

# Coaching and Philanthropy

AN ACTION GUIDE FOR COACHES

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Produced in partnership by



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## About the Coaching and Philanthropy Project

In partnership with Grantmakers for Effective Organizations, BTW *informing change* and Leadership that Works, CompassPoint Nonprofit Services launched the Coaching and Philanthropy Project (CAP) to assess and advance coaching as a strategy for building effective nonprofit organizations.

The CAP Project is a deep dive into learning about the nonprofit sector's support for and use of coaching, something no one has examined to this extent before. The result is a large body of information and ideas that the CAP Project seeks to consolidate and share with peers in the philanthropic and nonprofit sectors and in the field of coaching.

This guide draws on data that we have collected for more than three years as part of the second phase of the CAP Project. During this period, we have gathered information and suggestions from hundreds of individuals, including nonprofit leaders who have received coaching, coaches who have provided coaching to nonprofit leaders, intermediaries and others who arrange for nonprofit coaching, and grantmakers who support coaching in a variety of ways for their nonprofit grantees.

Research for the CAP Project included four different surveys completed by nearly 300 respondents, two dozen interviews, and focus groups and listening sessions with more than 50 individuals. This data collection effort built on the first phase of the CAP Project, which assessed the prevalence and types of support for nonprofit coaching.

In addition to citing the CAP Project's original research, this guide references data and documents that fall outside the partners' data collection for this phase of the CAP project, as well as documents produced by other individuals and groups.

Since coaching in the nonprofit sector is a fairly new practice, much of our research has looked at the early adopters of coaching — that is, grantmakers, nonprofits and coaching providers that are experimenting with various approaches as they try to determine when coaching works best and what methods and strategies are most effective.

The CAP Project is funded by the W.K. Kellogg Foundation, The Harnisch Foundation, The James Irvine Foundation, the David and Lucile Packard Foundation, and the Evelyn and Walter Haas, Jr. Fund.

This guide is part of a series. For more information and resources, including action guides on coaching for grantmakers and nonprofits, please visit the CAP Project's Online Toolkit at [/www.compasspoint.org/coaching](http://www.compasspoint.org/coaching). Throughout this guide the Online Toolkit icon (  ) refers readers to specific resources that are available online.

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# Coaching in Context

People have always known intuitively that leaders shape their organizations. It's just common sense. But recent scholarship in management studies is providing a growing understanding of how leaders contribute — or don't — to an organization's prospects and success. Leadership development, in turn, has emerged as a priority in all sectors; organizations invest billions of dollars annually in activities intended to enhance the leadership abilities of senior executives, board and staff.

Leadership development can mean a lot of different things — from MBA-style programs and sabbaticals for executives to classroom training and wilderness outings for current and future leaders. Coaching, which the business sector has long viewed as a way to support current and emerging leaders, is just beginning to take hold in the nonprofit world as a core leadership development activity. See "What Helps Leaders Grow: Highlights from the Fund for Leadership Advancement" available in the Online Toolkit. 

## WHAT IS COACHING?

In a coaching relationship, an individual with leadership and coaching experience (the coach) provides customized support to one or more nonprofit leaders (coachees) for a limited period of time.

Several different types of coaching are available to nonprofit leaders, including organizational, life and career coaching. The focus of the CAP Project's work is organizational coaching. While this type of coaching inevitably touches on personal and career issues confronting the leader, the focus is on the needs of the leader within the context of the organization.

Organizational coaching creates opportunities for individuals to develop their leadership capacities as they address challenges and opportunities facing their organizations. As the CAP Project defines it, organizational coaching is:

- ▷ A process that supports individuals to make more conscious decisions and take new action that will help their organizations succeed.
- ▷ A way to provide leaders with a confidential “safe space” for reflecting and learning and to create actionable strategies for achieving specific goals.
- ▷ An investment in the development of an individual.
- ▷ A reward for top performers and emerging leaders to help them succeed and grow in their jobs.
- ▷ A process that engages people to solve their own problems or reach their own solutions, rather than imposing solutions from outside.
- ▷ A means of fostering awareness, accountability and action, resulting in improved individual and organizational performance.

