

## Executive Coaching: The Insiders' View of the Value of Coaching Part I

Organizations are increasingly turning to executive coaching to enhance the performance of their current leaders – and their future, high-potential leaders. In fact, a [recent survey](#) shows that more than half of all human resources and other corporate executives expect executive coaching to grow in 2011.

What is driving this? And what do executives who have either experienced coaching first hand or are advocates for executive coaching really think about how, why and when coaching is most effective? We recently spoke to several senior level executives, including CEOs, CIOs and CHROs, about the topic. Their insights follow in a two-part Q&A article which will continue in our next issue.

### Meet the executives we interviewed for this article...

#### Marcus Berto

SVP for [Bucyrus International](#) in the Southern Hemisphere and based in Brazil. Bucyrus International, Inc. is a world leader in the design and manufacture of high productivity mining equipment for surface and underground mining. The company has numerous locations around the world and is headquartered in South Milwaukee, Wisconsin.

#### Darrah Bixler

Vice President of Human Resources at [Accretive Solutions](#), a national consulting and executive search firm that delivers business solutions to help companies manage and improve their financial, operational and IT performance.

#### Greg Nickele

CEO of [Martin-Brower](#), the world's largest distributor of products to the world's largest restaurant company - McDonald's.

#### David K. (Duke) Reyes

Chief Executive Officer, [Reyes Beverage Group](#) and an owner and active partner in all Reyes Holdings LLC operations. He is a member of the Washington DC bar holding a Juris Doctorate degree from Georgetown University Law Center and a Bachelor's degree in Economics from Villanova University. Reyes Holdings L.L.C., the 20th largest private company in the United States with sales in excess of twelve billion dollars, is an international leader in the distribution of high quality beverage and food products. As one of McDonald's largest distributors worldwide, the largest beer distributor in the United States and one of Burger King and Subway's largest US distributors, the company employs 11,000 people and distributes over 400 million cases of product annually with operations in the US, Canada, Puerto Rico, Ireland, Central America and South America.



Mary Herrmann  
Managing Director,  
Executive Coaching  
BPI group

## Meet the executives we interviewed for this article (continued)...

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### Yvonne Scott

Chief Information Officer for [Crowe Horwath LLP](#), one of the largest public accounting and consulting firms in the United States. Under its core purpose of Building Value with Values®, Crowe assists public and private company clients in reaching their goals through audit, tax, advisory, risk and performance services.

### David Small

Vice President of Global Talent and The Leadership Institute, [McDonald's Corporation](#), home of the Golden Arches. More information about McDonald's can be found on [www.mcdonalds.com](http://www.mcdonalds.com).

### Maury Tognarelli

President and CEO of [Heitman](#), a multi-national real estate investment management firm with approximately \$22 billion in assets under management.

### Sheri Walters

Senior Manager, Human Resources, at [Tellabs Inc.](#) Tellabs supports communications service providers with mobile, optical and business solutions. Through advanced research and development centers, sales and service offices and strategic business partners located throughout the world, Tellabs helps service providers get ahead by adding revenue, reducing expenses and optimizing networks.

## What led you to coaching for your organization and/or for yourself?

**Berto:** I sought out coaching a couple of years ago because I knew I wanted to improve in certain areas but I wanted to have a 360 degree review to really identify those areas and better understand how I could grow personally and professionally within the company. So, I started the process primarily looking for feedback.

**Bixler:** I'm a big believer in strength-based coaching where coaching is offered to a strong performer to make him or her better. For me, it's about making someone who is already really good really great. So, I have hired coaches to help high potential executives – often someone who needs to take on new capabilities or finds themselves in a new circumstance – get to the next level.

**Nickele:** I had been CEO for couple of years before I engaged with a coach. As CEO, I have a responsibility to get better at what I do – personally, as well as in my business role, which is why I hired a coach. You simply can't afford to miss opportunities to get better. I wanted to have a professional get to know me and get to know my people in the interest of self-improvement. As time goes on, the coach has also gotten to know the inner workings of our organization. This is important as we grow and enter new territories, requiring our people to step into new positions and new situations. A good coach, who knows the organization, can help expedite the on-boarding learning process.

**Reyes:** We have utilized coaching services for many of our executives and I felt that experiencing it myself was a wise investment as well as a way to vet the process.

**Scott:** In my case, I connected with a coach during a transition to a new senior management role at my previous organization. The process taught me a great deal that I have applied in my current position. It definitely helped me navigate to a new place in a new organization and allowed me to develop the communications messages I have found to be so valuable in my role in the C-Suite.

**Small:** At the time I started investigating coaching, I headed up the HR Design Center at McDonald's and therefore had a particular interest in coaching, having done some internal coaching myself. And because my background includes a Master's Degree in IO Psych, I have certain competencies that lend themselves to coaching, including listening skills and empathy. So, I wanted to learn more about the practice. I was also leading a team where we were experiencing changes and I decided to seek coaching for myself in order to get support and guidance during a tough period. Over time, I was able to use the coaching to steer my own career and, at the end of the day, it led to a new role heading up talent management. My personal experience has turned me into an advocate for making coaching a part of all of our accelerated development programs.

**Tognarelli:** Developing leadership is a strategic objective for the organization and for the individuals. Our view is that leadership development and business targets go hand in hand. Everyone can benefit from the feedback that coaching provides; it provides the tools that allow us to focus on refining our strengths and addressing our weaknesses.

