

Executive Summary

Coaching: Who, What, Where, When and How

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Background

Coaching is currently the fastest growing consulting profession, boasting tens of thousands of coaches. Existing research has provided incomplete, contradictory and under-supported descriptions of coaching practices and its effectiveness.

Purpose of Study and Report

The purpose of the research was to help clarify the misconceptions and uncertainties regarding the actual practices of coaches, and to answer the call for more research in the field. No hypotheses were set forth in this study due to its exploratory nature, and the term coach was used to encompass personal coaches, mentors, executive coaches, etc.

As with any new field of study, there remain many unanswered questions. It is the hope of these authors that the information brought to light in this study will generate future research hypotheses to answer some of these questions.

Research Procedure

Based on an extensive review of the literature seven topics of importance were established and implemented as the underlying themes of the survey. These topics include: *Demographics, Background Information, Client Acquisition, Contracting, Actual Practices, Outcome Evaluation and Philosophical Issues.*

The authors designed and developed a web-based survey in order to access a large participant pool. The survey site was distributed via email, through the support of various coaching associations, and the survey program automatically aggregated the participants' responses, ensuring their anonymity. The data was collected throughout the month of March 2002.

Results & Discussion

1,338 coaches participated in the survey, yielding a response rate of 24%. The results are provided below, organized by the seven survey categories.

I - Demographics

The participating coaches belong to numerous professional associations. The largest percentage of participants (87%) reported membership to the ICF. Additionally, 15% reported membership to the American Society for Training and Development (ASTD), 13% reported membership to the PCMA, 7% belong to the Society for Human Resource Management (SHRM), and 4% are members of the American Psychological Association (APA). Although the participating coaches are members or affiliated with professional coaching organizations, it is important to note that some coaches who are not members or affiliates may have other viewpoints than those in the population studied. However, the participants appear to be representative of coaches in general.

Females comprise 71% of the survey participants and 51% of coaching clients. Seventy-two percent of the participants are between the ages of 41 and 60, with an additional 21% between 31-40. Coaches who affiliate with the title Executive Coach also reported the highest mean income (\$77,339), and Personal Coaches reported the lowest mean income (\$30,732). Executive Coaches are on average 49-yrs-old, and Personal Coaches are on average 46.

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Participants were most likely to report having a Masters degree (43%) and least likely to have a Doctoral degree (10%). Annual earnings as a coach are between \$25,000 and \$50,000 (34%), and \$10,000 or less (26%). Only 4% of coaches reported earning over \$175,000. However, the median annual income as a coach was \$37,500.

One third of the coaches reported having earned their degrees in the Social Sciences (i.e., Psychology, Sociology, Anthropology, etc.). Twenty-seven percent received their degrees in Business, 11% in Education, 6% in the Life Sciences (i.e., Medicine, Biology, Chemistry, etc.), and 20% reported receiving their degrees in *other* fields.

The majority of coaches with a Doctoral degree were educated in the field of Law (53%), the majority of Master degree coaches earned it in Education (56%), and the majority of coaches with a Bachelor degree received it in Engineering (56%).

Fifty-eight percent of coaches stated their clients do not reside within a 50-mile radius of them. Thus, coaching appears to be a profession that does not necessitate close proximity. Furthermore, since participating coaches were represented throughout the country, as well as across various continents, and many of them (42%) do coach within 50 miles of their residence, it is safe to assume that coaching takes place around the world, with certain areas more heavily concentrated than others.

Coaches in Europe reported the highest average annual income (\$59,383), as well as the highest fee per session (\$172). Within the United States, participants in the US/Far West reported the highest average annual income (\$53,215). In terms of fee per session, coaches residing in the Southeast reported charging the highest fee (\$147), and those in the Midwest the lowest (\$125). Thus, since coaches in US/Far West, including California, Oregon, Washington, Hawaii and Alaska, do not charge the highest fee per session, but report earning the highest (US) average annual income, they may be working more hours than coaches elsewhere in the country.

In terms of coaches' fees and annual incomes, the figures reported by coaches outside of the United States are not necessarily reliable. Since the survey was originally not intended to reach international audiences, there were several response options specific to the US Dollar. Thus, our US-centric perspective may have had significant effects on the external validity of the survey. Furthermore, the income differences found among coaches in the US can be understood based on variations in the nationwide cost of living. Additionally, participants outside of the US are likely to have indicated that they coach clients in "international" locations, since other, more fitting, response options were unavailable. Thus, it is difficult to precisely answer the question of how many domestic coaches actually conduct their practices on an international level.