Coaching can have enormous value as a stand-alone strategy for developing leaders and their organizations. In addition, the CAP Project’s research shows that increasing numbers of grantmakers are incorporating coaching into broader leadership development and organizational capacity-building programs for nonprofits to maximize the impact of these investments. In these instances, coaching becomes one tool among several for strengthening the organization and its leadership. Coaching is offered alongside consulting, training, peer learning and other supports.

The key to successful coaching in these instances is for coaches to understand the goals of the overall program, and to coordinate coaching with other supports. Coaching, for example, can provide a forum for leaders to explore and discover how best to apply new learning gained through training and other activities to their day-to-day work. Coaching also can help leaders develop plans for making the most of organizational consulting in areas from board development to strategic planning.

## WHAT DOES COACHING OFFER IN COMPARISON TO OTHER FORMS OF SUPPORT FOR NONPROFIT LEADERS AND THEIR ORGANIZATIONS?

Coaches should be sure to distinguish between coaching and other forms of support, including consulting and even therapy. The authors define the differences as follows:

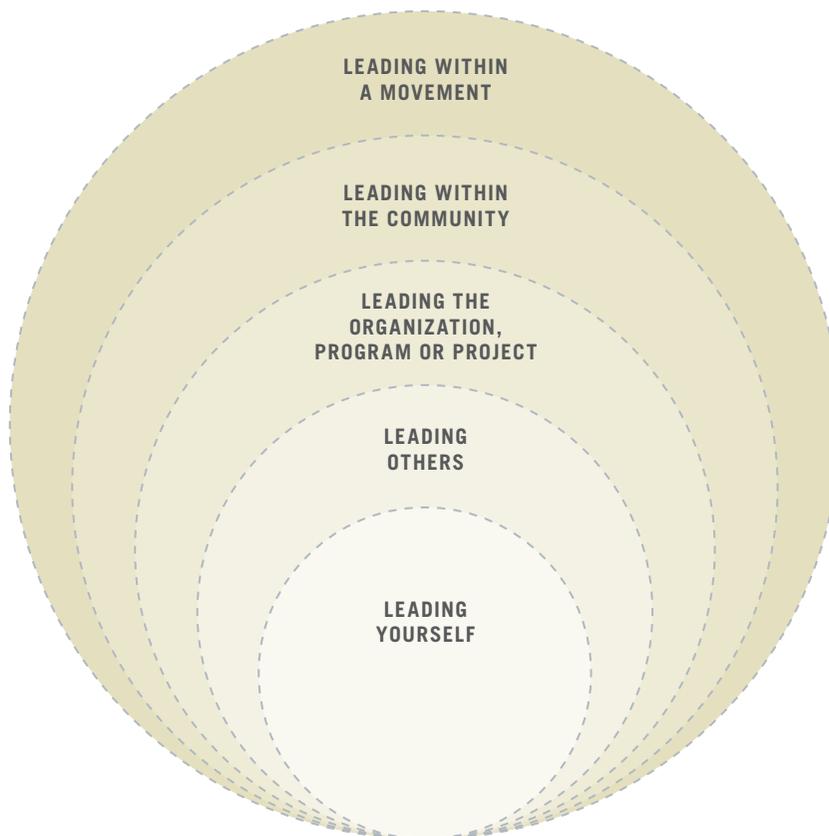
**Coaching vs. other forms of leadership development (e.g., training).** In contrast to some other forms of leadership development support, which often provide general guidance applicable across a range of situations and organizational contexts, coaching is tailored to the individual coachee. The content of coaching is based on coachees’ experiences and their reflections on their strengths and weaknesses, the specific contexts in which they are working, and their hopes and aspirations for themselves and their organizations.

**Coaching vs. consulting.** Traditional organizational consulting focuses on the whole organization. Consultants bring their technical expertise to bear as they work with executive leaders, senior staff, and board members on strategies, structures, policies, and procedures to improve the effectiveness of the organization. Coaches, by contrast, apply expertise in personal development and organizational behavior to provide one-on-one support for leaders. The coach’s goal is to help leaders make more conscious decisions and pursue actions in their professional or personal lives that benefit the organizations they lead.

**Coaching vs. therapy.** Coaching’s emphasis on personal as well as professional issues can create the perception that it is a dressed-up form of psychotherapy. It is not. The therapist is concerned about the individual’s functioning and well-being across a range of settings, with a focus on resolving conflict for individuals and groups and healing pain. The focus of coaching is on bridging the personal and the professional in ways that contribute to stronger leadership.