**Walters:** While we have used coaches in the past, Tellabs started our current program for high-potential executives in the finance function a couple of years ago. In particular, we offered executive coaching as a complement to other programs, including our 360-degree process. Coaching is a great tool for our employees to gather different insights about their performance. The face-to-face, personalized aspect of BPI group's coaching process has been particularly valuable.

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- Nickele

## What benefits/value have you seen so far?

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**Berto:** It's been very positive and I am happy with the results. I know where I need to improve and how to address improving. My coach – Mary Herrmann [Managing Director of BPI group's Executive Coaching Practice] – is great. She and I can have a really open and direct conversation and, in particular, she has helped me understand how to act upon the feedback I have gotten from peers.

**Bixler:** I'll share an example from a situation where I utilized strength-based coaching for a high-performer and saw immediate value. The person being coached understood that the company was making a long-term investment in his future and felt supported in his success. Also, within the first quarter, that individual was already applying new skills to interact with others in a very positive way. So, in addition to increasing the engagement of that individual, coaching also developed that individual.

**Reyes:** It helps us define - or redefine – ourselves as leaders by providing us with a firm and clear understanding of our strengths and weaknesses. As an outcome, people know what they need to work on and, in some cases, what they need to avoid doing.

**Scott:** Since my coaching began at a time of personal and organizational transition, the biggest benefit to me was learning how to better communicate at the senior executive table. The communication style that had made me successful up to that point in my career was not as valuable at the executive level. Now, looking back, I especially appreciate how important it was to have a coach who helped me learn how to tailor my messages to the appropriate audiences.

**Small:** Within McDonalds, I think the greatest benefit I see is a sustained focus on a person's "change goals" – or areas for development. I like to think of coaching as a safe place for dangerous truths. It provides great value for people who are highly motivated and need a sounding board, someone to open the blind spots, to push them and also provide a strategy to allow the person to try, apply, practice and discuss their progress and challenges. I think you therefore need to be very clear about what coaching is about and define it in terms of a very specific time-frame with clear goals and measureable objectives.

**Tognarelli:** Coaching is really a long-term investment in your development. Generally speaking, you are unlikely to be able to quantitatively measure a return within a short period of time. However, as a service business, the reality is that we are only as good as our people. Self improvement is embraced at our organization and the feedback from participants has been positive.

**Walters:** I have seen individuals with very varied backgrounds, styles and skills greatly benefit from coaching. The comments I get from our employees in the coaching program – such as "I wish I'd had access to a coach years ago" – certainly underscore this. The value will, of course, differ from individual to individual. For some executives, for example, the coaching gives them the confidence that they need to perform better. Others may value the personal feedback they receive as they display their skills in a certain situation. Also, the one-on-one aspect really resonates well, as it offers a personalized attention and focus on particular set of skills or behaviors.

## How do you integrate leadership development with your overall corporate development programs?

**Berto:** Ideally, coaching should be part of all of it and available to all senior people as a tool for development.

**Nickele:** We are trying to evolve to a culture of continuous improvement and that means developing our people. As you climb the ranks in an organization toward the top, you get less and less coaching from your peers. The phrase, “it’s lonely at the top” really holds true: the higher you rise, the more the people around you tend to tell you what you want to hear. A coach can be a great objective observer and can extract the realities of people’s perceptions in such a manner that it can help you grow.

**Reyes:** Coaching builds a strong foundation for leadership development. Before you can truly lead, you need a thorough understanding of who you are; only by having that foundation can you further your career and your life. It can be difficult to define good leadership; after all it’s an intangible. To be a good leader, you have to first know thyself. In fact, I wish I had started coaching many years earlier.

**Small:** Individual coaching is part of all of our hi-potential employee development programs. While there is absolutely a need for external coaches, we need more internal capabilities to drive coaching deeper into the organization. As we look at aggregate data from our 360 reviews, there is also clearly an opportunity to have internal leaders benefit from learning these skills. So, an initiative we are working on now is an internal development workshop and strategy for deployment focused specifically on building our leaders’ skills around coaching and development.

In the future, I’d also like to explore team coaching. As the nature of leadership is changing to become more dispersed and less hierarchical and the world continues to flatten through technology, there is, I believe, a reason to combine individual coaching within the context of coaching for leadership teams. I think there is the potential to see even greater impact when we also engage leadership teams in a team coaching process.

**Tognarelli:** It’s part of our business planning process every year. It’s used in performance evaluations, establishing milestones and targets and we are integrating it into individuals’ growth path development.

**Bixler:** I believe that coaching is an integral part of leadership development. A comprehensive leadership development program includes a number of levers - such as 360 degree reviews and formal training. Coaching is the glue that holds it all together.

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## What is the most valuable take-away from your coaching experience?

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**Nickele:** My word of advice to anyone embarking on coaching is to challenge yourself. Be open to it and expect to benefit from some of what I'll call vulnerability. You should not ever be content with the status quo and you should never assume that you know it all. Step one in the coaching relationship is to open yourself up to it, and then, use the insights to fix some of the chinks in your armor. While leaders get to where they are through self-confidence and successful actions, coaching helps you find the opportunities for self-improvement that will make you even better at what you do. There really is no downside.

**Scott:** People are generally more open today about the need for coaching. They realize that most of us do not have every skill our jobs require when we first move into them. Finding experts to help you build those skills doesn't make you weak; it makes you stronger. I would tell anyone who has the option to receive coaching to embrace it. It is not a process where a coach "fixes" you. Instead, a good coach adds polish to what's already been learned and is valued by the organization. Organizations should be investing in coaching for their high potential people, to further enhance their contributions.

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Read part two of these interviews with senior level executives on coaching – what works, when and why – in our next issue of *Insights*.