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**Leadership Coaching and Organizational  
Transformation:  
Effectiveness in a World of Paradoxes**

# **Leadership Coaching and Organizational Transformation: Effectiveness in a World of Paradoxes**

By

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## **Abstract**

The objective of this paper is to describe the unique leadership coaching approach of the INSEAD Global Leadership Centre (IGLC). IGLC has become a brand recognized throughout the world, renowned for an emphasis on creating sustainable organizations by putting people first. IGLC takes a clinical approach to leadership coaching, focusing not only on what is directly observable, but also on out-of-awareness behavior. One of IGLC's core competencies is leadership coaching interventions in group settings—an approach that creates a sense of mutuality and contributes to the effectiveness of the intervention by making participants accountable for personal action plans and timely results. At IGLC a Socratic method of inquiry is used, in which the leadership coach is a partner in a dialogue. This article examines this approach and various forms of holistic coaching intervention—individual, team, and organizational. Conceptual models describe the journey of transformational change, and the paper ends with observations about what it means to be a reflective practitioner.

It is a paradoxical but profoundly true and important principle of life that the most likely way to reach a goal is to be aiming not at that goal itself but at some more ambitious goal beyond it.

—Arnold Toynbee

A good coach will make his players see what they can be rather than what they are.

—Ara Parasheghian

You can motivate by fear, and you can motivate by reward. But both those methods are only temporary. The only lasting thing is self-motivation.

—Homer Rice

Probably my best quality as a coach is that I ask a lot of challenging questions and let the person come up with the answer.

—Phil Dixon

## **Introduction**

We live in an age of permanent, unrelenting change. The traditional business organization of the past has all but disappeared, and for many people, the resulting uncertainty triggers distress, trepidation, apprehensiveness, fear, anxiety, and resistance. The pressure on executives and their employees to deal quickly and frequently with the paradoxes that are inherent to organizational life has increased dramatically. But for those who can adapt, change also opens up new opportunities for growth and development. A rapidly changing environment may encourage people to seek creative opportunities as a survival strategy—and some people will eventually learn to thrive in this brave new world.

If it is to be a positive force in organizations, change must be guided by imaginative, empathetic, and adaptive leadership. To grasp the opportunities and lessen the anxiety that come with change processes, leaders must have collaborative, problem-solving and influencing skills, an astute understanding of how to analyze complex processes and grasp the intricacies of the company's value chain, and the ability to deal with inefficiencies. They cannot do this alone: they must recognize interdependencies with other stakeholders in the

organization, and build organizations that motivate and empower employees to perform at peak capacity (Kets de Vries 2001; Kets de Vries 2006a; Kets de Vries and Korotov 2007).

It is the rare individual who comes by these skills naturally, however. It is more accurate to say that effective change leadership is a skill that few are born with, but that most can learn. In particular, transformational leadership—a highly developed ability to articulate a vision for the future, and inspire followers to make the vision happen—can be a challenging and even lonely task. To be effective, leaders often feel that they must be all things to all people, taking responsibility for the charismatic and architectural leadership roles in their organization.

The truth, however, is more nuanced: leadership studies show that the most successful organizations are not those led by one, powerful, charismatic leader, but are the product of *distributive, collective, and complementary* leadership (Kets de Vries 2006b). The most effective executive teams are those in which individuals' natural leadership styles and strengths are matched to particular roles and challenges, supported by a coaching culture within the organization. This kind of cultural transformation is not easy to accomplish, because it will affect the organizational system on both micro and macro levels. Creating and sustaining a more inclusive corporate culture requires a high degree of openness, trust and adaptability on the part of all the people in an organization. Leadership coaching can be a catalyst for the creation of a new cultural environment.

### **Leadership coaching: a definition**

Leadership coaching as a general term describes a specific type of intervention that can be carried out strategically with individuals and/or teams or the total organization (Flaherty 2005; Kets de Vries 2005b; Orem, Binkert et al. 2007). Its aim is to direct a person or group of people toward a specific mutually determined goal. Given this element of mutuality, leadership coaching can accelerate progress by providing focus and awareness. It is about helping the people who are being coached to reach a fuller potential—a point at which they not only know themselves better, but also feel comfortable with who and what they are.

Organizations may employ internal or external leadership coaches, or a combination of both. Internal coaches are employees of the organization, while external coaches are contracted to work with the organization. Although internal coaches will be more familiar with the ins-and-outs of the organization, the question of confidentiality is critical. For leadership coaching to be most effective, there must be absolute trust between the parties involved. This means that

the individuals who are being coached must feel certain that their exchanges with the coach will remain confidential and will not affect their employment or status within the organization.

I describe leadership coaching (Kets de Vries 2005) as a holistic process than can result in more effective and healthier organizations. When executives are able to work together to improve their performance, by finding more creative ways to deal with their professional environment, a positive kind of contagion infects the organization—and this contagion can spread hope and enthusiasm as the coaching culture replaces a former toxic or moribund environment. Leadership coaching should also be viewed as an iterative process by which people can test and evaluate a new behavior in their daily life, and make adjustments until they feel that they have got it right. When done properly, leadership coaching is very dynamic, and contributes to creativity and innovation in organizations.

### **Dealing with the dark side in organizations**

Although leadership coaching interventions can help to lessen people's anxiety about change and increase their feelings of authenticity and self efficacy, the fact is that individuals and groups resist change—positive as it may appear—when they perceive it as a threat to their power base (Press 2005). Also, individuals may doubt their ability to make the changes needed, or believe that the status quo is good enough. When people in an organization are driven by fear or held back by incomprehension, a toxic culture is created that may well eventually destroy the company (Kets de Vries and Miller, 1984). People are less likely to resist change, however, if their anxieties are acknowledged and they are offered developmental opportunities to assuage their self-doubt. Successful change management is not only about doing new things, it also implies new ways of looking at things. It requires innovative, transformational leadership development programs with a coaching component. Leadership coaches create greater awareness that there is no end-point to learning—learning and the process of inquiry should never stop. It is because of this continual need for learning that leadership coaching has become such a powerful force.