## From Individual to Organization and Beyond

Coaching can have a ripple effect on organizations, communities and entire movements as an individual or team begins to lead more effectively.



▷ Source: CompassPoint Nonprofit Services. Adapted from the work of the Center for Creative Leadership, Grantmakers for Effective Organizations, David Day and Building Movement Project. The Leadership Development Investment Framework from Leadership Learning Community, available in the online toolkit.

 [www.compasspoint.org/coaching](http://www.compasspoint.org/coaching)

## HOW COMMON IS COACHING?

Coaching has become a popular form of leadership support among private-sector organizations. A 2008 survey by the American Management Association found that 52 percent of North American companies use coaching, and more than half of these are using coaching more now than in the past. According to the *Harvard Business Review*, the private sector in the United States spends more than \$1 billion on coaching each year.<sup>1</sup>

The top reason why private-sector companies turn to coaching is to develop “high potentials” or to facilitate transition, according to a 2009 *Harvard Business Review* article. “Ten years ago, most companies engaged a coach to help fix toxic behavior at the top. Today, most coaching is about developing the capabilities of high-potential performers,” researchers Diane Coudu and Carol Kauffman report.<sup>2</sup>

In contrast to its widespread application among private companies, coaching remains an emerging practice in the nonprofit sector. *Daring to Lead*, a 2006 study that followed up with nonprofit executives surveyed in 2001, states that coaching “is becoming a more frequent tool for sustaining and improving executive leadership.” According to the report, 25 percent of nonprofit leaders said they had used a coach, although the report’s authors acknowledge that the term “coaching” can mean different things to different people.<sup>3</sup> In the 2008 *Ready to Lead* study, which focused on the needs of next-generation nonprofit leaders, 12 percent of respondents reported that they have worked with a paid professional coach.<sup>4</sup>

## How Do Nonprofit Coachees Find Their Coaches?

- 30% Through a management support organization<sup>6</sup>
- 26% Through a professional colleague outside their organization
- 14% Through a funder
- 12% Already knew or had previously worked with their coach

Source: BTW *informing change* (2009). The Coaching and Philanthropy Project Nonprofit Coaching Survey.

While many nonprofit leaders find their coaches through word of mouth or with the assistance of funders, others seek assistance from Management Support Organizations (MSOs) (see table). When surveyed as part of the CAP Project, 15 out of 17 responding MSOs said they offer coaching referral services to nonprofit clients.<sup>5</sup>

<sup>1</sup> Stratford Sherman and Alyssa Freas, “The Wild West of Executive Coaching,” *Harvard Business Review*, November 2004.

<sup>2</sup> Diane Coudu and Carol Kauffman, “What Can Coaches Do for You?” *Harvard Business Review*, January 2009, p. 1.

<sup>3</sup> Jeanne Bell, Richard Moyers and Timothy Wolfred, *Daring to Lead: A National Study of Nonprofit Executive Leadership*, 2006, p. 23, a joint project of CompassPoint Nonprofit Services and The Meyer Foundation, available from [www.compasspoint.org](http://www.compasspoint.org).

<sup>4</sup> Marla Cornelius, Patrick Corvington, and Albert Ruesga, *Ready to Lead: Next Generation Leaders Speak Out*, 2008, p. 13, a joint project of CompassPoint Nonprofit Services, The Annie E. Casey Foundation, the Meyer Foundation, and Idealist.org, available from [www.compasspoint.org](http://www.compasspoint.org).

<sup>5</sup> Michelle Gislason, Regina Sheridan, and Kim Ammann Howard, “MSO Coaching Survey,” BTW *informing change* and CompassPoint Nonprofit Services, June 2009, available at the Online Toolkit. [www.compasspoint.org/coaching](http://www.compasspoint.org/coaching).

<sup>6</sup> Examples include Center for Creative Leadership, CompassPoint Nonprofit Services, Executive Service Corps, and Management Assistance Group. For a complete list of management support organizations, visit [www.idealists.org](http://www.idealists.org).

## WHAT DO NONPROFIT LEADERS WANT TO GAIN FROM COACHING?

Many nonprofit leaders view coaching as a way to develop and hone key leadership and management skills. Asked why they wanted a coach, 67 percent of coachees surveyed by the CAP Project chose “to develop leadership skills/confidence” as a high priority.

