



The International Journal of
Coaching in Organizations™

IJCO

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This article first appeared in *IJCO The International Journal of Coaching in Organizations™*, 2009 7(4),60-77.
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Journal information:
www.ijco.info

Purchases:
www.pcpionline.com

2009

ISSN 1553-3735

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Professional Coaching Publications, Inc.™

Developing Leadership in U.S. Government Financial Institutions during Times of Crisis

G. Lee Salmon

In this article the author describes how executive coaching supported leaders in several U.S. government financial institutions from 2005 to the present. Individual and organizational impacts on leadership are discussed during the aftermath of 9/11 and the recent economic crisis. Approaches coaches used to help leaders build resiliency in adapting to change are also reviewed.

Over the past two years the United States has faced an economic crisis of historic proportion not seen since the stock market collapse in 1929. Bank failures and bailouts have led to criticism and review of existing bank regulations, policies and regulatory structure. Combined, these forces create a stressful environment for people working in the financial oversight community, particularly those in leadership roles at the various regulatory agencies such as the Federal Reserve Board of Governors, the Department of Treasury, the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Securities and Exchange Commission (SEC), and the Federal Depositors Insurance Corporation (FDIC). Organizational performance, cohesion, and morale at all of these regulatory agencies often rely on the ability of leaders to manage stress, maintain their own health, sustain a psychologically healthy workplace for the people they supervise, and have a balanced family life outside of their job demands. Achieving this resiliency is an ongoing leadership challenge.

To help leaders develop resiliency and other leadership competencies, most of these organizations have used executive coaching programs over the past five years. The executive coaches help their clients with the leadership challenges of stress management, adaptability, agility, and flexibility in managing change. This article explores how independent executive coaches and those within the Department of Interior's Federal Consulting Group work with financial institution executives during times of crises and help build their clients' resiliency in adapting to change.

Disclaimer: The opinions in this paper are those of the author. They do not necessarily reflect the views of U.S. governmental organizations such as the Department of the Treasury, including the OCC and OTS, the SEC, the Federal Reserve Board, the FDIC, or the U.S. Department of the Interior, its National Business Center, and the Federal Consulting Group.

BACKGROUND

As noted in an earlier *IJCO*TM article I wrote on the evolution of coaching in the federal government, coaches have successfully worked with their executive clients over the years to help strengthen and develop leadership capability (Salmon, 2008). Most of this work in government has unfortunately been poorly documented, due to fear and reluctance on the part of some agencies to expose themselves to political criticism. To even suggest that executives don't have all the answers and may need to learn new skills as their job requirements and agency missions change is a common, but unfounded, perception of weakness. Human and leadership development professionals can cite research demonstrating that a failure of leaders to learn and grow is one of the factors leading to executive derailment (Hughes & Terrell, 2008).

In the last two years during the economic collapse of the U.S. economy and attendant bank failures, there has been increased scrutiny placed on government financial institutions, pressure for regulatory reform, and controversy over the role of bank regulators to ensure a stable economy. In this political climate of blame and criticism, especially over the past year, the normal reticence of government agencies to be open about their leadership development programs has grown. There appears to be a reluctance to disclose any information, no matter how benign or even laudatory, that could be used to question agency competency. This becomes very important when the role of agencies, as well as related discussions of mergers and restrictions on authority, is questioned. It is for this reason that I have chosen to protect the identity of agencies whose coaching programs I discuss in this article. Likewise, I have chosen to make the contributions of fellow coaches anonymous to protect them from possible reprisal, given the highly contentious environment that now exists in Congress.

In my research on how coaching has supported leaders in government financial institutions, coaches I have spoken with all agree that the issues and competencies we address in support of leaders are, in most cases, independent of agency. They include the real challenges of strengthening and developing managers' emotional and social effectiveness skills necessary for clear communication and delegation, the courage to make tough decisions with limited information, and the ability to adapt to and help people manage rapid change. I will discuss one coaching program within a government financial institution that is illustrative of how coaching has supported leadership development efforts.

In 2005, the Federal Consulting Group launched a pilot coaching program with a government agency customer for their high-performing executives and managers. The program's announcement stated:

The real challenges of strengthening and developing managers' emotional and social effectiveness skills necessary for clear communication and delegation, the courage to make tough decisions with limited information, and the ability to adapt to and help people manage rapid change.

