainability of the coaching effects correlated directly to the satisfaction the coachees experience from the process. Also essential for sustainability to be achieved was the coaches role in awaking and maintaining the coaches interest in the process.

From what little research there is on the sustainability of coaching outcomes, results show that it is indeed possible to achieve long-term change and impact (Nanduri, 2018). The effects that have been observed from these studies are improved self-awareness (Bozer et al., 2013), long-term and consistent behavioural changes and new habits, improved capability to build relationships, improved capability in goal setting, increased confidence and ability to motivate, increased job satisfaction and job engagement (Nanduri, 2018). Having identified what is most needed for the possibility of these factors becoming sustainable over time, it is also crucial to be aware of the possible obstacles that may be hindrance in the path of sustainability. Such obstacles include time, the external environment and other pressures (Nanduri, 2018).

Although the overall long term effects of coaching are unclear, it is important to keep in mind that there are also some short-term effects worth considering. The established short term outcomes of coaching include behavioural changes, changes in perception, increased focus on empathy and adaptability and a better grasp on emotional intelligence (Newsom & Dent, 2011).

2.7. The Status of Research on Coaching

The status of current research in the field of coaching is quite lacking in general. The empirical research to support the growth of coaching has not been able to keep up and the state of research can be said to be still in its early stages (Grant et al., 2010). For instance, it has yet to be determined what specific competencies are essential in the coach for a successful coaching relationship/process or even what the desirable outcomes of a successful coaching relationship are. No consensus on the meaning, purpose or desirable outcomes of executive coaching have been reached (Newsom & Dent, 2011).

Even so, research has linked executive coaching to improved business results and identified coaching as a useful tool for employee development, but it has yet to be determined in what way executive coaching contributes to these factors in any measurable or objective way (Hall et al., 2000).
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Although research on coaching has been unable to keep up with the growth of the industry in practise there is an established correlation in the increase of research in the field with its increasing usage. In 1990 only three documents had been published that made any reference to the term of executive coaching. By 1996 the number had increased to over 46 and by 2011 it was well over 500 (Newsom & Dent, 2011). Although the origins of coaching can be traced back thousands of years, the rapid growth of it in the form we know it today, only started around the 1990s’. In the next twenty years coaching would grow from three training schools, no academic journals or papers emphasising on coaching and no professional associations on coaching to there being over 250 coaching schools, 16 professional coaching associations and 11 academic journals (Brock, 2014).

Currently the majority of published research can be divided into surveys and descriptive studies which have mostly focused on the nature of coaching, how organizations use coaching and the characteristics of training institutions. There is more additional contextual empirical research which focuses more on the delivery of the coaching process as well (Grant et al., 2010).

Many of the more recent studies in the field of coaching have been on identifying what the coaching outcomes are. An overview of these studies show the outcomes often being related to client learning, behavioural changes as well as client satisfaction (Nanduri, 2018). This area of research is relatively young and the number of these types of studies counted 55 in 2010 and mostly they have consisted of case studies, within subject studies and between studies design. There are even fewer longitude studies which have been conducted on the long term affects and impact coaching results have (Grover & Furnham, 2016).

However despite the current lack of established research results, in particular evidence-based research, this is a field that is growing and there is clear growth in various research related to the coaching field that correlates with the growth of coaching as an industry. While there are still many unanswered questions in regards to the coaching process and its outcomes, there are many preliminary studies that provide indication on the direction future research in the field of coaching should take. But there is still need for further research to reach any validity or reliability before any best practices can be determined. For this to happen it is vital that the industry in whole develops an information platform where knowledge can be shared and from that proper frameworks and methodologies established. With the growth of coaching institutions such as ICF, GCC, EMCC and journals like International Coach Federation and the European Mentoring and Coaching Council, this can hopefully be achieved in the near future (Grant et al., 2010).
2.8. Why is it Important to Research?

Research is always important to substantiate results and for the research subject to gain reliability and validity. In regards to coaching, there is much opportunity for further research. Both to substantiate research results from current research as well as to respond to identified research gaps.

There is not much of established research that has been done on the coaching process from the perspective of organizations. As has been mentioned here above, coaching as an industry is growing at a fast pace. Organizations increasingly look to coaching as an answer to their problems, whether these problems are performance related, developmental in nature or something else. They do so, and spend substantial amount of funds, without having any evidence to base their perception of success on. As the industry grows faster and more and more organizations look to coaching and as the use of coaching is expanded for a variety of purposes, it is important that the method of coaching is based on something substantiated.

Organizations must be able to justify their expenditures as well as have reassurances that the tools they are applying are in fact doing good, rather than harm. In this regard it is important that organizations have strong evidence that coaching can lead to success and furthermore, that they know how to best use coaching to achieve the best results. This means that organizations must understand coaching and the process, so they can implement it in the way that suits their needs and environment. They must understand how they should use coaching, contemplate the pros and cons of different types of coaching such as internal or external coaching, individual based coaching or team based coaching, strategic coaching or open coaching etc.

An important step in this process is to understand why organizations look to coaching in the first place. What value do they perceive can be gained and are the expectations of this value met. There is a gap in published research that identifies this perspective and so this research aims specifically to explore this side of the coaching relationship. By gaining a better understanding of this perspective, a better foundation is formed for the next steps, for example on identifying the coaching outcomes and the impact they have on organizations, how these outcomes may be best achieved, what is needed to maintain these outcomes and how they can be evaluated.

This research hopes to add a valuable perspective that is currently lacking, into the coaching literature today with the objective of providing a better foundation for taking the next steps in formulating what direction the coaching industry should take.
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The following chapter will provide an overview of the study which was conducted, the methodology that was used and outline the research question which is attempted to answer.
3. The Study

This chapter will review the methodology and execution of the research. The chapter will begin by going over the aim and purpose of the research before being divided into the following subchapters; the methodology used, participants, data gathering and finally the data analysis. The next chapter will then go on to introduce the main results and the project will conclude with discussion and recommendation for future research and discussion of the limitations of the research.

3.1. Purpose of Research and Research Question

The purpose of this study was to gain a deeper understanding of what value is brought to organizations who apply executive coaching as a tool in their companies as well as to determine what this value entails. The research is exploratory in nature and is intended to collect more in depth data on a subject that has not been researched extensively to date. By doing so, hopefully a broader view is gained on this perspective which will indicate where there is need for further research.

As has been discussed, executive coaching can be used in response to many different needs within organizations such as leadership- and employee development, as a tool for performance improvement and as a tool to achieve sustainable change. It can also be used in many different variants, such as through internal coaching, external coaching, mandated coaching, coaching culture and strategic coaching (Grant et al., 2010).

Current established research has yet to reach a consensus on what the desired outcomes from the executive coaching process are. This research aims to look at the coaching process from the company’s’ point of view to gain a better understanding of what their perspective is in regards to executive coaching and how the companies (or their representatives) perceive the value of executive coaching to be. By gaining a fuller understanding of this perspective, the researcher hopes to better see why organizations are interested in using executive coaching and what impact it leaves on the organization as a whole and not just the coachee whom receives the coaching. Additionally it is considered, if factors such as the purpose of coaching (developmental, performance related etc.), the coaching method or other factors play an integral role in whether the perceived value is reached.
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Based on this the following research question was put forward:

1. What is the perceived impact of executive coaching within organizations?

With the following sub-questions being:

2. Are there recurrent topics that emerge which affect the perceived impact?
3. How is the effectiveness of the perceived impact evaluated/measured?

3.2. Methodology

The method used was qualitative in nature. This method was chosen as the aim of the research was exploratory, i.e. the intent was to gain an overall deeper understanding on the subject by using in-depth interviews. The objective is to understand the thinking, reasoning, experience and behaviour behind the decision to implement coaching, and so it was determined that qualitative research method was better suited for this purpose. By using this method, research results are not generalized but rather the understanding is deepened by capturing the reasoning, motivation, and thinking of the participants behind the process. The participants’ perspective becomes the guiding light of the interpretation of the data analysis (Bryman & Bell, 2015).