Leadership coaches can also help leaders to stay focused on what is essential to the success of the organization by giving them developmental support and honest evaluation of their strengths and weaknesses. Whatever the context, the behavior of an organization's leadership will be crucial to the success of a coaching intervention. Setting an example and walking the talk—asking for feedback and taking it seriously—are powerful symbolic gestures. But—and

here I have to add a note of caution—it is a fact that the further up the ladder a leader climbs, the less he or she is accustomed to giving and receiving constructive feedback. In the context of superior-subordinate relationships, giving feedback is difficult for most people. Consequently, far too many leaders find themselves in a sort of Fuehrer’s bunker, isolated from reality, with subordinates who are fearful of giving frank information—and fear is the bane of innovation and creativity (Kets de Vries 2006a). In organizations with extremely short-term reward structures, where suspicion, power hoarding and blame are part of the cultural DNA, and where people are viewed as disposable goods, leadership coaching interventions may yield poor returns.

But I must also emphasize that leadership coaching is not only about identifying and dealing with dysfunctionality. Although honest evaluation of the context is essential, leadership coaching takes a constructive approach, focusing on solutions and forward motion—assessing where executives or organizations are now and where they want to be, including gaps in that progression that needs to be addressed. The challenge for leadership coaches is systematic. They work to bring about real change by providing structures for goal setting, standards of accountability, and a big-picture focus, while giving honest feedback. And equally importantly, to be sure that resistances and fears are dealt with, leadership coaches set a level of accountability; they work with clients to create realistic action plans, and they follow up to be sure that planned progress is indeed occurring, or if not, why not.

### **The holistic picture: culture and organization**

When leadership coaching is an effective element of an organization’s leadership development portfolio, the visible business outcomes are long-term improvements in personal and organizational effectiveness, measured by profit or cost-containment, or both. A systemic perspective becomes a sine qua non. In order to affect this level of organizational change and transformation, a leadership coach who is experienced in transitioning fluidly between micro and macro levels can contribute significantly to the success of a change process in the short term, and the creation of a self-sustaining coaching culture over the long term.

Change at micro level can be the starting point in a reinvention process. At this level, exploration and action planning may focus on competencies or performance coaching that includes how-to techniques, skill development, and attaining stretch goals (Kilberg 2000). On

a somewhat higher plane, there is leadership/behavioral coaching, which is concerned with emotional intelligence or developing a more effective leadership style. Then there is career transition or life coaching, which focuses on personal growth and career development.

At micro level, leadership coaching can contribute to an individual's greater satisfaction at work and at home; it may result in lower stress levels, less frustration, and increased self-esteem and satisfaction with life (Flaherty 1999; Hudson 1999; Hunt and Weintraub 2002). The result for coaching clients is often a perception that there is more congruence between their public and private life. They acquire a greater sense of authenticity, and this is reflected in the way they deal with their constituencies (Kets de Vries, Korotov and Florent-Treacy 2007).

At macro level, leadership coaching can help transform the organization's culture, structures, and patterns of decision-making, leading to organizational rejuvenation. A long-term culture shift naturally requires a focus on the underlying organizational culture (Schein 1985; Schein 1992). Understanding the role that culture plays within an organization is like receiving the key to a secret code. Here, coaching for organizational and/or strategic change supports leaders as they introduce new change initiatives through a systemic orientation. Leadership coaches guide organizational players in an exploration of aspects of organizational culture that may be enhancing or constraining creativity, productivity, and human motivation—because if change leaders ignore the micro undercurrents that shape the macro culture, the transformation process will probably fail.

### **Influencing the organization's culture**

An organization's culture is comprised of the collective (conscious and unconscious) attitudes, beliefs, values and behaviors that define “how things around are done around here.” Leaders set the tone, pace, and expectations for the culture, providing role models of what is expected, desired, and/or tolerated in the organization. Effective leadership coaches provide companies with leverage to shift both organizational culture and individual behaviors by introducing new information in the system. A transition from micro to macro—from a focus on the individual, through dyads and teams, to a systemic, organizational approach—is often the best method, and this transition must be fluid and adaptive. The leadership coach begins by conducting cultural audits through surveys, interviews and/or focus group methods, to establish a basis for cultural transformation. The corporate culture is reframed as something that should reflect an inclusive environment, respectful of diversity of thought, personality,

lifestyle, and ethnicity. The coach supports organizational leaders as partners in a process to articulate and build upon the positive, constructive elements of the organization's culture.

A coaching organization creates an environment where the behaviors and practices needed for continuous learning, the exchange of both explicit and tacit knowledge, reciprocal coaching, and self-leadership development are actively encouraged and facilitated. It supports formal communication but also informal open exchanges of information and knowledge; individuals feel free to discuss challenges, concerns and evaluate appropriate actions. A coaching culture contributes to a sense of mutual ownership, better networking, more effective leadership practices and higher commitment, creating better results across the organization.

In a dynamic and complex business environment, it makes sense to engage in strategic coaching during critical times of transition and growth. By aligning individual development with business outcomes, leadership coaching is an investment with future service potential: building the talent pool in the organization, and creating a mindset open to change (Crane and Nancy Patrick 2002).

### **Towards a coaching culture: a case example**

Recently, two representatives of IGLC worked as external leadership coaches for a large European financial institution. Our mandate was to design and implement a large-scale organizational coaching initiative. Our challenge was to guide the top executives of a bank as they made a valiant effort to create a coaching culture. The situation when we arrived was complex, and so we began by conducting a detailed organizational analysis.