Executive coaching is a well-documented strategy for developing leaders and for building (a) culture ... (that) believes coaching will support the (organization's)... strategic future by formally supporting executives and by strengthening, sustaining, and renewing the culture by focusing on identified leadership strengths. (Salmon, 2008, p. 13)

The program used both internal coaches and external coaches contracted from the Federal Consulting Group, then an internal consulting group within the Department of the Treasury, and now a directorate within the Department of Interior's National Business Center.

The pilot coaching program began in the fall of 2005 with 18 executives who volunteered to participate. They completed the coaching pilot in April 2006. The program focused on enhancing high-performance, not on performance management issues. The program objectives were to:

- Accelerate the development of the next generation of leaders by providing personalized learning at critical junctures, such as periods of increased responsibility, a new position, a recent promotion;
- Maximize the contributions of high-performing leaders by developing their capacity to align vision, actions, and performance;
- Work more effectively within their business line and network across the organization;
- Support the organization's strategic future by providing support that challenges participants' assumptions and encourages innovation; and
- Strengthen, sustain, and renew the organization's culture by supporting the development of critical leadership competencies.

An evaluation of the pilot program identified measurable outcomes and benefits to individuals and the organization. Participants and their coaches completed surveys to identify return on investment as well as return on value, a more meaningful measure based on improvements in communication across business units and other factors related to mission execution. The evaluations showed value-added benefits in four areas:

- Enhanced relationships and improved communication skills with supervisors and development of trust with staff;

- Improved quality and focus on customer satisfaction, including development of resilience and adaptability to meet new customer demands;
- Elevated leadership confidence, including the ability to create clarity around vision and mission; and
- Reduced stress, including improved work/life balance.

Several key enhancements were made before launching the agency-wide program in Fiscal Year (FY) 2007. There was an expanded emphasis on the targeted leader level and increase in the program parameters and guidelines. Greater emphasis was placed on supervisor involvement in the beginning by establishing a formal orientation for the participants and their supervisors, and outlining respective responsibilities. The evaluation process was expanded to include a mid-point check-in and end-of-program evaluations by both the participant and the supervisor.

An informal discussion with the coaching team indicated that at some point in the coaching relationship participants became more open to working on improving their ability to manage stress and balancing the demands of the job with demands from family. At first, this seemed to go against unspoken cultural expectations: be available 24/7, and make the personal sacrifices needed to get the job done, no matter what the cost. Coaches had to challenge these assumptions and discuss overall cost/benefits required to avoid burnout of the client and their staff. Managers' ability to sustain productivity and meet increasing customer demands brought further interest in developing a more formal program for developing leaders and their ability to manage stress and change.

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EVOLUTION OF THE COACHING PROGRAM DURING A PERIOD OF CHANGE

From 2005 through 2006 during the pilot coaching program, there were a number of significant changes affecting employees and leaders: a new emphasis on ensuring national banks had the necessary controls to detect and deter money laundering and terrorist financing, a reorganization to improve organizational efficiency, and the turn of the economy.

During this period, coaches helped agency leaders set up new departments, manage new groups of people and activities, and respond to the variety of events that come during periods of rapid and broad change. These challenges required leaders to take on new assignments and to change the ways they were accustomed to doing business when old ways were no longer tenable. As one source reported:

In a recent testimonial to the value of the coaching experience, one regional district manager remarked that he felt overwhelmed and realized that he could no longer

manage the banks under his jurisdiction in the same way he had in the past, given the mandated consolidation of field offices within his district. (Hughes & Terrell, 2008, p. 170)

Since then, the program has evolved to integrate with other leadership development efforts. In April 2006, a new leadership development program was announced, aimed at preparing the next generation of supervision leadership. The program identifies high potential employees who may succeed in the next wave of leaders and provides structured job assignments in multiple departments.

The new program began in January 2007 with six participants. Each served 18 months rotating among different jobs to build an understanding of the wide range of activities and organizations that contribute to supervision at the agency. Since then, six have completed the program and are in leadership positions, three are in the process of completing the program, and three new participants started in January 2010.

The transition from technical subject matter expert to manager is challenging for many people. People require new mindsets and skill sets in order to succeed in their new role as manager. An executive coach can help with this perspective shift and promote the soft skills needed to go from being an expert individual contributor to getting things done through others. To support the transition, each participant chooses a coach through the executive coaching program. The participant and their coach are then oriented to the program expectations and the coaches are given a copy of the organization's competency model and an orientation to the organization's culture.