3.3. Research Method

The empirical data for this research was collected through semi-structured interviews with four participants. This type of data collection can collect reliable and comparable data while also allowing for flexibility and more open flow which can lead to deeper discovery and realization (Bryman & Bell, 2015). Semi-Structured interviews entail a list of previously prepared questions and/or topics which the interviewer uses as a guideline through the conversation. This guide entails the topics which the interviewer has determined need to be covered in the interview, but does not need to strictly follow the guide and is able to allow the conversation to flow into relevant topics and other directions. By using this type of questioning the interviewer could prepare sufficiently ahead of time and yet not limit the participant in his answers (Cooper, Schindler, & Sun, 2006).

A mix of 15 broad questions and topic themes were prepared beforehand and entailed questions such as, “How and why was Coaching implemented as a tool in your organization?”; “What value or gain do you perceive the organization is getting from using executive coaching”
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or “For what purpose is executive coaching used within the organization?”. A full list of questions can be seen in Appendix A. The questions were designed to be as open as possible and to gain a deeper understanding of the perspective of the participant and his thought process.

Each interview took approximately one hour and began with a short overview and introduction of the project before a confidentiality clause was signed. Finally participants were asked for permission to record the interviews before they formally started.

3.4. Participants

Participants of the research were four in total and each represented a company with recent experience in using executive coaching among their employees and/or executives. The goal was to have participating companies who had different backgrounds and varied in size and operations so as to get a broader perspective on the subject. It was therefore decided not to limit the research to any specific industry or sector, size or specific experience in coaching. The only requirements set were that the company was familiar with the term and concept of executive coaching and had some kind of recent experience with it within the organization. Also the company representatives needed to be in a position to evaluate and assess the implementation process of coaching into the organization and its success or failure.

Overall nine companies, in which the researcher knew that there was some kind of recent coaching history, were contacted and offered to participate in the research. The goal was to find at minimum three companies to participant and maximum five. Participating companies ended up being four in total, each with one representative.

Similarities and diversities between the companies and the participants can be seen listed here below, in table 2.

<table>
<thead>
<tr>
<th>Company</th>
<th>Participant 1</th>
<th>Participant 2</th>
<th>Participant 3</th>
<th>Participant 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry/Sector</td>
<td>Digital Solutions</td>
<td>IT</td>
<td>IT</td>
<td>Finance</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>30</td>
<td>625</td>
<td>100</td>
<td>1100</td>
</tr>
<tr>
<td>Year Founded</td>
<td>2007</td>
<td>1952</td>
<td>1984</td>
<td>1886</td>
</tr>
<tr>
<td>Sex</td>
<td>Male</td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
</tr>
<tr>
<td>Age</td>
<td>45</td>
<td>43</td>
<td>44</td>
<td>49</td>
</tr>
<tr>
<td>Education</td>
<td>IT</td>
<td>Clinical Psychology</td>
<td>HR</td>
<td>HR</td>
</tr>
<tr>
<td>Coaching Training</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Position</td>
<td>Head Coach and Consultancy</td>
<td>HR manager</td>
<td>HR manager/Coach</td>
<td>HR manager</td>
</tr>
</tbody>
</table>

**TABLE 2 COMPARISON OF PARTICIPATING COMPANIES AND THEIR REPRESENTATIVES**
Before the results are presented, a more detailed analysis of the participants of the research is introduced. The participants and the company they represent will be presented as well as their background and experience in coaching.

### 3.4.1. Participant Background

The four participants of this research each represented their respective company. They each had the deciding power or influence over how and why coaching was implemented within the organization and how it was consequently developed. Furthermore, they were each in a position to evaluate the effectiveness and the consequent impact coaching has had on the company.

This chapter will further review the participants’ background as well as the organizations they represented. Each company had a different level of experience in regards to coaching which will be presented here as well.

Of the four representatives which participated in the research, three were male while one was female. Three representatives were trained coaches while one was not. All of the representatives had higher education and three of them filled the position of Human Resource Manager within their companies. The fourth was Head Coach within his company.

The companies they represented came from various sectors, two of the organizations are in the IT industry, one is in digital solutions and consulting and the fourth is in the financial sector. They each range in size, the smallest having around 30 employees and the largest having well over 1,100 employees. Each of these companies are also well established in their field. The oldest company can trace its roots back 120 years, while the youngest company of the four has been around for just over a decade.

When it comes to coaching, each of these companies have a different experience which varies in scope and duration. Two of the companies were introduced to coaching by the participants themselves, in their capacity as a member of the management team. They played integral roles in implementing and developing the coaching process within the workplace after having completed their certification as trained coaches. Of the remaining two organizations, another participant also played a part in introducing the organization to coaching but as an external consultant who was then later hired as the HR manager of the company. The fourth participant is not a trained coach but has been in the position of HR manager of the company since its implementation. Two of the companies prefer to implement their coaching through external means, while one is neutral and one company prefers internal coaching. The life time of coaching as well as the scope within these companies also varied. One company was first
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introduced to coaching almost a decade ago but did not proceed to introduce it as an organizational tool until the last two years. Another organization first used coaching within their company in 2011 for select few employees but have slowly increased their use and scope of coaching since then. Another organizations has offered coaching within their organizations for over five years and offered coaching to every interested employee within the company. Two of the companies focus their coaching efforts almost exclusively for management and executives, while two of the companies were more open in offering coaching opportunities.

In table 3, the main focus of the coaching efforts of each participant is accounted for.

<table>
<thead>
<tr>
<th>Main Coaching Focus</th>
<th>Participant 1</th>
<th>Participant 2</th>
<th>Participant 3</th>
<th>Participant 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>For who</td>
<td>Everyone</td>
<td>Managers</td>
<td>Mixed</td>
<td>Managers</td>
</tr>
<tr>
<td>Purpose</td>
<td>Developmental</td>
<td>Performance</td>
<td>Development</td>
<td>Leadership</td>
</tr>
<tr>
<td>Internal/External</td>
<td>Internal</td>
<td>External</td>
<td>Internal</td>
<td>External</td>
</tr>
<tr>
<td>Team/Individual</td>
<td>Both</td>
<td>Individual</td>
<td>Individual</td>
<td>Individual</td>
</tr>
</tbody>
</table>

**Table 3: Focus of Coaching Efforts**

3.5. Data Collection

Data collection took place primarily through semi structured interviews, which were recorded and transcribed. The interviews took place from 13th of February to 5th of April. There were four interviews in total, all of which took place at the headquarters of the companies.

Participants were first contacted via email, where the research was introduced and they offered to participate. Once participation was established an interview was also scheduled via email communication or in one case a telephone conversation. Before each interview commenced there was a short overview of the research and research goal. The purpose of interview was explained as well as the methodology and participants were encouraged to expand on their answers and offer any insights they might have on the subject. Next a formal agreement of confidentiality was signed and handed over to the participant and finally the participant was asked for permission so the interview could be recorded and later transcribed. All raw data would be destroyed after the completion of the research. Each interview lasted on average for about one hour, the shortest being 47 minutes and the longest 1 hour and 17 minutes.

Each interview took place at the participant’s workplace, in a comfortable and private conference room. All the interviews started with small talk and the atmosphere was relaxing.
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and comfortable with all of them and the interviewee could feel free to discuss whatever he wanted freely and openly.

The list of topics and questions that guided the interviews were 15 in total and were designed based on the research question. The topics were aimed to emphasise on the thought process behind the implementation of coaching, where the interest in coaching came from, the perceived opportunities to use coaching in an organizational setting, perceived impact and value of coaching and how measurable coaching effects were in the opinion of the participants. When called for, the participants were asked deeper questions or follow up questions.