We quickly learned that over the years a macho culture (as the executives themselves described it) had infiltrated most of the organization, resulting in extremely risky moves that seemed to make little sense. Rogue traders had lost a significant amount of money, and the impact on the balance sheet had been aggravated by underperforming acquisitions. In addition, a very autocratic leadership cabal had stunted innovation and autonomy to the extent that people had settled into dependency, and were unwilling or unable to propose or defend new ideas. Bankruptcy was a real threat.

Deciding to take firm if radical action, the regulators of the country's central bank had instigated the dismissal of most of the executive and non-executive directors, and brought in an outsider to stabilize the situation. The new CEO knew he had rapidly to implement a major

culture change program. To eradicate a climate in which people looked the other way when irresponsible decisions were made, he wanted people to know that he encouraged them to step forward and tell the truth. Transparency, open communication, mutual respect, honesty, and having a voice were to be central to this new environment. He also knew that the dependency culture was stifling growth. He wanted people to feel empowered and accountable for the sustainability and the future of the organization.

The first thing we did was to state explicitly that old destructive behaviors would have to change. For example, we made it clear that macho behavior was no longer acceptable. We introduced the concept of excellent leadership by asking a large group of top executives to complete the Global Executive Leadership Inventory (Kets de Vries 2005b), a 360-degree leadership behavior questionnaire, designed and psychometrically validated by IGLC, which focuses on the charismatic and architectural roles of leaders, as well as the essential qualities of emotional intelligence, resilience to stress, and life balance. In addition, they were asked to complete a 360-degree personality test, which was not anonymous (Kets de Vries 2006c). The latter looked at seven personality dimensions presented as polarities—self-esteem, assertiveness, conscientiousness, adventurousness. Rather than forming the basis of a performance review, the executives' results on these tests were used as the beginning of a discussion in a series of workshops called "The Leader Within." The data from these questionnaires and the interviews provided us with a starting point to tackle the difficult topic of individual and organizational change. For the individuals who completed it, the results functioned like a mirror, giving insights about developmental areas they needed to work on to make themselves and the organization more effective.

We gave a series of workshops, presenting participants with our view of their organization, and making them feel a sense of urgency and responsibility. Within a group setting (eight top executives at a time), we helped them make sense of their 360-degree feedback and, with the help of the other participants, create an action plan. During these discussions we made them realize that the danger associated with sticking to old behavior patterns was much more greater and more frightening than taking a leap into new behaviors. As the need for change began to sink in, we also gave them hope, showing them that by developing a coaching culture in their organization, they could support one another through the organizational transformation process. We also ran follow-up workshops that built on one another and created an iterative process of knowledge collection. To deepen the participants' understanding of their leadership style, another questionnaire (the Leadership Archetype

Questionnaire) was used (Kets de Vries, 2006b). We used the feedback from this questionnaire as a starting point not only to re-emphasize the importance of leadership, but also encourage the participants to discuss the kind of cultural values needed to support their own vision of a successful bank. These additional seminars contributed to lively discussion of different organizational scenarios for the future.

The workshops had a remarkable effect on participants. A recalcitrant few who did not get the message eventually resigned or were asked to leave the bank, but the majority appreciated the benefits of contributing to a more open, transparent, and supportive culture. The top 50 who were affected took various initiatives to roll out “The Leader Within” program deep down in their parts of the organization. In addition, discussions about the future of the bank led to structural changes, including a different, more team-based reward structure. Executives’ developmental efforts were also taken into consideration in the reward structure. Succession planning became more of reality. A senior line manager was appointed as the head of talent management reporting directly to the CEO.

These workshops also contributed to a number of strategic initiatives, building on the core capabilities of financial institution. While the workshops had an extraordinary effect on employee morale, the culture change was accompanied by a remarkable financial turnaround. The organization that had been on the brink of bankruptcy received a triple “A” rating from Moody’s. Another pleasing side effect was that, because of its enlightened coaching practices, the reputation of the bank changed from being one of the worst places to work in the country, to being an employer of choice.

This is a rather dramatic example of the effects of introducing a coaching culture—and practices like continuous learning, exchange of explicit and tacit knowledge, reciprocal coaching and self-leadership—can have on an organization. The “new” financial institution was characterized by relationships of trust, collaboration, insightful guidance, and a focus on assisting people to maximize their potential. The CEO, with the help of a team of leadership coaches, was extremely successful at unlocking the creative, emotional, and entrepreneurial power of his people. That potential had always been there, but because of the previous poor leadership it had become dormant. As this story demonstrates, when a coaching culture becomes part of the DNA of an organization, it means that an environment has been created where people have a healthy disrespect for the boss; where people know that they have a

voice; where there is transparency and trust; and where people know that their opinions count (Kets de Vries and Balazs 1999).

## **IGLC leadership coaching: a psychodynamic approach**

The coaching intervention I describe above is an example of the leadership coaching interventions that we have developed at INSEAD Global Leadership Centre (IGLC). Here I outline briefly the conceptual models on which our work is based.

### **The clinical paradigm**

Leadership coaching requires a keen understanding of human nature. At IGLC, much of our work in organizations is grounded in the clinical paradigm. Although we have no specific ideological orientation, we apply ideas from psychoanalysis (in particular object relations theory), psychotherapy, developmental psychology, family systems theory, paradoxical intervention, appreciative inquiry, motivational interviewing, behavioral concepts, and cognition to understand the behavior of people in organizations (Kets de Vries 2000).