The Executive Coaching Program also supports the on-boarding and transition of new executives into the organization. Many new executives choose a skilled executive coach to support their transition from another agency or outside of government, to help diagnose their organization's conditions and needs, to develop their strategic vision, and to accelerate change management and team building.

From assisting with new mission focus to building a cadre of leaders to enabling new executives, the Executive Coaching Program has evolved from a small pilot to a more robust program to support the agency's ability to cope with change. Evaluations of the program over the past four years have shown it to be effective, particularly in developing leaders' ability to be resilient and to adapt to change (Hughes & Terrell, 2008).

EVALUATION OF THE EXECUTIVE COACHING PROGRAM

An evaluation of the agency-wide coaching program launched in FY 2007 was conducted by an independent outside contractor. The responses were overwhelmingly positive in several key areas: the achievement of critical goals established at the onset of coaching; development of leadership competencies that directly impact team and business success; the value of the relationship established between coach and participant; and the skill of the coaches involved in the program.

Chief among the participants' assessments was the value of having someone with whom they could share issues and concerns, and who would provide a fresh perspective with direct, honest feedback. Several participants expressed sentiments similar to this coaching client: "Most valuable to me was having another perspective to assess the working relationships within my management team. She provided a unique insight into these relationships and identified opportunities not obvious to me."

Managers also reported that the program helped their employees become more effective leaders in several areas, including their ability to communicate expectations to staff and hold them accountable. They also emphasized the value of candid discussion and feedback between coaches and program participants.

A second evaluation study was conducted in 2008. The evaluation showed that 100 percent of the participants and their supervisors concurred that the participants became more confident as leaders and managers. Additionally, 93 percent of the participants and 100 percent of their supervisors agreed that the coaching participants became more effective managers. Participants noted their greatest growth in three areas:

1. Performance management, specifically
 - Dealing with problem employees and managing conflict,
 - Ability to give feedback more skillfully;
2. Enhanced relationship and communication skills;
3. Reduced stress.

Management observed the greatest growth by participants in two areas:

1. Performance management, specifically dealing with problem employees and managing conflict;
2. Managing human capital and the ability to develop a more responsive team.

Chief among the participants' assessments was the value of having someone with whom they could share issues and concerns, and who would provide a fresh perspective with direct, honest feedback.

This evaluation also attempted to measure the return on value to the organization by asking participants and managers to estimate the monetary value of the coaching experience. No specific criteria were provided so the estimates spanned a wide range. Participants' estimates ranged from \$10,000 to more than \$50,000 – 25 percent of the cost of a full-time equivalent position at the agency. Managers' estimates ranged from \$7,000 to \$100,000. One manager's rationale for providing a \$100,000 estimate was that this is the approximate cost of two 2 year-pre-commissioned examiners who may have otherwise left the agency without good guidance, mentoring, and professional development.

When asked what they found most valuable about their coaching experience, participants responded that benefits ranged from challenging their thinking and seeing a bigger picture to reaffirming capability, capitalizing on strengths, and identifying and setting priorities. They also appreciated the structured follow-up and consultation with a coach who acted as a safe, independent sounding board. Recommendations for enhancing the program included the following:

1. Make the program more widely available to managers and all levels.
2. Advertise more widely.
3. Conduct an assessment one year after program completion.
4. Discuss assessment findings with program participants for a couple of sessions.
5. Provide more coaching hours for participants.
6. Provide follow-up sessions.
7. Have more occasional "check-ins" with the coach by the supervisor to assess perceived learning and performance changes relative to expectations.

BUILDING CHANGE RESILIENT LEADERSHIP

Leadership resilience

Webster's dictionary defines resilience as "an ability to recover from or adjust easily to misfortune or change." According to Seibert (2005, p. 2),

Highly resilient people are flexible, adapt to new circumstances quickly, and thrive in constant change. Most importantly, if they *expect* to bounce back and feel confident, they will. They have a knack for creating good luck out of circumstances that others might see as bad luck.

These definitions of resiliency imply an ability to cope well with disruptive change and bounce back when faced with a setback or failure. One has a feeling of realistic optimism and an expectation

of success prevails. It is the ability to sustain good health, energy, and focused attention when under constant pressure. There is also an inherent confidence in one's own abilities, an optimistic belief that one can overcome adversities even if they seem initially overwhelming or daunting.