II - Background Information

In terms of preparation to become a coach, coaches rated prior career experience, coach-training programs, and being mentored by others as most useful. Other, open-ended, responses indicated life experience as useful in becoming a coach. Based on these findings, it is clear that the field of coaching may benefit from a standardized training implementation that addresses these components.

Titles most often used include *Personal Coach*, *Executive Coach*, *Life Coach* and *Business Coach*. Coaches with Master degrees most frequently refer to themselves as *Business Coaches*, *Consultants*, *Executive Coaches*, *Personal Coaches*, and *Developmental Coaches*; coaches with Bachelor degrees use the titles, *Professional Coach*, *Mentor* and *Life Coach*, and coaches with Doctoral degrees use the titles, *Mentor* and *Developmental Coach* most frequently. The wide variety of coach titles indicates either that coaches practice in many different capacities or that there are many different names for very similar intentions. To simplify, and perhaps clarify the field of coaching, it seems necessary to

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significantly reduce the number of titles used by coaches, and at the very least, to define the differences between each title.

Coaching is a relatively young and rapidly growing field, with 42% of the participants report having worked between *0-2 years*, and 33% between *3-5 years* as a coach. On average, coaches reported working only part time (16.7 hours per week) as a coach. They also work an average of 17.1 hours per week in areas other than coaching. Thus, coaching seems to be a supplementary means of employment for the majority of those who participated in the study.

III - Client acquisition

A majority of Coaches (93%) indicated being hired by the individual receiving coaching rather than the individual's employer. Of the coaches who have worked longer in the field, 69% report obtaining clients via *Professional Referrals*, and 86% via *Word of Mouth*. Forty-eight percent of participants report *never* using advertisements and 36% *never* use a website to obtain clients. It appears then that the more established the coach, the more referral-based is his or her practice. Additionally, regardless of length of time in the field, coaches do not seem to go to great lengths to advertise their services.

IV - Contracting

Coaches reported being hired most often to *Clarify and Pursue Goals* and to *Balance Work and Personal Life*; and least often to *Improve Technical Skills*. Open-ended responses indicate that 69% of coaches reported being hired to *Improve Leadership Skills* and to *Help with Career Transitions*.

V - Coaching Practices

A Majority of coaches reported *never* using the following assessment tools: Cognitive Ability, Emotional Intelligence, Group Interpersonal, Interest Inventories or Projective Personality. Some coaches (29%) reported using Multi-Source and Objective Personality assessment tools *sometimes* or *often*. Another 39% reported using *other* assessment tools, the most common of which were the *DISC/TTI*, the *PIAV* and *proprietary assessments*. These results suggest a lack of standardized assessment tools in the field, thus leading coaches to utilize more subjective, less reliable methods. Clearly, ethical standards stipulate the need for formal, statistically sound methods of pre-intervention assessment. Perhaps, the majority of coaches do not use these tools due to their lack of training in psychometrics or their lack of access to these tools. Nevertheless, future research is needed to identify or develop useful assessment tools that could be used by coaches, regardless of their title.

The majority of coaches conduct their practice in the following industries: Entrepreneurial (83%), Consulting Services (61%) and Technology (56%). The majority of coaches also state they *never* coach in Agriculture (91%), Utilities (78%), Transportation (77%), Energy (76%) and Hospitality (65%).

Most coaches reported that they *usually do not* partner their coaching practices with other services. However those who do (22%), reported partnering *often* or *always* with Training Programs. While partnering does not appear to be a heavily utilized practice among the participants, the coaching field might benefit from utilizing the services of those who specialize in areas other than coaching.

Coaches indicated that their average short-term coaching engagement is 3 months, while their average long-term engagement is 13 months. Coaching sessions last approximately 55 minutes, and 41% of coaches reported their most common practice is to meet with a client *once a week*. Coaches have an average of 9 clients at one time, varying from *4 or fewer* (27%) to *13 to 16* clients (12%). In conducting their sessions, 76% of coaches reported that they *often* or *always* use the Telephone and 60% *often* or *always* meet Face-To-Face.