Additional secondary data was collected through material and data provided by some of the participants, such as a survey conducted by one of the companies on how successful executive coaching had been within their company. Additional data received from other participants were results from their recent workplace survey (Ísl: vinnustaðagreining) and a conference presentation conducted by the company on executive coaching within the organization. This data was used as secondary data to support the primary data where appropriate. Furthermore information on the respective companies was also gathered through external means, such as the companies’ web pages, yearly reports, newspaper articles etc. This information was solely used to gain a better perspective of the organization, its mission, values and logistic information such as age, size, operation etc.

3.6. Data Analysis

Each interview was recorded on the researchers’ phone before being transferred to a computer where they were transcribed in detail and notes were taken on the side where there were specific sounds, emphasis or reactions in the interview. Throughout the transcription the researcher made careful notes on her observations, noteworthy details, comments or topics of relevance. These notes were organized in a prepared document which had been created in Excel in preparation of the coding of the data.

The method of analysis of the data was based on grounded theory. Grounded theory allows for more flexibility between data collection and data analysis, meaning the analysis of the data can start as soon as some of the data has been collected but the data collection still not entirely completed. This method allows for more interactive play between the collection of data and the analysis of it and allows for one to refer back to the other as the research is developed (Bryman & Bell, 2015).
Coding data refers to labelling your data into relevant components. These can be components that have a theoretical significance or something that is of particular interest to the researcher (Bryman & Bell, 2015). The codes are used to categorise the data you have so it may be properly organised and analysed and interpreted. In qualitative research the codes can be revised and are in a state of fluidity through the whole data collection and data analysis process (Moghaddam, 2006). For this research the method of open coding was used. Open coding is “the process of breaking down, examining, comparing, conceptualizing and categorizing data” (Bryman & Bell, 2015, p. 528).

The first step of the analysis was breaking the data down into different themes. These themes each received a name that reflected generally what type of code or label was categorised in this particular theme. The number and types of themes were continuously developed as the data collection continued on. Meaning that once the first interview was completed, based on the researchers’ interpretation of that interview the initial themes were chosen. These were then adapted as more data was collected and adjusted to how the researcher interpreted the data (Bryman & Bell, 2015).

During the coding and categorising of the data, the researcher carefully read and reread all the transcribed interviews as well as any notes that were taken, both during the interview process as well as the transcription process. The subjects were indexed and colour coded based on relevance, topic and interest. The researcher kept focus on information that related to the research question, to the theoretical data that had been gathered and if there was something of particular interest revealed. In addition the researcher took note of what was similar between the participants’ answers and what was dissimilar.

Originally three main themes were adopted but later developed into four main themes. The next step involved decreasing the number of codes to be categorised under these themes. Axial coding, which is the coding stage where codes are united to form concepts (Moghaddam, 2006), was used to combine related codes together into subcategories under each theme.

In the following chapter the results from the analysis will be presented. The results are divided into four categories or themes which were determined from the analysis and coding of the data. The results of the research are compiled based on this analysis.
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4. Results

In this chapter the results from the data analysis will be presented. Throughout the data analysis four main themes emerged as previously mentioned. Each theme has three subsequent codes or subcategories. The themes present what purpose coaching was perceived to serve, the methods by which coaching could be used to benefit the companies, what impact the coaching was perceived to have on the organizations and lastly what was needed for the coaching to be successful. An overview of the themes and the subsequent codes can be seen in figure 2:

![Figure 2, Themes and Subcategories]

The chapter will now proceed into detailing the analysis of the data and present the findings of the data analysis. The results are categorised as mentioned was above, by four prominent themes which each has its own three subcategories or labels.

4.1. The Purpose of Coaching

This first theme refers to what purpose coaching serves within each company. As can be seen in image 2 here above, three subcategories were combined under this theme. What connects these codes or labels together is that they all relate to how coaching is or has been used within each of the participants companies, i.e. the purpose it has, as well as the potential purpose the participants saw coaching could serve within their companies. The common theme that emerged consistently through all interviews and the literature review were these three subcategories; Performance Problems, Development, and Coaching Technique for Management and each will be discussed further here below.
4.1.2 Coaching for Performance Problems

All four participants had used coaching to some degree to address performance problems that had risen with a manager or an employee within the company. Two of the four companies used coaching consistently for this purpose, while two of them had only used coaching for this purpose to a lesser degree and it was not the main purpose of the coaching process.

The main consensus among the participants was that if the coachee was not a willing participant in the process, it would not be effective and so it would not serve its purpose to use coaching in this manner or as one participant described it “If people who don’t want to go, but are sent anyway to fix problems, it will work against the process” (Participant 1).

However, all of the participants concluded that if the opportunity called for it, and if coaching was presented as one tool of many possible tools that could be used to correct or improve certain behaviour, it could be useful for that purpose. When used in this manner, it mattered how it was introduced as well as the framework around it. One participant who had only used coaching for this purpose in one instance had this to say:

There is only one instance where I have specifically called for an external coach because of an employee who was having some performance problems […] It was an experiment on my behalf and it happened before my own personal training in coaching took place. If I would do it again, I would do it differently. […] I thought it would not work if I would do a session with her so I called an external individual and asked her closest supervisor to say, ‘Hey this is where we are at and so we would like to offer you three sessions in coaching to work on this.’ And her [the coachees] experience was that she was being sent to a coach or sent to therapy and as I understand it, the first session didn’t go very well. […] and then there was the third session and finally something clicked. […] She experienced quite a bit of success for a while afterwards but then she just quit. And that just solved a lot of problems for us really. (Participant 3).

The participant went on to say that despite this experience he would not discount using coaching again for this purpose, however that next time he would try another method, for example using a three way contract he learned about in his training to become a coach.

Only one company of four had the main purpose of using coaching as a tool for performance improvement and then specifically for managers. Or as he put it;

Coaching has been used here with us, in the form of trying to help those who are in a bad place. It has not been strategically used to help those who are already in a good place. […] It started really because […] there were managers who were in a really bad place and who needed to either somehow change their approach towards their role and responsibilities or towards their people. If not they would just need to quit. (Participant 2).
In cases where managers were facing difficulties, coaching could help them address the problem from a different perspective and find their own solutions for improvement or solutions. The managers are usually already having a dialogue with their supervisor or HR department on what his status is and what can be done to correct it, when coaching is offered as one possible tool according to the majority of the participants.

[...] there are all kinds [of tools]. I mean of course, sometimes, sometimes I just take a few meetings with the executive to go over what he wants to do to improve or change, and it is not until maybe later that we find out that it is not working and then we consider other options. (Participant 3).

A second participant agreed with this perspective and described how they sometimes took the initiative in offering executive coaching to managers after they had received low scores from their management evaluation, which is a part of a yearly workplace analysis submitted to the whole organization. Coaching is then offered as one possible tool for them to address the issues that were raised in the evaluation, but it was never forced or required.

The majority of the participants felt that they had been successful when they had used coaching in this manner. Performance issues had improved in a clear manner after the coaching had finished in the majority of cases. But it was not a perfect tool which would solve all kind of problems. Or as one participant said:

[...] Sometimes it goes really well and sometimes it doesn’t go so well. You know... you can’t just say that this is always great or it is always really good. Sometimes it just flops and sometimes it goes great. [...] All in all, totally worth it. (Participant 1).

4.2.2 Coaching as a Developmental tool

All four participants have used coaching for developmental purposes among their employees or executives/managers. In these scenarios the employees themselves traditionally sought out coaching for the purpose of improving what was already good, or if they had the initiative of wanting assistance in bettering themselves in a certain area. Or as one participant put it; “it is not about fixing something that is broken, rather it is about just making it stronger, what is already there.” (Participant 2).

The majority of participants shared the opinion that they saw this as the main purpose for coaching within their company. They saw coaching as tool that could be useful for executives and employees alike because it encouraged participants to learn about their strengths
and weaknesses, develop their competencies or gain new skills and perspectives. One participant had this to say;

> We believe that [our company] is an evolving, growing and developing organism and to be able to do so in the most effective manner, then a part of that is that the individuals that form the organism get to do that as well on an individual level and that will feed back into the development of the organism in some kind of positive way. […] and coaching, it therefore plays a rich role in that, in the development of the individuals which then supports the development of the organizations organism. (Participant 1).