Resiliency is an essential leadership competency that requires emotional and social effectiveness skills development for several levels of relationship: first, the relationship with oneself; then relationship with others; and finally relationship with one's own environment. Attributes of resiliency required in oneself are a confidence in one's abilities, future-mindedness, self-awareness, self-management, and the cultivation of positive emotion. The ability to be resilient within self also depends on a holistic balance in the human dimensions of body, mind, heart, and spirit. These internal dimensions are interdependent, as we are learning from neuroscience research on body-mind-emotion connections (Frederickson, 2009; Siegel, 2007; Rock, 2009; Rock & Page, 2009).

In our work with leaders across government financial institutions we found that transitions into significant new roles are often the most challenging times in the professional lives of executives and managers. As Michael Watkins noted, "Transitions are leadership crucibles because actions during the first few months have a disproportionate impact on overall success or failure" (2009, p. 3).

Executive coaching and building resilience

Executive coaches are most helpful working with executives during transitions when the requirements to learn new things fast and being able to manage one's own feelings of overwhelm and felt inadequacies are paramount. To build change resiliency in their clients, coaches work on ways to accelerate focused attention and learning. The first step is to get the client to understand this: even though you've been highly successful up to now, to continue to be successful means you must adapt, be willing to unlearn old habits and learn new ones. As internationally renowned coach Marshall Goldsmith said, "You are here. You can get there. But you have to understand that what got you here won't get you there" (2007, p. 10).

In various coaching program evaluations, participants often noted an improvement in their ability to enhance relationship and communication skills, including giving constructive feedback. When looking at one's relationship to others, particularly in team leadership, feeling appreciated by others, being willing to ask for help and provide help, collaborating, and being empathetic are key attributes. The ability to be resilient and respond to stresses in the environment requires an ability to view hardships or mistakes as challenges to confront, to set realistic goals, to be driven by a sense of purpose, and to be proactive (Sloan, 2009).

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Another value of coaching that was noted in the program evaluations was improvement in a leader's ability to manage stress. Coaches are aware of research on the impact that stress can have on leadership, especially under crisis conditions. During times of crisis the intensity of change can sometimes be so severe that leaders may become overpowered in their ability to adapt to and manage stress. In his work on catastrophic leadership failure (CLF), Henry Thompson noted the following:

An important aspect of a leader's job is to manage his or her stress, workplace stress, and the stress of direct reports. A leader's failure to adequately manage stress can have severe negative consequences on the leader, the organization, and its members ... CLF occurs when a leader's stress level rises to the point at which there is a sudden, dramatic loss in his or her ability to access or use the executive functions of the PFC (prefrontal cortex - cognitive decision-making abilities, including IQ). (Hughes, Thompson, & Terrell, 2009, p. 125)

Research has shown that stress can lead to a diminished ability to use the full potential of one's IQ and emotional intelligence (EQ), resulting in poor decision-making.

The Center for Creative Leadership (CCL) is a well-respected international center for research on leadership. Members of the CCL staff have studied factors for derailment in executives' careers. They found that a high percentage of careers were derailed for reasons related to emotional competencies, including inability to handle interpersonal relationships, difficulty building and leading a team, and difficulty changing and adapting (Hughes & Terrell, 2008).

In working with leaders, coaches often worked on team building, communication, and clarity of delegation. In some cases, coaches helped leaders with team conflicts arising from differences of opinion. Being able to remain centered during times of conflict required an increase in emotional self-awareness and management of one's own emotions.

Coaches found that awareness of the role of emotions in leadership was another critical success factor, even though leaders mistakenly believed that not showing emotion was a desirable leadership trait. Bottling up emotions can lead to or exacerbate stress and, conversely, the expression of positive emotions can relieve stress.

Research on emotions and their relationship to resilience

Neural and endocrine processes in the brain affect and are affected by emotion. These interactions influence perception and mood, and all of this impacts our thoughts and behavior. Leadership

requires the exercise of influence or power, which can result in a form of stress called “power stress.” Situations perceived as being uncontrollable or highly uncertain, where the stakes are high, can be even more stressful than other types of situations. For leaders to remain centered and resilient during times of crisis, they need practices to build sustainable behavior and create cycles of renewal (Boyatzis & McKee, 2005).