A majority of coachees also gave high priority to enhancing management skills or confidence, developing

a better balance of the personal and professional in their lives, and managing organizational change more effectively.

Nonprofit leaders using CompassPoint’s coaching referral and matching service have cited a similar assortment of motivations and goals. The table that follows presents “coaching intake themes” derived from that service during a 12-month period, ranked in order of priority.

	REASONS FOR SEEKING COACHING HELP	PRIORITY ISSUES
1	Managing Others	Delegating, giving feedback, dealing with different personalities or leadership styles, managing up
2	Self-Awareness	Identifying or refining communication style, identifying personal strengths and personal vision
3	Self-Management	Managing time, organizing work, managing stress
4	General Leadership/ Sharing Leadership	Transitioning from manager to leader, embracing power and responsibility of position, communicating vision, obtaining alignment of vision, maintaining external relationships, strengthening and managing board relationships, building self-confidence, developing bench strength, developing staff leaders, beginning to plan for succession
5	Change Management	Developing personal strategies for managing change, obtaining buy-in from others, developing new identity as organization, dealing with emotions of change, managing culture change
6	Targeted Content Coaching	Developing capacity and skills to address discrete, well-defined organizational issues such as finance, board development or raising funds
7	Work-Life Balance	Dealing with burnout, prioritizing work, caring for self, setting boundaries, saying no
8	Personal Professional Development	Planning for professional development, career planning, identifying strengths and weaknesses as they relate to personal growth
9	Transitioning Out/ Transitioning In	Transitioning Out: Developing an exit plan, determining when to leave and what’s next, letting go, dealing with “founder’s syndrome”  Transitioning In: Dealing with pressures facing the new executive director or manager, meeting expectations, understanding the “what” of the job and how to set up self for success

Source: CompassPoint, Coaching Referral and Matching Service Intake Data, September 2008 – September 2009.

## WHAT DOES IT TAKE TO BECOME AN EFFECTIVE COACH IN THE NONPROFIT SECTOR?

The CAP Project undertook three efforts aimed at determining and supporting the skills and core competencies needed to be an effective coach in the nonprofit sector, as follows:

1. The CAP Project's Competency Model Survey gathered information from coaches with deep experience in both the nonprofit sector and coaching to identify their critical competencies and coaching practices.
2. The Coach Training Pilot Project (CTPP) offered coaching certification training to professionals and consultants of color with deep roots in the nonprofit sector. As part of the project, we gathered information about coaching competencies, especially in the area of cultural competency.
3. The Leadership Coaching Learning Circles brought together practicing nonprofit coaches from around the country to share learning and best practices and provide support.

These three efforts surfaced a wealth of information about effective coaching in the nonprofit sector. For example, we found that coaches with nonprofit experience, including those who served as executive directors or board members, are better prepared to help nonprofit leaders and organizations. We believe this is because these coaches have a greater understanding of the unique challenges of the sector. We also found a growing interest among nonprofit leaders and their funders in seeking “bridgers” — that is, coaches who bring both a deep understanding of the nonprofit context and deep knowledge of the core competencies and ethical guidelines of coaching.

In reviewing what we learned through this work, the CAP Project has divided the competencies required of coaches working in the sector as follows: understanding of nonprofits; core coaching skills; and cultural awareness.

**Understanding of nonprofits.** According to the CAP Project's surveys and interviews, coaches need to understand the context of the nonprofit sector, and the ways in which nonprofit organizational structure differs from that of for-profit organizations. Key areas where coaches should have a detailed understanding of nonprofit contexts are:

**Nonprofit board governance structures,** including an understanding of the dynamics of leadership of the executive director, boards and board committees. For coaches, this means understanding who the primary client is and how to structure effective coaching engagements in a nonprofit setting.

**Fundraising and financial issues,** including undercapitalization issues, criteria used by funders to judge organizational effectiveness, third-party funding, and the financial leadership needs of nonprofit staff.

**Working with volunteers,** including the role of various stakeholders, and the complex system of the volunteer base.

**Nonprofit mission,** including the importance of mission in evaluating strategy, structure and process, as well as understanding and articulating the nonprofit “double bottom line” of mission and finance. This can also include motivation as it relates to the mission-driven aspects of nonprofit work and the implications for organizational cultures in the sector.