The clinical paradigm is based on a number of premises:

- *What you see isn't necessarily what you get.* The world around us is much more complex than it appears from a superficial point of view. Much of what happens is beyond conscious awareness.
- *We are not rational human beings.* Irrationality is grounded in rationality. Irrational behavior is a common pattern in organizational life, although in fact it has a rationale to it. This rationale is critical in understanding a person's inner theater—the core themes that affect an individual's personality and leadership style. Well-intentioned and well-thought-out plans derail daily in offices around the world because of out-of-awareness forces that influence behavior. Finding the rationale is rarely easy, however. In corporate life, we often have to be something of an organizational detective to tease out what's going on behind an executive's quirky behavior and attitudes.

- *We are subjected to motivational need systems.* These determine our character and create the tightly interlocked triangle of our mental life (the three points of which are cognition, emotions, and behavior). To influence behavior, both cognition and emotions have to be taken into consideration. Emotions determine many of our actions and emotional intelligence plays a vital role in the leadership equation—bluntly speaking, people who are emotionally intelligent are more likely to be effective as leaders.
- *We all have a shadow side.* Although leaders are often depicted as paragons of virtue, and we speak in glowing terms of the attributes that constitute leadership, all leaders have a darker side. Many leaders derail due to blind spots in their personality.
- *We are products of our past.* As the saying goes, the hand that rocks the cradle rules the world. The sum total of all of us is the developmental outcome of our early environment, modified by our genetic endowment. And because of the heavy imprinting that takes place at earlier stages of life, we tend to repeat certain behavior patterns. Like it or not, there's a continuity between past and present.

Applying the clinical paradigm helps to tease out the central interpersonal role in which clients consciously and unconsciously cast themselves. It also helps us explore the complementary roles in which other people are positioned in an executive role constellation. It helps us identify self-defeating expectations and negative self-appraisals, as well as outdated perceptions of ourselves—behavior patterns that had a useful function at one point but are now counter-effective.

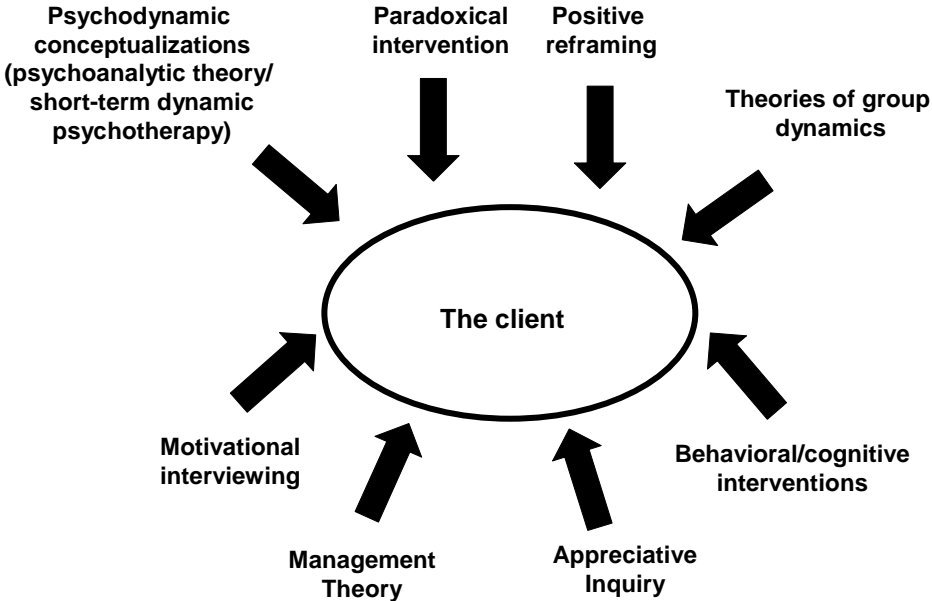
### **Other psychodynamic conceptualizations**

Our approach also draws upon ideas from short-term dynamic psychotherapy (Mann 1973; Malan and Osimo 1992), and theories of group dynamics also play an important role (Yalom 1985). Motivational interviewing, which puts the burden on the coachee to argue for change (Miller and Rollnick 2002), is also a useful concept. Furthermore, in situations where we encounter serious resistance, we have found ideas of paradoxical intervention (or strategic psychotherapy) helpful (Watzlawick, Weakland et al. 1974). As always, appreciative inquiry (Cooperrider, Whitney et al. 2008) and positive reframing are used to encourage an individual's sense of self-efficacy (Bandura 1997; Luthans 2002). Because of the action component in our method of group coaching, behavioral/cognitive interventions are helpful

when designing action recommendations. And, as in all forms of intervention, we must speak the language of the person we are dealing with in order to be understood. It is important that management terms are used to explain the steps that need to be taken.

**Exhibit 1**

**Conceptual Models Facilitating Change**



To train leadership coaches in the IGLC approach, we have designed a very successful program called “Coaching and Consulting for Change,” which we have taught for the past eight years. Leadership coaches who have successfully completed this program can transition smoothly from an individual to a systemic orientation as they guide leaders through a change process. Our leadership coaches are also familiar with our various models of organizational change and methods of assessing the cultural environment, explicit and implicit, within organizations.

**A Socratic method of leadership coaching**

When an organization supports its executives through leadership coaching programs, like the bank example I described earlier, both the individual and the organization will benefit—if the leadership coach takes into consideration both conscious and out-of-awareness behavior. By

encouraging self-awareness and an understanding of the common obstacles of life, the coach helps people acquire a new lens through which to examine knotty personal and organizational problems. These inner journeys help provide answers to the existential conundrums we all face at times. Whether these dilemmas are conscious or unconscious, leadership coaching can help executives become more successful at managing their day-to-day responsibilities, meeting their goals, recognizing when they find themselves at crossroads, and, most importantly, creating a fulfilling life.