Another participant shared the view that developmental coaching “supports and accelerates growth.” (Participant 4).

Coaching as a tool for development was also seen as one tool in the toolbox of many possible tools. This is consistent with previous discussion about the purpose of coaching in performance management.

> Coaching definitely applies better to some people than others and in some cases it can move mountains and become a game changer […] So I think it is a very powerful tool if used correctly […] a powerful tool in the toolbox. But naturally not the only tool. (Participant 3).

### 4.2.3. Coaching Technique for Managers – Coaching Culture

The research also showed an additional third factor emerge in regards to how coaching could be used as a tool in an organizational setting. By training or teaching managers to apply the coaching technique as leaders and managers they had the opportunity of integrating the technique into the work culture as a way of doing things, a way of communicating and empowering those around them. This would be expressed in how employees listen, ask questions, take responsibility for their problem solving and always seek ways to grow personally and/or professionally.

One participant described his managers’ response after taking a management seminar which taught the managers how to use coaching techniques on their staff;

> […] It is great that they realized or started to realize that they do not have to solve every problem themselves, or that the employee can possibly solve the problems he brings to the manager himself. They realized exactly that by this a big victory was already achieved. (Participant 2).

Another participant pointed out that;

> […] even if executives do not become trained coaches, they can be trained in the coaching way of thinking and the questioning technique. There is for example a
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really cool seminar that Profectus has which is called the manager as a coach. That would be a really nice concept for the executive team. (Participant 3).

Profectus, the company this participant refers to, is a consultancy company whose employees are all fully trained coaches and they offer both seminars and specialized solutions to individuals and companies.

Further, the participants shared that there was a sense of increased interest from the executives themselves to learn this way of thinking and use these skills.

[…] I think you also just sense that there are more and more employees interested in learning coaching even if they don’t plan on becoming a coach. They simply want to know the methodology, the approach and skills. And that is something that can be very interesting and something that can be useful for a lot of employees, for example in human resources. […] It’s something we envision we could take further. (Participant 4).

According to the participants, coaching techniques are not only beneficial as a skill set for executives, but can also have a positive effect throughout the organization by cultivating an organizational culture that embraces these factors that coaching stands for. Additionally, coaching can be used strategically to cultivate necessary skills and competencies in managers so they are better equipped to deal with difficult situations that may come up within their departments. These are for example situations regarding employee communication, employee morale and maintaining the right work culture. As one participant said;

If there is even one difficult situation in a department, let us just say bullying or sexual harassment or something like that […] productivity falls, performance and everything like that drops and I think it is hugely underestimated how much it can cost. And I don’t think it needs more than… we can envision that if we can avoid two such incidents then this investment [in coaching] has already paid off. (Participant 4).

The value of integrating coaching techniques into the skill set of managers was also that it could have a leading effect on employees and other co-workers. Or as one participant put it “[It’s like] tacit learning, or what its’ called when it’s something that you learn and observe but you’re not strategically learning it. It’s more like you subconsciously draw it in.” (Participant 1).

4.3. The different methods of coaching

The second theme connected together the codes that referred to the different methods of coaching. Whether coaching is used strategically or in a more flexible and open manner, whether it is internal or external or whether it is individually based or team based. This theme
addresses how these methods matter when it comes to the possible perceived value or impact coaching brings to the company.

**4.3.1 Strategic Coaching vs. Open and Flexible Coaching**

All of the participants shared their experience on how coaching was used within their company as an open and flexible tool, available to employees without serving a particular strategic purpose. A common theme among the participants was that those employees within the companies who showed interest in coaching could request to attend sessions as needed. The purpose would mainly be developmental and up to the discretion of the potential coachee. Meaning that the company or the company’s representatives would not determine if the coaching process should serve a specific organizational purpose (i.e. need for leadership development or performance improvement), respond to a recognized need or serve a specific reason from the companies perspective. Nor was there any specific follow up or measurement of this kind of coaching on the behalf of the company. The entire process was up to the discretion of the employee who wished to attend the coaching and the company role in this relationship was mainly for funding.

For the most part, the participants felt that the company did not need to have any expectation on what was being discussed or being done in these sessions. The assumption being that the employee seeks coaching to improve himself and in some way that will benefit the organisation on a whole. Regardless of whether the subject is personal or professional. Or as one participant, who is serving as a coach within his/her company, said;

> I just say, what is on top of your agenda, do you have something specific you want to talk about or do you want to explore something? And in some instances someone will want to explore and then you need to maybe dig through some issues. And this has been mixed into all my coaching sessions, both professional and also personal. It usually starts as being work related but then when you start digging it often maybe leads to something else. But there is no demand from me about that. I just think you know, if you can help people in any way, whether it is work related or personal, then it has a positive effect on the work place. (Participant 3).

Each participant felt that a lot of value could be gained from coaching, even if it was not being used in a strategic manner. As one participant succinctly put it;

> The coach, and the client, often think that a coaching session needs to have some huge breakthrough moment to bring any value. But people, people just like getting 100% active listening and a chance to reflect, brainstorm and maybe just talk a lot. (Participant 3).
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The emphasis of this kind of focus, suggests that the employee is viewed holistically by the company and the belief seems to be that his wellbeing will affect his performance at work, either positively or negatively.

We put a great emphasise on watching the person holistically. We are not talking about, uhhuhh no no just work issues here, lets not talk about anything else. We are not there. We look at it, you know, what influences how you live your life holistically, that is what matters. (Participant 1).

Although all of the participants said that there was an open and flexible framework around coaching in their organizations, all of the participants also had experience in using coaching in a more strategic manner where the framework around coaching was more defined and purposeful. The need for coaching was then pre-determined by the company and offered for that purpose to those who were identified to need it. Two of the participants for example described how they used coaching strategically to help improve specific skills or competencies that they felt were lacking in some of their managers and leaders. Another organization advertised within their company to all managers that coaching was available to them to strengthen their leadership skills.

In these cases, where the company determined a need and a target group for the coaching efforts, there was also a more formulated framework around the coaching process on a whole.

When the process starts, the executive meets a coach and actually then the human resource manager will already have met coach before and gone over the situation you know. And then the employee, the executive that is, meets with the coach and they coordinate. (Participant 2).

However, several of the participants also used coaching in a more deliberate strategic manner where coaching served a specific purpose and was implemented in a specific way to achieve predetermined results. They felt that by using coaching to focus on a specific topic or theme, it could greatly improve the learning of the coachee on that particular issue.

One participant described how in his company, they used coaching as a part of a management seminar all managers within the company were obliged to attend. The seminar was organized around five different topics, each three hour long. After each topic, managers would receive a follow up coaching session with a trained coach. Although not expressly told that the coaching was meant for the purpose of discussing the message of the seminar, it was set up in the way that it was clear that that was the expectation. The company felt they had experienced great success with this method of coaching and their own evaluation of the
program’s success indicated that the managers had achieved a higher degree of learning than they had done in previous management seminars, where coaching had not been incorporated.

Another participant described how in his dream vision coaching in his company, would be used as a strategic support tool in goal setting. Employees would then set goals for the year and follow up on them quarterly with a coach or manager with coaching experience.

Yet another participant shared his opinion on how strategic coaching could be beneficial for team coaching. How coaching could be used for the team to gain the synergy needed to drive specific results that the team was aiming to achieve.

Then you enter these circles [the teams] and say, ok well now we have a coaching session and I will help you nail this, or you know coach you through this, team coach you through this. So the subject is given and you will find out what it means for your circle and what actions you mean to take, surrounding that. (Participant 1).