**The role of the executive director,** including knowledge of the complexity of the executive director role — for example, managing the needs and expectations of clients/members, staff, funders and the public.

**Unique human resource issues among nonprofits,** including, staff burnout issues, nonprofit staff who may be promoted for their dedication to the cause rather than their competence, or reluctance within many organizations to hold people accountable in nonprofits that do not pay sufficient salaries.

**Different cultures and needs across the sector,** including unique needs in arts, social services, environmental, social justice, grassroots and legal service-based organizations.

**Scarcity thinking**, including the nonprofit culture of scarcity (both real and perceived) and sacrifice around limited money, human resources, support and time.

Coaches can gain a better understanding of nonprofit contexts by taking leadership positions in nonprofits or by volunteering or serving on a nonprofit board. Coaches surveyed by the CAP Project overwhelmingly agreed (95 percent) that in order to be effective working in nonprofits, coaches need to understand nonprofit organizational culture. However, only 25 percent of those surveyed said previous experience working (as a staff member) in nonprofit organizations was important.

**Core coaching skills.** The importance of certification for coaches is a matter of substantial debate within the nonprofit sector. Given the varying quality of coaching education programs, the lack of standards, the lack of emphasis in some coaching programs on cultural awareness and diversity issues, and other factors, the authors believe certification should not be a crucial determining factor in the decisions nonprofit leaders make about whom to hire as a coach. We do, however, believe that coaches should have formal training in coaching, including highly developed skills in listening, inquiry, and planning, as well as the following:

- ▷ An active, solutions-based, creative coaching process.
- ▷ Flexibility in working face-to-face or over the phone.
- ▷ Understanding of who the client is and how to set up relationships between the leader, the board and the funder.
- ▷ Ability to work from an asset-based or strengths perspective (to balance out those nonprofit leaders who tend towards deficit or scarcity thinking).
- ▷ Understanding of coaching that is rooted in the client's and the organization's core values, and how personal and organizational values affect the coachee.

- ▷ Clear understanding of the issues of power and culture.
- ▷ Ability to surface recurring themes, and strategically engage client in self-reflection and appropriate action.
- ▷ Ability to engage in strategic thinking with the coachee.
- ▷ Commitment and ability to be self-reflective (e.g., through continued learning, self-awareness and cultural awareness/diversity).
- ▷ Knowledge of how to track progress and hold the client accountable to his or her goals and commitments (see page 24 for a fuller discussion of how to assess and track the impacts of coaching).

**Cultural awareness.** The CAP Project identified a great need for more culturally competent coaches who also have experience in the nonprofit sector. Coaches who work best with nonprofits demonstrate an ability to incorporate a cultural lens into all their competencies, and to apply coaching tools to addressing the impacts of different forms of oppression in society. This includes a readiness to go beyond one's own comfort zone, as well as the ability to know one's own social and economic story in order to increase understanding of the client. This suggests that coaches need training so that their work reflects a critical analysis of how power, privilege and difference play out in society.

The need for culturally competent coaches is clear. Some coaches who participated in the Blue Shield of California Foundation's Clinic Leadership Initiative, for example, reported that emerging clinic leaders who received coaching through the program often brought up issues of culture, race, gender, socioeconomic status and age in their sessions. According to an evaluation of the initiative, "Many of the institute participants are young, female and/or persons of color who are

confronting longstanding cultural norms, traditional roles or stereotypes as they try to develop their leadership.”<sup>7</sup>

Coaches lacking cultural competence may inadvertently neglect or gloss over critical, even pivotal, truths, including unspoken power dynamics within and between cultures. These coaches also may miss cultural values and communication styles that are key to understanding the coachee and her or his working environment.

Coach training programs should draw on the vast resources and training tools available on the topic and integrate cultural competency methodology into their training curricula. For example, leadership and faculty of training organizations could commit to incorporating issues of power, institutional and social inequities, and diverse cultural norms and values into coach training curricula. They could include culturally diverse examples in their curricula and exercises and increase the number of trainers of color in the field. Incorporating these elements could give coach training programs a competitive edge by making them more responsive to the reality of our multicultural world.