Recent published research on the power of positive emotions shows that emotions are contagious and the mood of a leader can have a profound impact on the people they lead (Goleman, Boyatzis, & McKee, 2001; Frederickson, 2009). The old question “What mood is the boss in today?” points to this impact. It reflects the concern by staff as to whether one can risk bringing up something new and whether or not it may be well received. This is common with leaders who are emotionally volatile and moody.

Barbara Frederickson, professor at UNC-Chapel Hill, has looked at a range of positive emotions—from appreciation to love, from amusement to joy, from gratitude to hope, and more. She studied the long-term impact of what is called *positivity* on character, relationships, communities, and environment. Positivity is a broad term meant to encompass the positive meanings and optimistic attitudes that trigger positive emotions, and includes a palette of ten emotional experiences: joy, gratitude, serenity, interest, hope, pride, amusement, inspiration, awe, and love. Each of these holds the ability to broaden and build one’s life, to open and transform the way one sees and operates in the world. Together, they impact our energy, motivation, and engagement at work, all factors for high performance and success.

Frederickson has found that the tipping point predicting whether people languish or flourish is captured by something called the *positivity ratio*, simply the ratio of perceived positive to negative experiences and their related emotions, that occur daily and over time. Research has shown that for individuals, marriages, and business teams, flourishing—or doing remarkably well—comes with positivity ratios above 3:1. Positivity seems to be one of the secrets to becoming resilient (Frederickson, 2009).

Other resiliency factors are overall adaptability and recovery (how quickly we can rebound), our personal energy management, and our level of optimism. Furthermore, emotional-intelligence scientist Reuven Bar-On (2001, p. 92) showed that several factors for resiliency are strongly correlated, e.g., the EI competencies of Optimism, Happiness, Self-regard, and Self-actualization (living a meaningful life). In fact, Bar-On has declared self-actualization as the apex of all the EQ skills. One can live a life of self-actualization by creating a state of emotional well-being that is rich and balanced.

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In evaluating the overall success of coaching as a leadership development tool for an agency, improvements noted in management skills were in many cases inextricably linked to resiliency practices that coaches helped to develop in their clients over a period of time.

COACHING PRACTICES TO BUILD RESILIENCY

In providing support for government executives faced with organizational change and crisis, coaches worked to help them develop a resiliency toolkit incorporating a number of practices. This toolkit helped the client strengthen one of the primary emotional intelligence domains, that of self-management.

Coaches used a variety of practices to improve on and build resiliency in their clients. Not all clients needed or were interested in doing this work. For those interested, the coach customized his or her approach to the client and their own stage of resiliency development. To be successful in developing leadership resilience, coaches first assessed their client's strengths in each of the dimensions of being (body, mind, heart, and spirit), and their relationship to each other before crafting a change resiliency development plan.

Assessments

Coaches used a variety of assessments to gather data on self-awareness and the perceptions of other colleagues—360 surveys, personality type indicators, and emotional-intelligence self-assessments. Examples of the 360 surveys included Benchmarks, The Leadership Circle Profile, the OPM Leadership 360, the EQ360, and old-style 360s using structured interviews. Other assessments included the MBTI, Firo-B, the EQi, Strengths Finder, and lifestyle surveys assessing stress, nutrition, sleep, exercise, and relaxation.

A stress management assessment was sometimes used to help leaders understand and assess their own level of stress and resiliency. A number of factors were taken to assess how stress manifested in the client. For example, stress can manifest as physical tension and pain (neck and back), impatience and lack of emotional self-control (spontaneous anger and yelling at people), fatigue and evidence of inadequate amounts of sleep (minimum of seven hours preferred). On the other hand, several factors contribute to the mitigation of stress, including nutritional diets and restrictions in the use of nicotine, alcohol, caffeine, and sugar.

This stress assessment was done through the use of surveys, interviews, and self-assessment instruments. Observations of posture and range of movement, language and choice of words to describe one's situation, and other factors were used to give interpretive insight into the overall level of stress in the client. Because executives often spend so much time thinking and are usually unaware of their bodies, building somatic awareness was often one of the first places to start. If the body relaxes, the mind follows.

On the levels of body and mind, bamboo provides a useful visual metaphor to understand resilience. Bamboo bends with the wind, is strong yet extremely flexible, and quickly recovers from being bent. This metaphor is widely used in martial arts schools to stress the importance of flexibility and discipline needed in the mind and body of a warrior. The ability to quiet the thinking mind and relax the emotions is necessary to achieve peace, the place from which grounded, embodied learning can occur.