How does this work in practice? At IGLC, we take a Socratic approach to leadership coaching, which we believe is more an art of discovery than a technology of delivery. By its nature, leadership coaching has a Socratic quality; it involves asking a series of questions about a central issue, and trying to find satisfactory answers through dialogue. The use of questions and conversation implies that a leadership coach begins from a position of humility and curiosity, not one of authority and knowledge.

The Socratic coach is a guiding figure, who respects and draws upon the experience and knowledge of the coaching client. While coaching interventions are therapeutic, they are not therapy. Good leadership coaches are aware of—and respect—the (often subtle) boundaries between coaching and psychotherapy, always keeping in mind the guiding philosophy of *do no harm*. Leadership coaches act as a mirror; they help people work out what they want, what they are good at, what they are not so good at, and where and how they can improve. They provide their clients with a safe transitional space—a place where the client can experiment with fresh perspectives without having to commit to them immediately. Successful leadership coaches effect transformational change by creating transitional space for the participants, giving them enough trust to be able to deal with “undiscussables” (Winnicott 1951). Confronting undiscussables usually opens the way for new, highly productive dialogues, and unblocks the decision-making process.

Leadership coaches do not necessarily provide answers to problems. They are not career advisors, consultants, mentors or trainers, but leadership coaching through inquiry does help individuals understand their own strengths, weaknesses, desires, and fears. They partner with clients in a thought-provoking and creative way that inspires them to explore leadership effectiveness and life satisfaction. The coach provides support to enhance skills, resources, and creativity that the client has been only subliminally aware of. This improved self-

knowledge and sense of life balance helps people prepare for and adapt to change, and build commitment to self-development and achievement.

The Socratic coaching approach creates impact by expanding executives' communication skills and helping them to develop a more authentic leadership style. Effective leadership coaches help executives develop cognitive agility, emotional capacities, motivation, skills, knowledge and expertise. They support executives as they fine-tune their goals and strategies, challenge and reassess their assumptions, and align followers to the organization's goals. Through a more developed emotional intelligence, they learn to take into account the impact they have on others. Leadership coaches also encourage executives to be more effective in team and organizational culture management (Palmer and Whybrow 2007). They learn that no one can be good at everything; they are encouraged to let go of a narcissistic desire for control and create diverse and well-balanced executive teams. Furthermore, leadership coaches help executives understand that career development and lifelong learning are their own responsibility.

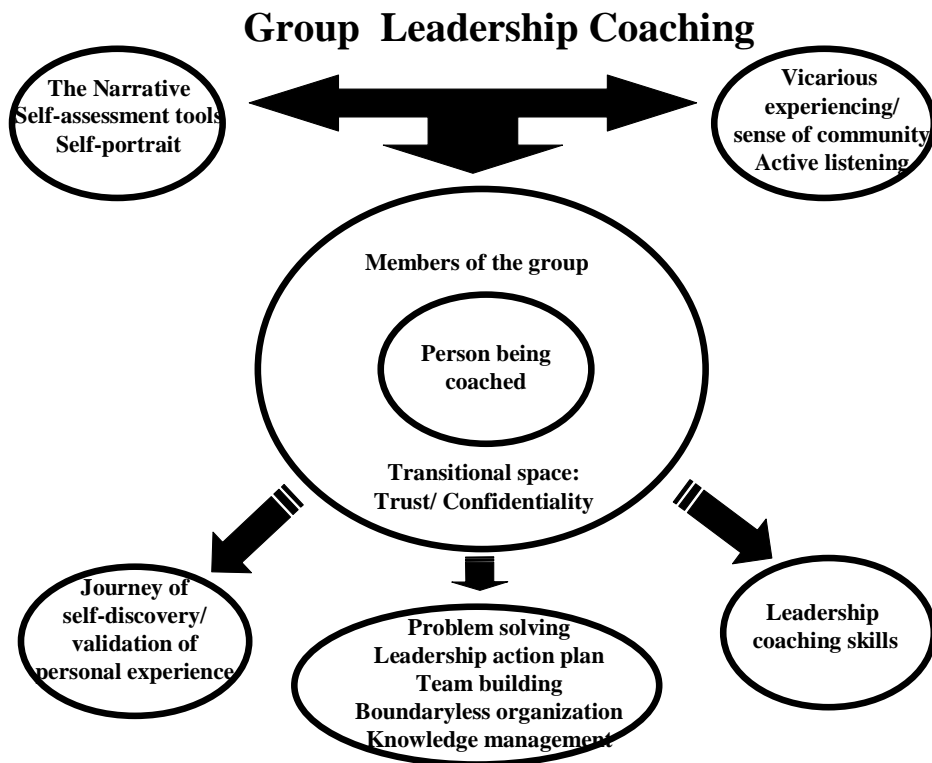
### **IGLC leadership group coaching**

The second distinguishing feature of the IGLC coaching brand (as we have seen in the example) is that we prefer leadership coaching in a group setting. In our experience of working with thousands of top executives, we have found that once a boundary of trust and safety has been established, group acceptance and support are essential therapeutic factors; the group's perception that difficult issues can be resolved instills a lot of hope (Kets de Vries 2002). Letting go of pent-up emotions through self-disclosure can be cathartic. Bringing unconscious matters to consciousness and discussing them with trusted peers is a form of emotional relief. Making connections—perhaps between past experiences, unresolved issues and present discomforts—and demystifying them, can result in deep insights, the alleviation of symptoms, or even permanent relief. A team exercise of this kind is a form of education. Personal transformation is enhanced by vicarious learning from the examples of others—an extremely powerful experience, not least because it helps people realize they are not alone in struggling with a specific problem. As suggestions for change are made, an individual may model his or her behavior on that of others. Having a better understanding of the problem helps the working-through process of how to deal with complex issues.