The participants generally agreed that each method of coaching, whether strategic or open, had their own benefits. Both techniques use coaching to support and accelerate growth of the coachee. Generally when the process was more open the participants felt that the individuals who sought out coaching of their own initiative were individuals who sought self-development either way, while employees who might have a more pressing need for coaching were the ones who did not show the initiative to seek it out on their own. Three of the four participants shared their view that supported this.

Meanwhile using coaching strategically by predetermining the subject, could be beneficial in the way that it sharpens your focus and defines really well your responsibilities and role. The participants found that by using strategic coaching it was often easier to measure or evaluate the outcomes than open coaching where the outcomes could be more intangible. Not necessarily less important, but less definable.

It is much easier to measure something, here comes a person and she has some subject or issue. She has decided to take action with something particular and to do something. She can say what her place is now and she can say, I am going to do this and this and this until we meet next time. And when we meet next time her situation has changed and we can see the difference between these two places from when she started and where she is now. Then you really have this measurement which can showcase how successful and good this really was. And there is the question, would this have happened differently without the coaching? (Participant 1).

4.3.2. Internal and External Coaching

Three of the participants had at least some experience in using both external and internal coaching. Two of the participants had very positive experiences from their use of internal
coaching, while the third experimented with using internal coaching but discontinued the experience within his company and went back to strictly using external coaching. The fourth participant did not feel positive about internal coaching and believed that external coaching was always the better way to go. All of the participants agreed that the role of the internal coach mattered as well as how he was perceived within the organization for the internal coaching to be effective.

[...] what I experience as having a huge influence on whether it works or not [internal coaching], is what the position of the coach is within the organization and how others look at him and his role, that has a lot to say about how well it goes and how much risk there is of uncomfortable situations happening. (Participant 1).

The participants mostly agreed with this sentiment, although their opinion differed on what role the coach should play was best. Two participants shared their experience of using internal coaching where the coach was not also in an HR role. One participant whose organization had a flatter hierarchy and used internal coaching but not through HR personnel was generally very positive of their experience;

I think it is like with everything else. In some cases it goes badly, in some cases it does not. I am going to allow myself to state that with us, it is been great. [...] I think that possibly a HR manager could do the coaching but I think there is always a risk, that a difference in infrastructure (ísl.: aðstöðumunur) between the parties has effect, whether people consciously feel it or not if you are coaching your subordinates. (Participant 1).

Within the company of this particular participant, the internal coaches within the company had their own roles and responsibilities but they also held the position of being coaches for any interested employees. They did not belong to the HR department and worked with some of their coachees in other capacities, such as project development and team work but not as their managers. This participant, who is also a coach within his company, did not feel that there was any conflict between these roles in his case and in that regard it mattered, that he was generally very well trusted and respected by his peers in any role he was responsible for.

Meanwhile a second participant who had experimented with using internal coaching within his organization did not feel as positively towards the experience. They had tried internal coaching by allowing one of their employees who had just gained her coaching credentials to coach interested employees within the organization but ended up having to discontinue the practise after a while, because the conflicting roles did not work together in their experience:

There is some sort of discomfort that follows when someone within the company who is not working in HR and just works in some department and they maybe [the
coachee] experienced that you were being coached by someone one week, then the next week you were working together as equals in an unrelated team work and there’s just something in that dynamic that just wasn’t working out. (Participant 4).

Another participant who filled the position of HR manager within his company also played the role of an internal coach and had been the main person responsible to provide coaching within this company. The participant was positive about his coaching experience in the company, but after hearing outside critics on internal coaching did not feel experienced enough to assess if it was the right move to continue coaching their employees in this way. The participant did not experience any conflict or difficulties in the process himself and felt it had been a great success within their organization. But he could not discount the possibility that this might not be the case.

I cannot dismiss the possibility that people might be holding back because they do not look at me as a coach but look at me either as their boss or as the human resource manager. I cannot rule it out. […] I did not experience it [the conflict]. (Participant 3).

The participants did feel that whatever the position within the company, the coach needed to be trusted by his co-workers and staff. There was also consensus between the participants that the responsibilities belonging to each role needed to be clear and the coach himself needed to have the right mind set to handle possible conflicts. One participant also felt that it mattered how corporate the organization was as well as the size of the organization. He felt that internal coaching would always be more difficult, the larger and more corporate the organization was due to the distance that was created between employees and managers, and the more complicated infrastructures larger corporations entailed. Small companies could have a flatter hierarchy, less power distance, more open communication and flexible infrastructure which allowed for more trust in the internal coach.

The participants that felt positively towards internal coaching, all agreed that when used right, internal coaching gave the organization more flexibility, better overview of the costs involved and more opportunity to develop coaching into the direction they felt suited their needs.

However, all the participants also felt that external coaching was better suited in certain situations. Or as one participant put it “Based on my experience, as limited as it is, I think internal coaching works best for developmental purposes while external works better for performance problems.”, (Participant 3). Another participant whose company relied mostly on internal coaching added that when the position of the coachee or the nature of the coaching
called for it, they also felt that external coaching might suit better and so they always had an external coach available for when they felt it was more appropriate.

Two of the participants felt that the risk of conflict and lack of clarity outweighed the possible benefits internal coaching could bring and one participant felt that external coaching should always be the first choice and was generally against using internal coaching in any situation. No matter how well meaning the internal coach might be and how self-assured of his capabilities, the reality was always different and the only way to avoid the complications of internal coaching was to buy the service externally.

They might really want it to be sensible and they might be thinking, sure I can do it and sure I will just take a step back and something, but that is just not how it works. It is bit of a wishful thinking. (Participant 2).

One of the participants who mainly used external coaching said that there were several factors that played a part in the decision to use external coaching. Firstly, he was not sure who should play the role of the internal coach nor did he feel that it was fair to put the extra workload on an employee who might not realise the emotional toll of the position when agreeing to the role. Another participant added that it was also important for the coach to be able to maintain objectivity between the client on one hand and the coachee on the other.

4.3.3. Team Coaching and Individual Coaching

All of the participants placed their focus on individual coaching and only one of the four participants shared that group or team coaching was offered within his company. The participant described how team coaching had been highly beneficial within their company in projects. They had different project teams, where employees from different departments came together, to work on specific projects and coaching had benefited them greatly in creating team synergy and setting team goals.

Additionally team coaching was used when certain departments, such as marketing, HR, IT etc., within the company were meant to achieve some predetermined goals. Coaching could be used to help the teams figure out what these goals meant for them and how they could achieve them. In these cases the purpose was always predetermined and the coaching effort was used more strategically to find the best path for the team to achieve these results.

The use of coaching was not systematic or always in use, but rather when team members or managers felt a need for some assistance, coaching in this manner was one possible option. However, the participant did share his concerns that in his experience the line between team
coaching and facilitation often became unclear in this kind of coaching. In addition, there were several employees within the company that took on the role of team coach as well as some of the team managers coached their own teams. Each coach had a different approach to it and it could be difficult to define the process completely as coaching and not a blend of something else.

The participant did share that he felt this was a very useful aspect of coaching, and one he hoped they could develop further within their company. The participant felt that team coaching had the potential to be a powerful driver for change, especially in combination with the traditional individually focused coaching.

> It [Coaching] can be a much more powerful driver of change when you work with a team rather than an individual. The power you manage to potentially unleash within the coachees is much more, than if you are coaching just one person. And even if you are coaching all these team members individually but not in team coaching, it would not deliver the same power. You could possibly get more from just team coaching them. But I think that these two methods generally work really well together. (Participant 1).

Only one of the four participants had anything to say in regards to team coaching. The other three participants had either not considered using team coaching within their company or not seen any use for it yet.

### 4.4. Organizational Impact

The third theme connects together the codes that refer to how the companies perceive value from the usage of coaching, how this value can be evaluated and if it leaves any lasting impact and by what means they count the coaching efforts successful.

