

## HBR Blog Network / Our Editors



### **Research: What CEOs Really Want from Coaching**

by Gretchen Gavett | 8:00 AM August 15, 2013

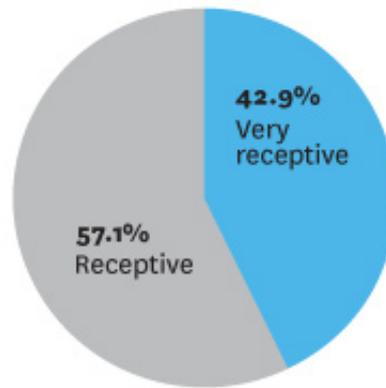
*Two-thirds of CEOs don't receive any outside advice on their leadership skills, and yet almost all would be receptive to suggestions from a coach. These stats are from a Stanford University/The Miles Group survey (<http://www.gsb.stanford.edu/cldr/research/surveys/coaching.html>) released this month, which asked 200 CEOs, board directors, and other senior executives questions about how they receive and view leadership advice. I asked the survey's co-authors, Stanford Graduate School of Business' David Larcker (<http://www.gsb.stanford.edu/users/dlarcker>) and The Miles Group CEO Stephen Miles (<http://miles-group.com/team/stephen-miles>) some questions about what they found and how it applies to CEO coaching specifically. An edited version of our exchange is below.*

#### **Why is getting coaching from outside the company important?**

Blind spots are less obvious when things are going well. It is very easy for executives to become almost strictly inward looking, especially when they have been very successful. But these blind spots can become devastating when performance moves in the other direction. A good, neutral third party assessment is a clear reality check for executives.

Additionally, every single person inside the company has an agenda of some sort. This makes the coaching environment a rare and safe place to think through various topics against the framework of what is in the CEO's best interest. The coach is only concerned with the CEO's wild success as the leader of the company.

## HOW RECEPTIVE ARE CEOs TO MAKING LEADERSHIP STYLE CHANGES IN RESPONSE TO COACHING AND FEEDBACK?



SOURCE 2013 EXECUTIVE COACHING SURVEY, STANFORD UNIVERSITY AND THE MILES GROUP

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(<http://blogs.hbr.org/hbr/hbreditors/ceocoaching1.jpeg>)

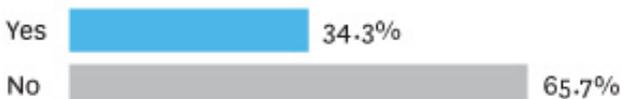
### In your survey, CEOs say the area they most want to develop is in conflict resolution. Why?

Conflict management is critical in the CEO role — just about anything that gets to the CEO's desk has an element of pleasing someone and making someone else unhappy. When the CEO avoids conflict, it can shut down the whole organization: decisions are not made and problems fester, creating a domino effect of unproductive behaviors down the ladder. A CEO who can manage and channel conflict in a constructive way can get to the root of issues, apply rigor to the team's thinking, and, ultimately drive the best outcomes. So cultivating this skill can be a powerful tool to help the entire organization.

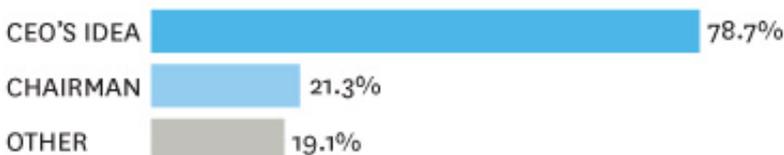
### The survey also reveals that nearly two-thirds of CEOs do not receive coaching or leadership advice from outside consultants. What's behind that?

There is still some residual stigma that coaching is somehow "remedial," as opposed to something that enhances high performance, similar to how an elite athlete uses a coach. But there really is not a single top athlete who does not have a coach. CEOs should not be insecure about this issue, and instead see coaching as a tool for improving their already high performance.

### DO CEOs RECEIVE COACHING?



### IF A CEO RECEIVES COACHING, WHOSE IDEA WAS IT?



SOURCE 2013 EXECUTIVE COACHING SURVEY, STANFORD UNIVERSITY AND THE MILES GROUP

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Part of this stigma comes from board members themselves, many of whom grew up in an era when coaching was truly remedial and not something in which a CEO would ever voluntarily engage. So even CEOs who believe in coaching and want to engage have to ensure that they bring these board members in particular along with them on the journey.