We find that many executives have a lot to say about desired change, but when it comes to taking action, many of their good intentions evaporate. When discussion and discovery take place in groups (particularly groups that normally work together) there is a greater possibility that something will happen, as the other participants have a stake in the action plans of the person who is being discussed. We encourage people to make what we call a “public declaration of intent,” specifically laying out two or three points to work on in an action plan for self-development, and we ask them to select several people in their private or work life who will help them accomplish these goals. To add a sense of urgency, we schedule one or more follow-up sessions several months later when the person is asked to account for what has been accomplished. I sometimes say facetiously that our effectiveness is based on factors like shame, guilt and hope. Shame and guilt help to keep the participants on track, and hope for a better future that includes personal growth and creativity keeps them moving forward. Although we may also be called upon for one-to-one or systemic organizational leadership coaching that does not use the group setting, we find that in general coaching in groups can be equally effective at fostering change on micro and macro levels.

In the group coaching session, the leadership coach begins by creating a safe transitional space in which executives feel at ease. A fun icebreaking activity, like drawing a personal portrait, may be used to set the creative process into motion. At IGLC, we often use 360-degree self-assessment tools as a point of departure for discussion. As each person talks about some of the issues that he or she would like to reflect on with the help of the group, the other group members learn vicariously from the stories that are being told. Here, executives are engaged not only in a problem-solving exercise (in the form of action recommendations) but also practice their leadership coaching skills with their peers. They learn what it means to listen actively, by using the Socratic approach to help their peers develop their action plans. Furthermore, a sense of community grows as participants realize that they are not alone in their confusion, contributing to a sense of self-confidence. (See Exhibit 2 for an overview of the group coaching intervention technique.)

**Exhibit 2**



**IGLC Coaching intervention goals: individual, team, and organizations**

**The objectives of individual coaching**

In our coaching models, we don't make a clear distinction between skills and performance coaching, career coaching, transition coaching, "legacy" coaching, life coaching, or "on-boarding." Individual coaching should provide a place where the client's private self can be

heard, honored and challenged. This offers each client the opportunity to create the space for their vision, set clearly defined goals that support that vision, and evaluate the results.

### ***Benefits of individual coaching***

- To learn to work smarter, not harder
- To find ways of communicating with greater clarity
- To learn how to become more adaptable and successful in dealing with change
- To increase the ability to respond more skillfully to organizational challenges and opportunities
- To become more effective in conflict resolution
- To recognize one's own blind spots and defensive patterns
- To turn personal awareness into insight and that insight into action
- To understand better the perceptions of other organizational participants
- To be more assertive and self-confident
- To improve existing superior-subordinate relationships
- To learn to manage upward better
- To become more effective in giving and receiving feedback
- To become a better (more active) listener
- To lower one's level of stress and increase one's sense of enjoying work
- To be able to coach the people one works with, when appropriate
- To become better at finding creative solutions to knotty problems
- To become more effective in managing paradoxical situations
- To build stronger, more trusting relationships
- To show a more authentic leadership style
- To be successful in a new role
- To work on the development of emotional intelligence
- To establish stronger relationships with clients
- To be more deliberate in developing a career development plan, making an in-depth assessment what is currently working and not working
- To identify really meaningful life goals
- To take a greater sense of ownership and responsibility for one's behaviors and actions
- To be successful in the creation of a legacy
- To acquire a better work-life balance

### **The objectives of team coaching**

Successful organizations are run by efficient teams, made up of a diverse group of people who trust each other, commit to decisions and action plans, hold each other accountable, and focus on collective team results. Most importantly, they understand how their team contributes to the success of the organization. IGLC has been in the vanguard of coaching existing working groups; we help existing teams within an organization achieve greater levels of collaboration and results, with a focus on key organizational challenges. Here, the coach has to facilitate a process of improving group dynamics, often against a background of open or covert conflict.

We have discovered that a group leadership coaching intervention is also an ideal way to create virtual teams that really work. In our networked world, virtual teams—with geography and time zones adding complexity to differences in culture, gender, age, and functional background—are here to stay. There will always be many overt and covert issues to be dealt with, and it goes without saying that tagging emails with emoticons will not solve problems. In effective teams, people understand and respect one another; they are more inclined to see other stakeholders' points of view; and they are more willing to collaborate. Team coaching interventions are a way to create well functioning virtual teams in boundaryless organizations.

In the context of teams, knowledge management is another issue and one that presents problems as it amounts to far more than merely setting up a data base. Failed knowledge-sharing initiatives can often be traced to a missing ingredient: trust. People will only share information if they feel comfortable with each other, and if they believe that their hard-won knowledge will not be hoarded somewhere, but will be treated as a resource for the whole organization. As teams work together in a coaching setting, they can discuss and reach agreements on fair processes for sharing knowledge, and also for giving credit where it is due. And of course the capacity to build effective knowledge sharing systems gives an organization an enormous competitive advantage.

When leadership coaching is applied to teams, it leads to a more egalitarian, high-trust interface that transcends traditional superior-subordinate relationships. The fundamental premise in team coaching is that all members of the team develop a genuine realization that “we’re all working for the same company.” Furthermore, team coaching not only supports and enables the realization of a team’s performance potential but also increases a team’s

capacity for self-sustained development. When a team operates at full capacity, everybody pulls their weight and is accountable for their contribution to the team performance.

Team coaching is also strongly recommended for teams going through a significant change process—including adapting to a new CEO. It is also ideal for new teams under pressure to show results quickly. Highly successful teams engage in both individual and team coaching in order to address issues specific to an individual, and broader, more global issues related to the team. This may include team development with a specific focus on critical issues, vision, mission, goals, roles, corporate culture, team support and leadership development.