#### 4.4.1. What Value is Perceived to be Gained for the Company from Coaching?

All of the participants felt that the impact left by coaching could not be measured strictly in direct financial gain. The perceived value each participant saw from coaching varied but in all cases it had to do with behaviour, competencies or capabilities of the coachee and the participants all felt that by achieving the value they perceived possible from the coaching, it would have a chain effect and eventually somehow positively impact the company as a whole.

Some of the participants mentioned that the main value they perceived from their coaching experience was in improved performance. This improvement in performance could be caused from working on bettering specific character traits (i.e. impatience, listening abilities
or impulsiveness), by discovering new competencies or through behavioural changes such as a changed perspective, discovering new ways of thinking or approaching problems in a different way. Ultimately, it would end up in improved performance which benefitted the company as a whole.

Another participant said the biggest value gained from coaching was bringing out more confidence in their managers and thus allowing them to tackle their roles and responsibilities better. By providing them with coaching, the managers had a safe space to discuss and brainstorm, to get assistance and to prepare for difficult situations.

The sense the participants had, was that the nature of the coaching session was not what was most important. Ultimately, regardless of what the topic of the coaching was, the result was a manager who was better equipped to deal with a variety of situations with more confidence and empowerment. One participant in particular felt that this was a huge value factor for executives because the managers’ success could then be reflected in their subordinates.

You improve his [the executive] performance little by little, he brings something to the table which is some kind of capability, some approach to life and work, some knowledge and experience which makes him well prepared to be a manager, to keep overview, to mediate, to sell something, to run some unit, deliver profits, and so on. Then you offer him some more tools and options [i.e. coaching] to make him even better prepared to solve these projects. (Participant 2).

For some participants the value could also lie more intrinsically. If the wellbeing and happiness of your employees was in a good place, that could only be positive for the company.

Coaching also connects to job satisfaction. Everyone has dreams or goals or plans, on some path. And if there is someone within the company that can accelerate that journey, because as I see it, coaching accelerates some process, or way, or journey you are on, and makes it more strategic, sometimes it is just a bit of a push. Then everyone wins. (Participant 3).

Another participant had a similar opinion. Coaching could connect to so much that allowed people as individuals to grow and if people grow, the company also grows.

What we are really talking about are our values. Having bravery to deal with uncertainty, not blindly agreeing to the norms. Being curious, passionate about what you do […] all this is something that coaching can support and really just light up your inner fire. You realize the passion for what you do, learn something new, including learning about yourself. Just how you experience yourself and work with what you have in the environment that surrounds you. (Participant 1).

Although the perceived value of coaching differed, between the four participants, it ultimately always contributed to having improved performance with the employee or manager. How this
improvement or development looked, differed, but in most cases it related to improved competencies, abilities, skills or changes in mind-set and behaviour.

4.4.2. How do companies measure the impact of coaching/Follow up on it?

None of the companies the participants represented had formal evaluation of the success of the coaching program. The success was evaluated informally by subjective means. All of the participants shared the view that if the coachee felt that he was gaining results from the coaching, it probably meant that he was. Feedback or the viewpoint of the coachee was therefore a predominant factor when assessing the success of coaching and if the perceived value of it was being gained. The participants did not feel there was any need to measure the success in a more formal manner. As one participant described;

"There is really no need to monitor, it will all reveal itself eventually because, and particularly in our context or if we are using it as some kind of crutch. When we… when something needs to be fixed, then you see very quickly if it is working or not. Is he [the coachee] getting a better grasp of things or not. (Participant 2)."

And if the coaching clearly was not working then the coachee would end up quitting on his own or letting the process slowly die out. The participants who had used internal coaching also felt that when using coaching internally, the follow up was rather built into the coaching process itself. Again, formal evaluation was not seen as important. It would become "obvious" throughout the process if it was not working or what the coachee himself experienced as success or failure.

As for confirming the results by assessing the external effects, the participants, who also served as internal coaches within their respective companies, felt that it was stepping outside their boundaries as coaches and would be breaking confidentiality by “checking” to see if the coaching was truly having the effect the coachee believed it was, i.e. checking or evaluating the success by using other information or resources than asking the coachees themselves.

The participants who held the position of HR managers within their companies all mentioned that due to their position they could also have a feel for the results without necessarily requiring about them or as one participant put it;

"It will bring itself to light. You have the finger on the pulse so to speak, how or what the status is in the various departments. […] If the subordinates start to function better, then the manager is starting to get the hang of something. (Participant 4)."
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All of the participants also mentioned using some kind of secondary measurement tools, that although were not directly designed or implemented to measure the coaching success, could be used to get an indication of if the coaching was leaving a noticeable impact on the organization through the coaching. These are factors such as performance evaluations, workplace assessments and 360 feedback interviews.

In the annual workplace assessments which were performed on a regular basis within each organization, employees got the chance to rate their managers. It provided a clear indication of if the manager was improving or developing in his position or not. One participant shared the results of their most recent analysis which showed a definite increase in the competencies of their managers for which he felt coaching was the main reason behind.

In general we are just on our way up in these analyses in the company. And this coaching is really the only explanation that we are, that managers are on the whole, getting better ratings than before. (Participant 4).

Although these measurements were not specifically designed to measure the effects of the coaching, the majority of the participants felt they reflected nicely the positive or negative effect it had on the workplace as a whole. Additionally there were opportunities to incorporate coaching measurements into already established processes such as performance evaluations and feedback discussions. As one participant explained;

[...] What I want to do is more of check ins. We tried this for the first time after our last performance evaluations in April. There were meant to be follow up conversations with the goals that were set last fall but then it turned out that the managers hadn’t been thorough in the goal setting with their employees. [...] So they of course had problems when the time came for the follow up in the April evaluations. It was a good lesson, because now, during the performance evaluations next April then all managers need to be clear about how the goals need to be so I can work with them. So we are nudging in the right direction. [...] The vision is that we will have objectives that people set and then there would be follow up four times a year with a trained coach to go over how well people are doing in reaching their objectives. (Participant 3).

Some of the participants described how their degree of measurement could differ depending on each scenario. For example in the case where one company had used coaching strategically as a part of a management seminar class, as was described here above in chapter 4.3.1, each participant received an evaluation form once each part of the seminar was completed. Once all five had been completed a larger evaluation form was sent out. Although these evaluations measured the seminar and not the coaching efforts exclusively, there were specific measures on each factor. There was no similar evaluation conducted on other coaching efforts the company had offered its employees.
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One of the participants also described that when they first started with coaching in the company they conducted a survey among all the employees who had tried coaching in the company, to determine if it was having any effect and if they should continue to develop coaching within the company. The survey showed decisively that the participants felt they were gaining something from the process and that this was helping them in their capacity as employees of the company. Although the company has not conducted another such survey since, and the participant felt that this was something that was overdue, he was confident that the results would be the same.

None of the participants were overly concerned with the associated costs the coaching process could bring with it. Each participant had a rough estimate of the financial costs associated with the coaching, but did not measure it specifically.

I mean, we kind of knew what it would be when we started the journey you know. And really the volume is not so much that it really matters. I mean of course it matters if you hire a coach who charges 25 thousand ISK per session or 70 thousand ISK per session, we look at that. But beyond that, when we make the decision, it is made. (Participant 2).

All of the participants agreed that there was no need for more detailed financial analysis of the coaching processes because they felt confident the coaching was delivering the expected results and there was no need for a more detailed estimate. As one participant said “we just believe that if it works, it works really well and we don’t need to worry about costs.” (Participant 1).

Every participant shared this believe that there was no real concern with the financial cost of providing coaching within the company because they were assured of the benefits reaped from the process. They all strongly believed in the potential coaching could bring and felt they had experienced enough success from it that it was well worth it.

Two of the participants, who had served the role of internal coaches in addition to their other responsibilities, felt that by using internal coaching they were better able to keep an overview of the costs associated, as it mainly involved the time they spent away from other projects, to do the coaching. The participant who was an internal coach as well as the HR manager, additionally felt that it was already part of their job description to support their employees and have available time for them to talk if they needed or requested it.