Because the CAP Project’s initial research indicates the coaching field in general appears to lack cultural and economic diversity, the authors recommend that the field of coaching — including coaches, professional organizations and coaching training organizations — develop a better understanding of specific challenges faced by people of color (and the social justice and movement-building organizations they often lead). We believe that as a field, coaching can take a stronger stand for the relevant and important role that culture plays in the lives of clients.

For more information on culturally aware coaching and to download the CAP Project’s report on coaching competency guidelines, go to the Online Toolkit.



[www.compasspoint.org/coaching](http://www.compasspoint.org/coaching)

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<sup>7</sup>Kim Ammann Howard and Kris Helé, BTW *informing change*, Memo to the Blue Shield of California Foundation and UCSF Center for the Health Professions, April 7, 2009.

# Making the Case for Coaching

## WHY SHOULD NONPROFITS AND THEIR FUNDERS CONSIDER COACHING?

Many nonprofit leaders and their funders are unfamiliar with coaching as a tool for strengthening leaders and organizations. Coaches can make the case for coaching by pointing to the variety of reports and research efforts documenting the urgent leadership challenges facing nonprofits today. These challenges include: nonprofit leaders are burned out; young and emerging leaders are not sure they want to stay in the sector because of the low pay, work-life imbalance and other concerns; and the sector needs to attract and develop new talent as a result of its expanding complexity and size.<sup>8</sup>

In the face of these challenges, coaching can provide nonprofits and their grantmakers with a powerful, cost-effective strategy for developing and supporting current and future leaders.

“This is a new and promising tool for leadership development for nonprofit leaders who find themselves in an increasingly challenging and often isolated role,” said Sylvia Yee, vice president of programs with the Evelyn and Walter Haas, Jr. Fund, which supports coaching for participants in its Flexible Leadership Investment Program.

Especially at a time when many nonprofits are facing enormous financial and operational challenges brought on by the economic crisis that began in the fall of 2008, coaching is a way to help ensure that nonprofit leaders have the time and space to make careful decisions. Coaching can provide targeted support to leaders in making the difficult choices that lie ahead — that is, in identifying what is vital to their mission and what they must keep, what they need to cut, and how to change the ways their organizations work in order to have greater impact.

In addition, by helping current and future leaders manage and reduce stress and find answers to personal and organizational challenges that keep them up at night, coaching can make an important contribution to keeping more good people in the sector and helping them grow as leaders.

One private-sector organization that has invested heavily in coaching is Deloitte, the international accounting and consulting firm. Deloitte has found that coaching can lead to greater personal satisfaction, improved team performance and ultimately higher profits for the company.<sup>9</sup> According to Stan Smith, founder of Deloitte Career Connections, career coaching alone has saved Deloitte more than \$150 million because of reduced attrition.

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<sup>8</sup> On burn-out see CompassPoint Nonprofit Services and the Meyer Foundation, Jeanne Bell, Richard Moyers and Timothy Wolfred, *Daring to Lead*. On young and emerging leaders of nonprofits who decide to seek employment in other fields, see Maria Cornelius, Patrick Corvington and Albert Ruesga, *Ready to Lead? Next Generation Leaders Speak Out*, a national study produced by CompassPoint Nonprofit Services, Annie E. Casey Foundation, Meyer Foundation and Idealist, 2008. On attracting new senior managers see Thomas J. Tierney, “The Nonprofit Sector’s Leadership Deficit,” 2006, The Bridgespan Group, [www.bridgespan.org/learningcenter/resource/detail.aspx?id=946](http://www.bridgespan.org/learningcenter/resource/detail.aspx?id=946).

<sup>9</sup> Paul Parker and Mark McLean, “Creating a Coaching-Centered Work Culture,” panel presentation at International Coach Federation Conference, October 2007, Long Beach, California.

Another corporate supporter of coaching is Microsoft, which offers executive coaching for employees “who have the potential for, and strong interest in, taking on more senior, critical roles as individual contributors or managers.” Microsoft’s rationale for supporting coaching: “A coach offers a third-party, objective support for the leader’s improvement efforts” and focuses on “changing leadership behavior in the workplace.” Microsoft also invests in Peer Learning Circles, which use coaching and feedback to advance leader development.<sup>10</sup>

Although nonprofits have unique needs and characteristics, coaching can deliver to nonprofit organizations many of the same benefits that it provides to businesses like Deloitte and Microsoft, connecting individual development to better organizational results.