### So there's tension between boards and executive teams when it comes to coaching. How does it manifest itself?

Again, when things are going well, there can be a tendency on the part of some CEOs to be less open to feedback and a corresponding "If it ain't broke..." attitude from the board. If things are going well, boards often feel as if they don't need to have this difficult conversation with the CEO. Both of these attitudes/approaches are a problem and certainly do happen.

**It's probably not surprising, then, that 79% of CEOs said it was their idea to receive coaching. But should it only be their responsibility, or should it involve others?**

Fundamentally, it is a responsibility of both the executive and the board of directors, while a trusted Chief Human Resources Officer can also play an important role. If some of a CEO's behaviors are truly dysfunctional, these need to be identified and worked on. If the CEO is introspective, he or she will recognize their weaknesses without prodding from the board. However, there are also times when the board says to the CEO: "It might be good to do some personal development on X." This is a key part of CEO performance evaluation: What things need to be improved?

Many times coaching starts through a partnership with the board of directors on the CEO evaluation, and out of that usually come a few specific actionable development themes that can prompt an advisory relationship with the CEO. It typically does come from both sides, and so boards must be sufficiently up to date to see high performance coaching for what it is, versus being purely remedial. The board can help set the conditions for success.

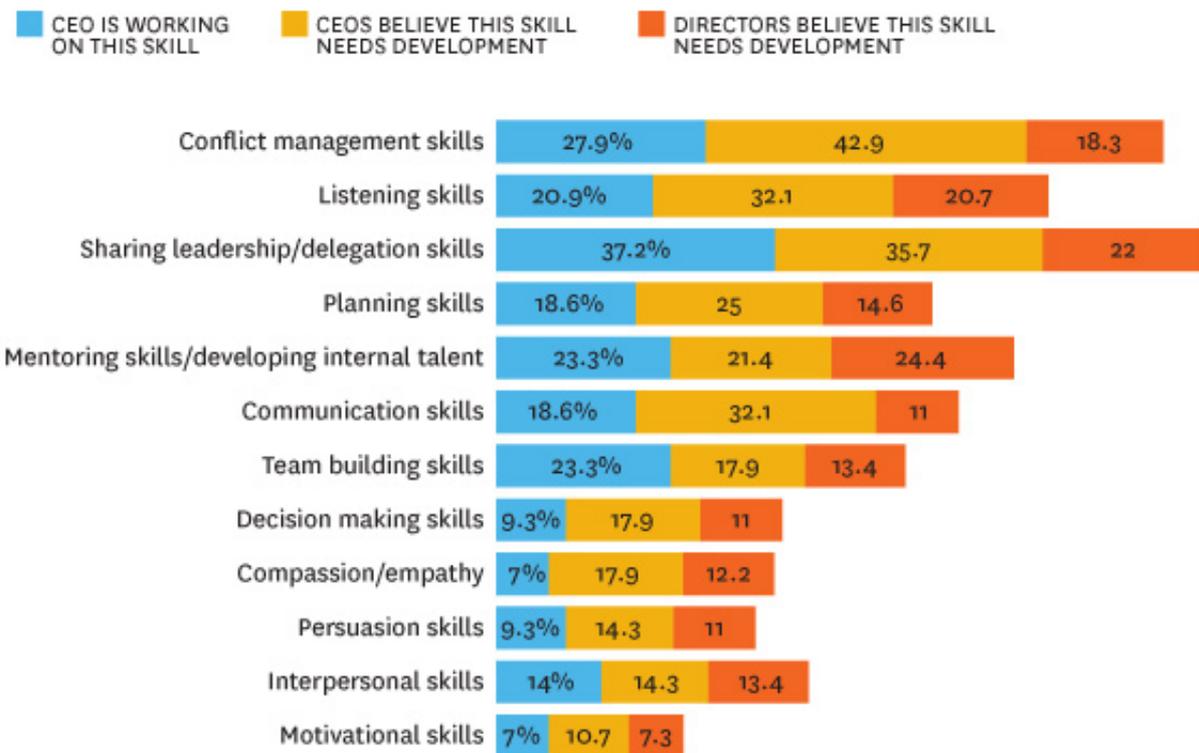
The CHRO can also be instrumental in setting the stage for CEO coaching, as they are often the ones who originate the idea with the CEO.