### ***Benefits of group coaching***

- To help teams clarify their goals, identify obstacles to change, explore options and develop appropriate action plans
- To identify the characteristics of effective teams
- To understand the barriers to performance that are hindering the team
- To create a better appreciation of the team's strengths and challenges
- To increase the team's capacity to arrive at high performance
- To align individual performance with team goals
- To understand better the dynamics within the team
- To arrive at better team decision-making
- To identify the roles each member of the team plays
- To identify overt and covert conflict within the team
- To help the team deal better with conflict
- To help in "assimilation coaching," introducing new members to a functioning team
- To communicate more effectively
- To fully develop the team into a more cohesive, trusting, collaborative unit
- To develop more effective leadership skills within the team
- To take advantage of peer coaching in a team setting
- To align team norms with an accountability structure
- To assure that individual and team accountability structures are built into every task and project
- To help a team that's moving through a significant period of change and transition
- To deal with virtual and cross-functional team challenges

- To ensure that feedback, brainstorming, and challenging beliefs become an acceptable practice between team members
- To create self-organizing teams
- To maximize and leverage the strengths of a team
- To set the ground rules and logistics to improve team processes. (How often will the team meet? Where will the meetings take place? What are the rules for running meetings? What arbitration needs to take place when the team cannot come to an agreement?)
- To engage in regular process review meetings, assessing how successful the team meetings have been.

### **The objectives of organizational coaching**

The ultimate goal of the IGLC's team is to treat every coaching session—micro or macro—as a part of a holistic intervention, contributing in a small or significant way to transforming the cultural fabric of the entire organization. Organizations that foster a coaching culture demonstrate that they value their people by contributing to their individual development within the organization. The objective of taking an organizational coaching approach is to create a culture where all members of the organization are able to engage in candid, respectful coaching conversations about how they can improve their working relationships and individual and collective work performance, unrestricted by hierarchical reporting relationships.

In organizational leadership coaching, all participants learn to value and use feedback as a powerful learning tool to produce personal and professional development, high-trust working relationships, continually improving job performance, and ever-increasing customer satisfaction. To create a culture where employees have a voice and can make a difference is ultimately to improve the performance of the organization and its constituent parts. In our coaching work we have found that organizations that have coaching skills embedded in their culture are the most successful.

An organization with a true coaching culture is one in which not only formal, more prescribed leadership coaching occurs but also where most people use coaching behavior as a means of managing, influencing and communicating with each other. These organizations go one step

further, integrating coaching modules into their leadership development and their general way of doing things. A coaching culture promotes more open communication, is transparent, and builds trust and mutual respect. Introducing coaching competencies into an organization is a very powerful strategy if you are trying to create the kind of workplace that fosters learning and development. Not surprisingly, companies with a successful coaching culture report significantly reduced staff turnover, increased productivity, and greater job satisfaction. The model maximizes the resources of the organization, realigns relationships, and drives a focus on long-term strategy. These companies differentiate themselves by having a strong corporate identity and a committed work force. All employees are aligned with the goals of the organization, and what is needed to get there. Creating a coaching culture helps leaders to think and plan more strategically, to manage risks more effectively, to create and communicate vision and mission more clearly.

The subtlest aspect of a coaching culture is the new way individuals perceive themselves and their world. A coaching culture provides them with a sense of connection. It makes them feel part of a whole. It makes them take responsibility. It prevents incidents of “us” and “them.” When they have a sense of ownership in the organization, people move beyond the blame game and have the courage to speak their mind, knowing that they have the right to.

For a coaching culture to work, it has to be integrated with business strategy. But that is not enough. The organization needs its powerholders to be champions of change. Few innovative initiatives succeed without the support of senior executives who are committed to the idea. If a coaching culture is to be successful, the first people to go through the coaching process should be the members of the executive committee. If they are satisfied with the outcome, coaching is more likely to cascade throughout the organization and become part of the organization’s fabric.

A coaching culture can be created in different ways. Apart from timely team coaching, peer coaching, for example, is an invaluable element in establishing relationships across the organization to support communication, growth, learning, problem solving, productivity improvements, and enhanced working conditions.

Upward coaching is often more challenging to establish in many organizations. The success of this process is highly culture-dependent. The senior executive team may be enthusiastic about downward feedback, but far less happy about receiving upward feedback. In some

national and organizational cultures, direct reports might not feel safe giving this kind of feedback, as it could be used against them. If this is the case, the nature of the relationship must transform dramatically if an open dialogue between executive and direct reports is desired.

The introduction of a coaching culture to any organization raises the same challenges as other culture change programs. It is not sufficient merely to announce it, provide information and assume that the change will take place. Planning is essential to introduce any new initiative. It is important to examine all the costs and benefits and to anticipate, expect and plan for resistance.

### ***Benefits of organizational coaching***

- To enable the creation of a transitional space where people can express themselves frankly
- To unleash creativity and innovation
- To cultivate and promote an environment that delivers increased motivation and performance
- To create meaningful organizational cultural values
- To create a dynamic working environment that becomes a “best place to work”
- To make the organization the employer of choice
- To achieve new strategic objectives
- To assist organizations in developing a portfolio of leadership talent
- To learn how to manage in a networking culture
- To become better at clarifying interconnections
- To identify healthy and neurotic organizational constellations
- To create a system for overseeing, mentoring, and supporting coaches throughout the organization
- To provide ongoing coach training
- To implement a succession planning system
- To create an organizational framework that supports a coaching culture, clarifies roles and guides the coaching
- To understand the interconnectedness that is the heart of a coaching culture
- To help companies involved in mergers and acquisitions navigate a new culture, integrate new teams, and align divisions

- To create a true learning organization where learning is shared, reducing errors and cycle time

## **Leadership Coaching Effectiveness**

Guardians of leadership development should regularly assess, and learn from, previous organizational coaching initiatives. This is not an easy task, because organizational leaders rarely evaluate the effectiveness or impact of coaching aspects of leadership development. However, before proceeding with any large-scale coaching initiative, it is important to have a good understanding of the current state of affairs and what has to be accomplished.