4.4.3. Impact Returned – is the Coaching successful?

Despite the fact that none of the participants had clear measurements of the impact of coaching in place, or cost estimates, all of them were confident in the value coaching was bringing their
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companies. It seemed as if the participants felt it was too unattainable to attempt to sort out all
the influencing factors and variables to calculate the monetary gain of the effects of coaching.
There was no doubt however, in the minds of the participants, of the success the coaching
process delivered in the impact the process left behind.

I would say that it [coaching] is giving more back to us then we are paying. Just
because…. just having good managers is essential in creating and maintaining good
job morale and work culture. (Participant 4).

So although neither the cost was specifically calculated nor the profit gained from coaching,
every participant declared they were satisfied with the coaching experience they had in their
companies, and that they felt it was well worth the associated costs. They would most definitely
continue using coaching and hopefully further their development of the tool.

Each of the participants felt that the expectation that had been set within their
companies, when the coaching process was first implemented, had been met and that coaching
had more to offer than they were currently using it for. Examples the participants mentioned in
this regard was opening the coaching process up and making it more available for more
employees, using coaching for other purposes, using coaching more strategically in alignment
with other ongoing projects within the companies, developing team based coaching and more.

The participants were generally very positive about developing the coaching process
further and using it for these other opportunities. Several of the participants mentioned being
excited to experiment further with what possibilities coaching had and how it could be adjusted
for more uses.

There are always unused opportunities I think. For example […] with team coaching.
There it mixes a bit, when it is team coaching and when it is facilitation and when it
is something else. The lines between can become very blurry […] and I think there
could be more experimentation with a clearer structure sometimes. (Participant 1).

Another participant saw opportunity in using coaching more strategically, implementing it
more strategically for goal attainment within the organization and to integrate a more coaching
culture where the organizational culture would be more coaching oriented. Opportunities
mentioned also included making coaching accessible for all employees. This opinion was
shared by three of the four participants, while the fourth participant felt it unrealistic to offer
all employees within a large organization coaching. It was most beneficial for executives and
managers.
In general, all the participants felt that the expectations they had regarding coaching when they implemented it, and based on their experience so far, had been met and beyond. Their expectations had now risen to new heights for coaching.

The participants did share their belief that coaching was not for everyone. Sometimes it would not work and sometimes it was not a solution that fitted. But ultimately still worth having, even if it failed on occasion.

Some people just cannot be saved, no matter what you do. Meanwhile other people just grab it and run with it and just yes, finally this is what I needed. [...] So on the whole, absolutely worth it. (Participant 2).

4.5. Requirements for Successful Coaching

The final category of codes reflect what factors consistently emerged throughout the study as being possible influencers on the perceived value of the coaching efforts. These are factors that participants felt were important to be in place for the coaching effort to be successful or that could possibly prevent it from returning the value.

4.5.1. The Coachee

All four participants identified the coachees’ mind set is an essential factor when determining the possibility of success. If the coachee was not interested in the coaching, it would be more likely that the effort would fail. Ultimately, how effective the coaching would turn out to be, depended hugely on how receptive the coachee was. As one participant said, “It is naturally a question of how open people are on working on themselves.” (Participant 4). Another participant had this to say;

I could point out a lot of people it did not work for. You know, it is some kind of combination of people being open and searching and looking for ways to do better [that makes coaching successful] on one hand, and on the other hand that you give them the opportunity to somehow take this need to develop themselves, and search deeper for it, form it and change it into actions that deliver something. (Participant 1).

Several of the participants felt that this was the reason you should never force anyone to attend coaching if they did not want it. “People do not get anything out of it unless they are ready to give something to the process and be open and honest too themselves.” (Participant 2).

There was consensus among the participants that if people were sent without being willing, the best case scenario would be that nothing would happen. The worse kind of scenario would be that some kind of negative after effects would be felt.
Several of the participants felt that the work culture played an important role in influencing the coachees’ openness to opportunities such as coaching. The culture and infrastructure of the company could shape what perception had been built around coaching among the employees.

We want to be more of the open type of a workplace, rather than closed. And that is something we are constantly trying to address and talk about, that the people here have this space for actions and that they feel ownership and take responsibility and so on. I think it fits together. (Participant 4).

All of the participants agreed with this assessment, that it mattered how the workplace culture was within the company. The culture influenced what kind of employees worked in the company, and what people perceived as acceptable and not. It would always be more difficult to introduce coaching as an opportunity for employees if the employees generally perceived the culture to be closed and rigid.

It is also a question of how open people are for working in themselves and if the culture in the company hasn’t offered employees any opportunities for self-development then I think it [coaching] will be a much more challenging sale. But if the culture is to generally encourage employees to better themselves and achieve success then I think it is a much easier sell. The culture is the key. And the management. (Participant 3).

4.5.2. The Coach

It is not enough that the companies create the right platform and work culture to cultivate opportunities such as coaching or that the coachee has the willingness and the right mind set to try coaching. The participants also mentioned that it was “crucial that the organization can trust the coach. That the coach is competent. That he has the right chemistry.” (Participant 2). The participants felt the most critical factors were that the coach himself needed to be qualified and competent at what he does and completely trustworthy.

Not only did the company need to feel trust towards the coach, but the coachee also needs to experience he can trust the coach. And furthermore be able to form the kind of connection to the coach that allows him to properly open up and share.

One of the participants mentioned that one of the assignments on their drawing board was to look for more coaches. So far they had always used one external coach and felt a need to expand and offer a variety of coaches for the coachee to choose from. This was not due to some dissatisfaction with their current coach, but rather because they recognized the importance of the coachee and coach having a real connection and be able to form a trusting
relationship. Not everyone worked the same or were drawn to the same characteristics and so it would be good to be able to offer a choice. However, it remained crucial that the company would choose the coaching partners carefully and that the organization could completely trust and work with the coach as well.

4.5.3. The Process

Although none of the participants particularly emphasized on having a fixed framework around the coaching process, they all recognized that it was a potential influencing factor on the coaching results, both negatively and positively. Most noticeably was the concern that the coach and coachee needed to have the space to create the right kind of environment that allows for trust and intimacy. For that, the right external environment and the right external situation was needed.

In this regard the participants all felt that it was important that the coachee experienced trust towards the company and that the role of the organizational representative in the process was well defined and did not cause confusion or distrust from the employee which attended the coaching.

None of the participants had a specific process or structure around the coaching process, but in the cases where coaching was more strategically used, there were clearer follow up steps and clearer expectations set for all stakeholders involved.
5. Discussion

The objective of this research was to gain a deeper understanding of why representatives of companies choose to use coaching and what value they see from the use of this tool for the company. There is a lack of studies conducted from this point of view and a gap in understanding what companies perceive to be the organizational impact from coaching. This is particularly relevant to the Icelandic market, where this subject has hardly been explored at all and yet coaching has grown exponentially in the Icelandic market in the past few years.

The main findings of the study will be discussed in this chapter and the research question put forward will be answered. This will hopefully provide a relevant perspective into the status of the coaching industry in Iceland and shed a light on how companies in Iceland view executive coaching in Iceland today, and what need they perceive from it.

5.1 What is the Perceived Impact of Executive Coaching within Organizations?

Based on the findings from the study it is clear that the representatives of the companies perceive that organizational value can be gained from executive coaching. This value is not one dimensional and each company that applies coaching can have a different perspective of what value can be gained, but if conducted correctly, coaching leaves behind a positive and value creating impact for the organization.

Although this impact can vary depending on each company and situation, in general the impact takes place through the effect it has on the individuals who attend the coaching and the influencing effect it has on those around the coachee. These are changes such as improved learning, better leadership skills, behavioural changes and a changed mind set which leads to positive results for the organization. The impact comes in various forms but ultimately does have an impact on employee behaviour, skills and competences which in turn leads to an impact on their outcomes and performance for the betterment of the whole organization.