**Is there any evidence that the things CEOs want to be coached in aren't areas they need help in, and vice versa?**

I think that we should look at the "gaps" between what is being worked on and what weaknesses are highlighted. For example, 23 percent of CEOs are working on their team-building skills, but only 13 percent of directors believe this is an area that needs improvement.

**WHAT AREAS ARE CEOS GETTING COACHING IN?**

The priorities of CEOs and boards often differ.



SOURCE 2013 EXECUTIVE COACHING SURVEY, STANFORD UNIVERSITY AND THE MILES GROUP

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(<http://blogs.hbr.org/hbr/hbreditors/ceocoaching3.jpeg>)

**Comparatively, there's a reluctance to be coached on so-called "soft skills" like motivation, compassion, and persuasion. How important are these, and should CEOs and execs take a closer look at being coached on them?**

"Soft skills" have an important place in the CEO toolkit. Skills such as motivation and being able to coach and develop people allow a CEO to build a "complementary leadership structure" at the top of the organization. This kind of

organizational design allows the top team members to work more effectively together and on their own, but relies on a CEO who can motivate, inspire, and coach those below him.

### **Is there a way to be transparent about a CEO being coached without causing shareholder and market panic?**

Coaching is a private and personal activity. The fact that your CEO is being coached is not something that would normally be disclosed to shareholders. However, you can certainly imagine situations where something bad happened in the company (unfortunate press coverage, loss of top managers, etc.), and the CEO admits that he/she is responsible and his leadership style was instrumental in the problem, and that he/she is going to work on this weakness. Done in an open and honest manner, this type of disclosure can have a very positive impact on reputation, motivation, and performance in an organization.

Many of the highest performing CEOs disclosed that Peter Drucker advised them. They may have used a different term in that era because of the stigma, but we are now moving clearly into an era where there is less stigma associated with having a coach.

### **Is there an internal risk for company employees if their CEO or a senior executive is open about getting coaching?**

This will be influenced most importantly by the culture of the organization and the delivery of the message. The employees that you want to keep will probably be grateful to hear that a problem is being addressed. However, it is certainly possible that the admission of a need for coaching might be interpreted as a personal weakness of the CEO. This happens all the time in political settings. Matching the message to the employees is essential.

It is also important to not simply see coaching through the lens that there is a "problem." Many times you are not focused on a problem when coaching someone. Rather, you are advising them on the issues they face — such as the expansion of the leadership team or transforming from a private company CEO to public company CEO — and helping them be even more effective.

### **Ultimately, is there a relationship between coaching and getting to the top?**

This is fairly common in tech firms such as Dell, Google, etc., where coaches/advisors have been brought in to help young CEOs. But Jack Welch is another prominent example of a top business leader who worked with an advisor — Ram Charan — for many years.

In general, where there is a relationship between coaching and getting to the top is when an executive believes in continuous learning and development. The saying "It's what you learn after you know it all" resonates here. These kinds of chief executives seek out a number of different coaches/advisors who help frame topics for them and play a point of challenge and reflection. CEOs who do this are also triangulating information, and their set of coaches/advisors help frame, challenge, and assimilate all of the information/data.

### **How should CEOs choose the right outside coaches or advisors?**

You need coaches who are very smart, intuitive about business and interpersonal dynamics, neutral in their assessment (i.e., not captured by their client), and can tailor the training to the individual needs (not a canned approach).

A good coach does not make someone feel badly about themselves, but will engage in training so that the CEO gets up the next morning and is excited about trying something new or doing something in a different way.

### **What did you find most surprising in the report, and what is the actionable takeaway for CEOs and boards?**

We were very surprised to learn the low percentage of CEOs who have coaches. The key takeaway for CEOs and boards is that seeking out a coach or advisor is not a sign of a fundamental problem or weakness, but instead a key attribute of being a superior leader. For boards and other stakeholders, they should understand that it could help make the difference between a good organization and a visionary one.