How can we assess the organisational impact of executive coaching interventions? By asking third parties to share their perceptions, say Erik de Haan & Christiane Niess
Billions of dollars are spent every year on executive coaching. As far back as November 2004, *Harvard Business Review* estimated the global market to be worth around US $1bn. Growth since then has been consistently estimated at 20 per cent a year or more.

Larger amounts are spent on internal coaching services and on skills training for leaders and coaches. How do we know that our investment in executive coaching leads to positive change in organisations?

Clients of coaching are usually very satisfied with the service (Greif¹), and why not? Who wouldn't enjoy a ‘good listening to’ and the opportunity to go over work-related issues with a sympathetic and friendly other? When it comes to real, measurable improvement of clients that can be directly attributed to clients’ experience of coaching – improvements that lift clients’ successes above those of a ‘control group’ in similar circumstances without access to executive coaching – results are much more sporadic, although they still indicate some significant positive change (De Haan & Duckworth²).

So how can we be convinced that executive coaching investments enjoy the kind of return that organisations are hoping for?

Anecdotal evidence is perhaps a good place to start, although unbiased sources are very hard to come by. Those positive about so-called coaching cultures often have a large stake in the culture changes. Those of us who owe livelihoods to the growing interest in executive coaching are unlikely to come up with stories contradicting reported successes. However, most of us can easily share stories of where coaching didn’t really work, where clients found it hard to settle into the relationship, or where it was broken off well before achieving any of the promised success.

How do we know that our investment in executive coaching leads to positive change in organisations?

Coaching contracts are bounded so we don’t have much access to information about change after the contract. We need to keep asking questions about what is really going on, how the same assignment can be seen as a success and how will it look like a failure. Furthermore, we need to enquire who says how resilient the result is, and how much of it is attributable to executive coaching.

Organisational stakeholders

If anything changes in a client they will act differently in the organisation, and more than one person will be affected. So to assess the impact of executive coaching, one would have to measure it at organisational level. This has been done to a very limited extent only. A 360-degree assessment of the client by others in the organisation has been used in the past to measure effectiveness of executive coaching (Olivero, Bane & Kopelman³; Smither, London, Flaw, Vargas & Kucine⁴; Thach⁵).

However, in those cases, feedback from bosses, peers and direct reports was used to measure the impact of executive coaching on the client, not on others in the organisation. Organisational feedback on the impact of executive coaching on organisations in a wider sense, appears not to have been investigated or analysed.

We decided to undertake a first study into the organisational impact of executive coaching, by asking executives not about the coaching they had undertaken

Learning points

- Changes in the clients of coaching are noticed by third parties
- Almost all changes are perceived as positive
- Positive changes included improved communication skills and interpersonal skills
- Changes that affect day-to-day interactions are reported most frequently

Erik de Haan & Christiane Niess are from the Ashridge Centre for Coaching
themselves, but about any changes they had perceived in peers which they would ascribe to executive coaching.

Our core research question was: “Are changes through coaching visible to others in the organisation?”

We were particularly interested in changes that are resilient and still observable well after the coaching intervention, as there is so little retrospective data in the literature.

We asked 77 participants: “Can you think of one example of someone in your team who has worked with an executive coach where you noticed a difference?”

A majority were able to recall a moment of change, and that almost all changes reported were positive. We found changes in communication and interpersonal skills in particular were noticed by others in the organisation.

About half of respondents were recruited through a piece of research we conducted with David Clutterbuck on ‘top team development’ and the other half recruited directly at the Ashridge Centre for Coaching between August and December 2010.

We also asked both groups: “If yes, did you experience something that felt like a ‘critical’ moment (an exciting, tense or significant moment) with this person, where this difference was apparent? Please describe briefly one (or more) such critical moments where you were directly aware of the impact of executive coaching.”

The results

- Changes in the clients of coaching are noticed by ‘third parties’

A total of 28 per cent of study participants were not able to describe a significant moment of change in someone else due to coaching. We don’t know if this is because they had no close colleagues with known experience of executive coaching, or whether they simply noticed no changes.

We analysed 41 descriptions of critical changes in others attributed to executive coaching, having excluded 19 per cent because they related to the narrator’s own experiences or they did not refer to pure coaching.

- Almost all changes are perceived as positive

With one exception, all the descriptions of critical moments of change were positive.

- Changes that affect day-to-day interactions are reported most frequently

We developed 11 categories of change based on the descriptions of critical moments. These naturally fitted into an ‘onion-model’ of the client’s personality.

The ‘outer’ first layer represents our interface with the outside world and comprises changes in

Critical moments – some third party examples

- He allowed his deputy to attend the external meeting, and he himself worked through the options, personally communicated the news to staff and communicated more personally with those most directly affected. This might previously have been seen as a ‘running the shop’ role, but was now delegated to his deputy

- A member of my executive team had an executive coach as she was unable to say ‘no’ to requests to sit on committees and take responsibility for projects. I think a key critical moment was in a meeting with her where she did not make eye contact with the person asking for a volunteer to take minutes. While it was a tense moment, eventually someone else did them

- This executive received poor feedback on her communication skills – especially her body language. Through executive coaching she gained insight into why she behaved in the manner she did. She had a major ‘aha’: learning new behaviours that she has sustained and ‘hard wired’

- An executive I worked with had a terrible habit of walking into his office every day and getting straight on with his work without acknowledging any of the staff that worked for him. Through the executive coach this habit changed, and with a simple hello in the morning his staff became more relaxed and comfortable in the workplace

- When people got promoted to a more senior level, supported by an executive coach, they tend to become aware of their new position and discover that different behaviour may be needed. Specifically, when conflict within meetings arise, they tend to be more diplomatic and take time to listen and be calm. This is the moment I see the impact of executive coaching
Changes through coaching are noted by those working with coaching clients and that most changes seem to be beneficial.

Almost one-third of the critical moments referred to changes in the first two categories: communication and interpersonal skills.

Stakeholders thus noticed changes in listening skills and body language, and were aware that those coached had improved on the skills of supporting, motivating, appreciating and involving members of their team in day-to-day interactions.

People tend to notice changes that affect themselves personally in day-to-day interactions. However, there was as much evidence in the critical moments descriptions of more profound changes in attitude and cognitive ability.

In this first piece of research among ‘stakeholders’ or ‘third-parties’ to executive coaching, we have found clear indications that specific changes through coaching are noted by those working with coaching clients and that most changes seem to be beneficial.

Executive coaching does seem to have a capacity to not only affect the immediate client but also to influence other stakeholders in the organisation as well.

---

**References**