For this impact to be achieved it is important that each company who decides to implement coaching, does so on their terms and in a way that suit the needs of that particular situation. Need assessments are important to determine where the need for coaching lies, what
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purpose should the coaching serve, what coaching methods should be used and how to best implement it to respond to this need. Each coaching process can be adapted and companies can use coaching for different purposes, by different methods with different frameworks as suits them. It remains crucial that the process is well defined and clear in each case.

5.1.1 Are there Recurrent Topics that emerge which affect the Perceived Impact?
There are several factors that emerge as clear influencers of the perceived impact. These are factors such as the coachee himself and how he perceives and utilizes the coaching opportunity. There is the coach and whether he is qualified and trustworthy. There is the environment itself, that the right space for trust and intimacy is created. And finally there is the framework around the process. How the company has built up the coaching process, how clear the role and responsibilities of each stakeholder in the process is and how the company culture supports the coachee in his developmental opportunities.

Companies can influence, at least to some degree, how these factors can affect the coaching impact. They can do so by making sure the right framework is provided, that the roles and responsibilities of each stakeholder are well defined, that the organization carefully assess their need for coaching and conducts it accordingly in a manner suited to the needs and limitations of said organization and by having well established expectations of the coaching outcomes.

5.1.2 How is the Effectiveness of the Perceived Impact Evaluated/Measured?
The impact is not always easily defined as it is not evaluated in direct financial gain nor does it necessarily affect the bottom line in an obvious or measurable way. It can therefore be hard to place financial worth on the coaching efforts.

It is interesting that there were no formal evaluation measures in place to measure the effectiveness of the coaching process, and yet none of the participants had any doubt of the returned value their organizations received. Evaluation is almost entirely based on subjective means but other methods, such as workplace surveys and performance evaluations, can be further developed to provide more significant and unbiased data to evaluate if this subjective opinion has reasonable ground to stand on. These methods are not without faults but they are generally applied without any analysis or adjustments made on how to best adapt it to capture the information needed.
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There is clear need for further development in formulating evaluation tools to properly measure the coaching effectiveness, which is specifically designed to capture the value of the coaching outcomes. There seems to be minimum considerations regarding the costs associated with coaching as well as a lack of concern of the possible negative effects coaching could have if operated ineffectively. As executive coaching grows and companies start to spend more on coaching, the need to justify this spending to stakeholders increases. This creates a need for more established evaluation tools to measure the coaching outcomes in a formal and non-subjective manner.

An additional consideration on the importance to substantiate the perceived impact with more formal means, is that without proper analysis there is no foundation for improvement, no way to properly identify where potential problems with the process lie or where further opportunities may be.

5.1.3 Final Thoughts

Executive coaching has the potential to be a revolutionary tool for the benefit of the modern worker and the companies that employ them. It is flexible, adjustable, individually focused and provides clarity and focus where needed, if applied correctly.

The challenge that companies face, is the uncertainty that surrounds coaching today. It’s important to know the limitations of the tool and it’s important to know the limitations of the company that applies it. To be able to live up to the potential coaching has, best practices need to be established so that companies can be better informed and so that they have a strong foundation to develop their coaching efforts from, without constantly having to start from the beginning on their own.

5.2 Limitations

It is important to mention some of the limitations concerning this research and what reservations the results may have. Firstly it is important to keep in mind that the research was qualitative in nature and the data gathered is subjective and then interpreted by the researcher. There is therefore some risk of bias, both of the participants’ theoretical understanding of the subject and their interpretation of the interview questions as well as the researchers’ interpretation of the provided answers.

It is also important to keep note of the fact that the number of participants was limited to four and this should be kept in mind before generalising the results. Additionally it is worth
mentioning that the experience each participant had of coaching differed. This was beneficial in the way that it gave a general idea on the umbrella concept of coaching, but gives limitations to further narrowing the results.

Another limitation is that only one representative from each participating company was interviewed. The data that was collected was thus limited to this one perspective. It is also worth mentioning that each of the representatives that participated in the research played a large role in the implementation of coaching within their companies, and so it is possible that their view of the success of their coaching efforts is biased. It would be beneficial for future research to gather data and insight from more than one representative within each company, and that these representatives had different perspectives on the coaching efforts.

In addition, it is important to take into consideration that of the nine companies that were offered to participate in the study, only four showed interest. These four participants all felt positively towards their coaching efforts, and this can possibly be interpreted as an indication of sample corruption, i.e. only companies with good experience of coaching were interested in participating in a study on coaching.

This research focuses only on the organizational perspective and all the participants were individuals who represented their respective organization and not the coachee himself or the coach. Additionally because there was only one representative from each company, it perhaps provides a limited information to determine the actual value on the organization from the coaching process. As it does not provide perspective on if this perceived value from the organizations point of view is consistent with what the actual value is, based on the experience of the coachee or the coach.

5.3 Recommendation for next steps

The coaching industry is at a sensitive time in its growth cycle, where there is disharmony over how the concept should be defined and handled and what coaching should stand for. There is a clear need for more established evidence based research for the industry to be able to stand on a strong foundation to build on in order to grow sustainably. In particular there is very little research that has been done on coaching in the Icelandic market and on the status of coaching in Iceland.

The purpose of this research was to explore what benefits coaching can bring to organizations by looking at the impact it has from the companies’ representatives’ perspective.
The biggest problem the coaching industry faces today, is the lack of clarity regarding what coaching really is, what should be its purpose, and in what way it should be used and implemented. As has been discussed throughout this study, there are many gaps in the current research on coaching. Unless theorists and practitioners can come together on an agreement on how coaching should be defined for further development, the industry as a whole will continue to suffer from lack of reliable research, lack of trust and lack of credibility.

This study has contributed to the research by providing an overview of what value companies in Iceland perceive to be getting from funding the coaching process and what can influence this perceived value. Although this research addresses several subjects and current gaps in research, further research is still needed. It would be beneficial for future research to look at the same perspective but with different methods and data, such as speaking to the employees and managers who receive the coaching, the subordinates or managers of the coachee and gain their perspective on what impact the coaching has had.

In addition it is recommended that further research is done on the possible methods available for evaluation and measurement of the coaching efforts. It is important that companies can know decisively if their coaching efforts are delivering the results they believe. In this regard it is important that the purpose is well defined and the evaluation is designed around this.

Additionally it is recommended to further research the uses of internal and external coaching and how organizations can better determine what method is best suited for them. Lastly it is suggested the framework around the coaching process is researched further. Factors such as how much the coachees characteristics influence the success of the process, how much the coach influences the success and how much the framework itself can influence it.

It is crucial that these topics are researched further and that the industry as a whole is developed further so that organizations can take better informed decisions in order to minimise their losses and maximise their success, as well as so the employees who undertake the coaching receive the best possible results.
References


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Appendix A

Interview Questions – Translated.

1. How long has coaching been used within the company and what is the scope of it?
2. Why did the company look to coaching and what was the implementation process. How has it developed since?
3. For what purpose is coaching used within the company? Is it always used for the same purpose in the same way?
4. Does the company use internal coaching or external coaching? Why/Why not?
5. Do you use individual coaching or team coaching? Why/Why not?
6. Who within the company is involved in the process and what role do they play?
7. Can you describe how the process usually takes place, from when the decision is made for an employee to get coaching, to when he completes the process?
8. What value do you see in coaching? How does this value impact the organization?
9. What expectations does the company (It’s representatives) have towards the coaching? Do you feel that these expectations are met? Why/Why not?
10. Before an employee starts his coaching process, are the expectations between the different parties managed? Is there any follow up on, if the expectations of all parties were met?
11. Is there any follow up/measurement of the coaching process success? How are the measurements conducted and what do they involve? If there is no measurement, how is the value/impact evaluated?
12. Are the costs associated with the coaching efforts, calculated?
13. Do you belief that these costs are are returned back to the company? In what way?
14. Do you feel that there are unused opportunities in regards to coaching for the company?
15. Do you feel that the coaching process within the company, as it is now, can be improved in any way?