Emotional self-awareness

Emotional Intelligence assessments such as the EQi and EQ360 provide measures of emotional self-awareness, which can be used to open conversations about the client's depth of awareness and how others perceive their ability to manage their emotions. Coaches worked with some clients who were impulsive, reactive, and abrasive in their communication with direct reports and peers. Until they received their 360 feedback results, however, they thought they were just doing what was needed to get results. They didn't understand the damage that they created in their relationships. Results from other feedback and follow-up interviews with selected raters often expanded the picture and provided specific examples.

Work on clearing the emotional space was usually needed before action could be taken on expanding the range of emotions and their management. This can be summarized by the following observations of one coach:

Taking new actions requires a new emotional space or stance to act from. Simply telling a client to stop getting triggered when the boss criticizes his or her work performance in front of others will not result in the client being less triggered. The emotional system doesn't respond to commands. (Hughes & Terrell, 2008, p. 131)

Rather, creating a new space of emotional well-being is important to developing a path to a resonant life, one which is balanced, congruent, and emotionally vibrant. By committing two percent of your time each week to reflect on and build a plan for self-actualization, one begins to move toward experiencing a fulfilled life where feelings of deep emotional satisfaction come from living a life congruent with purpose and passion. This simple practice can help one withstand crises and disappointments arising in the moment (Hughes, 2007).

Emotional learning and mood

Learning happens in and through language and the body, as well as its moods and emotions; it is a structural and biological transformation (Maturana & Varela, 1987). Our internal thoughts and the language we use to describe our world influences our ability to experience a new way of being. Linked to the mind and

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emotions, the shape of our body, including its level of tension and stress, can affect our ability to contain and learn new emotions and to manage stress. So new emotional learning often starts with strengthening the intrapersonal competencies of self-regard, emotional self-awareness, assertiveness, independence, and self-actualization.

Resilience is needed in the emotional realm too. This comes first from emotional self-awareness with an understanding of one's mood in the moment, appreciation for its overall persistent affect, and the ability to manage and express our emotions. This extends to the range of awareness of one's emotional feelings, from love to hate and joy to despair. Most people have a rigid and limited range of emotional awareness. In some clients, improving one's ability to manage emotions avoided degraded interpersonal relationships and employee disengagement. (This can be particularly important when working in a team environment.)

Research has shown that moods are contagious and one person's negativity can affect another's, resulting in an emotional virus that spreads (Goleman, Boyatzis, & McKee, 2002; Frederickson, 2009). A leader's ability to manage his or her moods is critical to ensuring a positive work environment. As Zenger and his colleagues noted in their book, *The Inspiring Leader*,

Working in an organization in which people see the bright side is a night-and-day difference from being involved with those who can see only the dark side. Leaders strongly influence the degree to which people have optimism and hope regarding the future of the organization and their role in it. (Zenger, Folkman, & Edinger, 2009, p. 36)

OTHER PRACTICES

Following are some other practices coaches used with their clients to enhance their resiliency and ability to manage stress. The list is not exhaustive.

Stress awareness, management, and mind-body practices

Today's leaders faced with crisis or extraordinary change are undergoing stress at many levels. Stress can become so habit-forming that it numbs your brain to the urgency of addressing it. Workloads and pressures are often so intense that leaders believe they can't take time to deal with the stress. This can lead to a downward spiral of less time for self-care and reduced time with family, adding more stress. Ultimately, this can lead to catastrophic leadership failure if not caught in time. The American Institute of Stress notes that 75 to 90 percent of visits to primary care physicians are for stress-related complaints (Rosch, 1991).

Stress often starts with feelings like tension, irritation, or worry, and then escalates into stronger emotions of frustration, anxiety, or anger (Childre & Rozman, 2005). Once you become aware of these feelings, then practices that lead to calming the mind and relaxing the body are good places to start. When the body has to keep working despite mental and emotional overload, it churns out stress hormones that can lead to memory loss, anxiety, sleeplessness, and depression (*ibid.*).