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CEOs, Presidents and Vice Presidents share the most commonalities in types of coaching received. The types of coaching received include: Improving Delegation skills, Improving Listening skills, Improving Planning skills, Increasing sales, and Improving Communication skills.

When clients appear to no longer benefit from a coach's services, only 21% of coaches *often* or *always* refer these clients to another resource. Additionally, 78% of all coaches reported having their own personal coach, with more female coaches (82%) having their own personal coach than male coaches (71%). A number of coaches view the field of coaching as *competitive* (65%). Further analysis suggests that the longer a coach has worked in the field, the more competitive he or she finds it.

The average fee per session is \$142, with 72% of coaches reporting earning between \$50 and \$200 per session. Male coaches earn significantly more than their female counterparts, with males reporting an average fee of \$168 and females reporting an average fee of \$132. Furthermore, male coaches' fees per session are significantly greater when their clients are males. It could be inferred that male clients pay more per session due to them holding higher-ranking jobs than female clients do.

Most coaching clients hold a mid- to upper-level management or equivalent position. Eighty-seven percent of participants coach Entrepreneurs *sometimes* to *always*. Vice Presidents (or equivalent) are charged the most and Non-Supervisory Professionals are charged the least.

While our data cannot address directly the differential between male and female pay levels, the current data leads us to speculate on what may be partially responsible for the differences in pay levels. It may be due, in part, to the clients male coaches have. For example, we know that male coaches have more male clients than female coaches. We also know that vice president (or equivalent) clients pay higher fees than other clients do. It is likely that more of these vice president level clients are men in today's business organizations. As a result male coaches may have more of these higher paying clients and thus have an advantage in earning higher fees.

VI - Outcome Evaluation

Thirty-six percent of coaches reported following up with their clients *within 1 month* of completion of the coaching engagement, 33% follow up *between 1 and 3 months*, and 16% *never* follow up with their clients.

In terms of client feedback, the majority of participants indicated that they receive effectiveness feedback from the coaching client and that they *never* use ROI to evaluate their effectiveness. Thus, it appears that the "effectiveness" evaluations that coaches receive are mainly subjective in nature, and therefore not necessarily empirically valid measures of the coach's actual effectiveness. Efforts to establish various measures of outcome effectiveness would help to support future coaching practices.

The findings surrounding outcome evaluation necessitate further exploration. The fact that many coaches reported *never* following up with a client after termination demonstrates both inconsistency and lack of standardization in the practice of administering follow-up assessments. The discrepant findings in the coaching literature surrounding the long-term effectiveness of coaching can thus be better understood. It seems implicit that standard guidelines regarding outcome evaluation need to be put into place in order for potential coaching clients to know whether their money will be well spent.

VII - Philosophical Issues

Ninety-two percent of the coach respondents believe that coaches should adhere to ethical guidelines *to a large* or *very large extent*. Additionally, 55% of coaches view certification and licensure as an important quality control standard to a large and or a very large extent.

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Our analyses also reveal that coaches who are more likely to report some unethical practices occurring within the field are also more likely to report a blur between coaching and therapy. It is hard to know what to make of this correlation, but perhaps individuals who are trained in counseling and clinical psychology (both of which typically require ethics training) are primarily the coaches who notice when “blurs” or unethical behaviors are occurring. Alternatively, perhaps they may just be those who tend to use coaching as a therapeutic tool more often than other coaches and also be more sensitive to unethical practices. Nevertheless, this reported “blur” indicates the need for further research to better understand what may be happening. Standard guidelines may need to be developed and implemented to prevent the occurrence of overlapping practices between coaching and therapy when inappropriate.

Conclusion

While many unanswered questions from the coaching literature may now be better understood, most of the findings from this survey can only be reliably extended to coaches who are members of the organizations sampled in the study. Since the participating coaches were contacted through their affiliations with professional coaching organizations, some coaches who are not member or affiliates may have other viewpoints than those in the population studied.

The information extracted from the present study has many implications for the body of coaching research and may help to resolve the discrepancies found in the current coaching literature. Future development of theories and models will further bolster the profession by delineating those factors that are key to effective coaching practices, and in turn lead to sustained outcomes for the clients they serve.