The reason for these words of caution is that it is quite common for leadership coaches to create sizeable practices under the auspices of key organizational leaders. Unfortunately, the growth of these practices is often well intentioned but detached from the organization's talent development strategy. It is therefore recommended that assessment of the effectiveness of the coaching program is designed to be part of this strategy (Kets de Vries et al. 2008). Assessors need to remember that while individual coaching may produce positive results within short periods of time, its effectiveness as a leadership development strategy can only be determined over the long term. Regular reviews of the process should question whether coaching is truly making a difference to organizational strategy and performance improvement.

It is not enough to ask the recipients of coaching services if they are satisfied. Very frequently, executives report delight and pleasure with the process while those around them fail to observe real change. However, this does not mean that coaching efforts should be abandoned if a few trials show only limited or meager results. Although an assessment of a particular coach or an isolated assessment of an intervention is not a reliable barometer of coaching effectiveness, a true 360-degree evaluation—involving suppliers, superiors, clients, and coaches—will yield more accurate information about the organization's coaching investment. It is long-term results that count.

Some coaching consulting firms arrive at impressive return on investment (ROI) statistics but we have to use caution when establishing the expected ROI of a leadership coaching initiative. A qualitative assessment of coaching is problematic because so many factors can

affect learning, performance, and results. Leadership coaching is a complex human activity in which many of the variables are very difficult to control. Controlled experiments are exceedingly difficult, complicated by that fact that we not live in a static world. Leadership coaching is very different from selling widgets and calculating profits.

One assessment we recommend at IGLC is an on-going reiterative process of action planning and feedback that should ideally take place over several course modules or on-site seminars. This allows for two important assessment measures: first, the clients report on the effectiveness of the coaching program mid-stream, which permits the leadership coach to adjust his or her methods or tools to make them more relevant; and second, the clients report to each other about progress on their action plan topics. Both types of intervention have proved to be effective assessment measures in organizational coaching.

### *Caveat emptor*

While there are coaching charlatans who hang out their shingle to make a buck, people largely choose to become leadership coaches out of a desire to help people. Nevertheless, there should be an element of *caveat emptor*. Regardless of external certification, those who hire leadership coaches should perform due diligence, investigating and interviewing their coaching candidates to obtain a better understanding of their capabilities. There are too many empty statements about the cost effectiveness of coaching interventions. Closer investigation frequently demonstrates a talent for performing acrobatics with numbers—the figures showing remarkable ROI have very little base in reality.

## **Developing Reflective Practitioners**

The challenge for leadership coaches is to make their clients more like reflective practitioners—people who do not just do things but also have the capacity to reflect and listen (Schon 1983). As Epictetus said, “We have two ears and one mouth so that we can listen twice as much as we speak.” In every conversation the coach and the person being coached need to ask themselves a series of questions, the most important of which are, “How do I feel listening to this person?” and “What effect does this person have on me?”

Leadership coaches need to be cognizant of the fact that many people live under the illusion that they understand what is being said to them. This is not the same thing, however, as being

sure that what they hear is what the speaker means. Many attempts at communication are nullified by our tendency to say too much. Most people do not learn while they are talking. There is an old Chinese saying that tells us, “To listen well is as powerful a means of influence as to talk well, and is as essential to all true conversation.”

To help create reflective practitioners, leadership coaches have to use their own unconscious as a receptive organ for the unconscious signals the other person is transmitting. They have to learn to look out for transferential and counter-transferential reactions—when they and their client respond to one another following archaic responses founded on past relationships. This confusion in time and place is common in most interventions. People need to realize that behavior that may have been effective at one stage in their life has become obsolete, and avoid playing a role that is no longer appropriate (Kohut 1971).

Leadership coaches should also be wary whenever they feel a strong urge to move into action. The “action trap” can be exactly that, leading them to take some kind of action that they will regret later. Perhaps the best time when to hold our tongue is when we feel we must say something or have an explosive reaction. Far too frequently, acting is a substitute for thinking—a refusal to reflect on why we are doing what we are doing.

The world is full of people who have stopped listening to themselves. Some listen only to others to learn what they ought to do, how they ought to behave, and values and beliefs they should be living for. But if we do not believe in ourselves until someone else reveals we have something valuable, worth listening to, worthy of our trust, or sacred to our touch, we lose part of ourselves. And this is where a leadership coach can help.

As a leadership coach, once we help people believe in themselves, they can risk curiosity, wonder, spontaneous delight or any experience that reveals the human spirit. Although others’ ideas will have merit, executives have to practice to listen to their own inner voice. If executives acquire this ability, they will have a clearer idea of themselves and be better at recognizing what is important to them.

Based on the clinical paradigm, with its recognition of unconscious processes, the INSEAD leadership coaching method brings the coach and the client’s relative positions into greater awareness and helps uncover the requirements for a continuing cooperative partnership. The method takes both parties on a journey to understand what they are really about. Leadership

coaching helps them to become aware not only of their conscious thoughts, but also of their unconscious prejudices, biases and habits. As one recent participant of the “Coaching and Consulting for Change Program” reported: “This program [teaches] you things about yourself that will help you influence others by better understanding them first.” Or to quote Marcus Aurelius, an exemplary reflective practitioner: “Look well into thyself; there is a source of strength which will always spring up if thou wilt always look there.”

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