Mind-body practices include various forms of meditation such as Zen, yoga, breathing, chanting, visualizations, centering exercises, therapeutic massage or combinations of these to accelerate and deepen overall relaxation. Tai Chi, Qi Gong, and various forms of martial arts are sometimes suggested as a means to reduce tension in the mind and body and to reinvigorate energy flow through centered movement. Body-centered work on strengthening and flexibility through exercise at a gym is also suggested. Additional research in the field of somatics (from the Greek, meaning “the living body in its wholeness”) can be found in works by Thomas Crum (Crum, 1997, 2009), Richard Strozzi-Heckler (Strozzi-Heckler, 1997, 2003) and Stuart Heller (Heller & Surrenda, 1995).

Spiritual renewal

One of the spiritual practices to help leaders overcome negativity, fear, and increase their positivity ratio is the simple Japanese practice of self-reflection called Naikan. Rooted in the Japanese tradition, Naikan is a structured method for intensely meditating on our lives, our interconnections, our missteps. Through Naikan, we can develop a natural and profound sense of gratitude for blessings bestowed on us by others, blessings that were always there but went unnoticed (Krech, 2001). This practice improves optimism and provides a way to quiet the mind. We find inner peace by shifting from a preoccupation with self to connecting with the natural rhythms of life. The founder of the positive psychology movement, Martin Seligman (2004, 2006), provides numerous other practices to learn optimism and develop authentic happiness. Coaches also reported that some clients used daily prayer (within a number of different religious traditions) as a means of reflection and centering. This provided clients with strength and hope, especially during times of crisis and uncertainty.

In their book, *Leadership Agility*, Joiner and Josephs (2008) describe a resilient attitude and the practices to develop it:

If you want to maintain a resilient attitude, we recommend three brief daily practices: aerobic exercise, a centering practice (using a relaxation or meditation technique), and a simple ‘creative practice’ that you find both satisfying and invigorating. Experience has shown that doing each of these practices for an average of just fifteen minutes each day builds a palpable feeling of well-being and a reliable reservoir of resilience. (p. 211)

Practicing good health

Results of medical tests by a physician (supplemented with health survey data) can provide an incentive for making improvements in nutrition—in such diverse areas as hydration, sleep, and the intake of alcohol, caffeine and sugar. Periodic detoxification cleansings can reestablish balance and proper body functions. This rebalancing contributes to stress reduction and stress management—which are fundamental to resiliency.

LESSONS LEARNED AND FUTURE PROGRAM IMPROVEMENTS

Over the past five years we have learned a number of lessons about building effective executive coaching programs that can evolve to serve the changing needs of leaders in government financial institutions. Here are a few conclusions:

- Coaches can help leaders plan for organizational transitions to minimize the stress placed on the workforce and themselves.
- Coaches can help leaders improve critical emotional and social effectiveness skills necessary to engage people and create positivity in the workplace. These skills are essential to building a foundation upon which to improve the management of human capital and succession planning.
- Coaching can provide important support to leaders faced with change and crisis. Leaders regain perspective when overwhelmed, exhausted, or experiencing diminished confidence.
- Coaches can help leaders become more aware of their stress and develop a stress management plan needed to regain and build mental, emotional, physical, and spiritual balance. This can lead to improvements in work-life balance. They can help leaders develop resiliency necessary to build a sustainable leadership. Build upon past program success and continue to more explicitly make the business case for coaching as an essential tool for developing future leaders. Capture and publicize leader testimonials about their experience linked to improvements in business results.
- Add questions to evaluation surveys to better quantify return on investment and return on value and conduct longitudinal studies of the long-term impact of coaching.
- Require formal assessments as part of every coaching engagement, including more attention to assessing participant emotional and social effectiveness skills.

- Develop mentoring programs for new managers and provide coaching skills for mentors.
- Within budget constraints, expand coaching availability to other managers and levels within the organization. This could include expanding the internal coaching cadre within the organization.
- Provide an opportunity for coaching participants to meet periodically as a learning group in order to share experiences. This could begin to create an ongoing network of support for developing future leaders.

Resilient leaders are more effective in responding to a challenging and ever-changing environment and in developing the teams around them with similar strengths.

RESOURCES

The Obama Administration's proposal for regulatory reform: see U.S. Department of Treasury, *Financial Regulatory Reform- A New Foundation: Rebuilding Financial Supervision and Regulation (June 2009)*, available at http://financialstability.gov/docs/regs/FinalReport_web.pdf

Department of Treasury, www.treasury.gov

Federal Depositors Insurance Corporation, www.fdic.gov

Federal Reserve Board of Governors, www.federalreserve.gov

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