## WHEN DOES COACHING WORK BEST?

The top reasons why private-sector companies turn to coaching are to develop “high potentials” or to facilitate transition, according to a 2009 *Harvard Business Review* article. “Ten years ago, most companies engaged a coach to help fix toxic behavior at the top. Today, most coaching is about developing the capabilities of high-potential performers,” Diane Coutu and Carol Kauffman report.<sup>11</sup>

In the nonprofit sector, many coaches, coachees and grantmakers consider coaching to be especially valuable at an “inflection point” in the life of an organization — for example, when its leaders and senior staff are dealing with an executive transition, the organization is embarking on a new mission or strategic plan, or when the organization is undergoing an expansion in programs or funds.

“The most successful grants we have made for coaching are to executive directors facing a pivotal moment in the life of the organization,” said Rick Moyers, director

of programs with the Eugene and Agnes E. Meyer Foundation in Washington, D.C. “These are times when people need help managing change and sorting through a number of competing priorities.”

Grantmakers and nonprofit leaders also value coaching as a catalyst for enhancing the effects of other interventions designed to develop leadership and organizational effectiveness, including outside training and seminars, organizational consulting and more.

## Coaching’s Primary Benefits

According to David Coleman, a seasoned executive coach who works with nonprofit leaders, the primary benefits of coaching are as follows:

- ▷ Helping leaders gain new perspectives on themselves and their situations
- ▷ Building the confidence of leaders
- ▷ Retaining valued employees
- ▷ Developing new leaders
- ▷ Bringing renewed energy to longtime leaders so they can recommit to the tasks ahead

Source: David Coleman, “A Leader’s Guide to Executive Coaching,” *Nonprofit Quarterly*, Spring 2008.

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<sup>10</sup> Marshall Goldsmith and Louis Carter, *Best Practices in Talent Management: How the World’s Leading Corporations Manage, Develop, and Retain Top Talent* (San Francisco: Pfeiffer, 2009), page 201.

<sup>11</sup> Diane Coutu and Carol Kauffman, “What Can Coaches Do for You?” *Harvard Business Review*, January 2009, p. 1.

## HOW CAN COACHING CONTRIBUTE TO THE DEVELOPMENT OF NONPROFIT LEADERS?

In the CAP Project's survey of coachees, almost two-thirds said coaching was "very effective" compared to other types of leadership development support and tools for organizational effectiveness, such as training, workshops, classes or seminars. Coaching provides the individual nonprofit leader or team with the following:

### **A safe space for reflection and feedback.**

Coaching provides a safe space for leaders to air concerns about their jobs and about the problems facing their organizations — and to consider solutions. Since coaching is confidential, leaders, especially executive directors, appreciate the opportunity to break out of their isolated roles, talk to someone about their strengths and challenges, and chart a productive path forward for themselves and their organizations.

"Through coaching ... I have a sense of owning this job and a **sense of competence and assuredness about doing the job** that I think would have otherwise taken years and years (and lots of heartache and not great learning experiences) to gain."



**Increased self-awareness.** A major outcome of coaching for the individual leader is a higher level of self-awareness, which, along with self-management, many consider to be a prerequisite for strong leadership.

To the extent that coachees understand and reflect on their strengths and weaknesses as leaders, they can use the coaching relationship to spur new thinking and to adjust their leadership styles and behaviors. Coaching can provide the impetus for changing how leaders interact with the staff and board, delegating more responsibilities to others, or making other changes in how they set priorities and allot their time.

Many coaches and organizations that sponsor coaching for nonprofit leaders recognize the importance of self-awareness in successful coaching and start the process by offering a range of opportunities for self-assessment, such as feedback on an individual's work performance, strengths and areas for improvement from the individual's colleagues and peers.

"I am **less frenetic and more present** as a result of the coaching. Now, instead of rushing to answer 50 e-mails at once, I pause and take a breath and realize I have a choice of what to do next."



In addition, effective coaches hold up a mirror to their coachees in a way that coworkers and others can't. "Coaches push people to honesty," according to Christine Kwak, a program director at the W.K. Kellogg Foundation. "They say things no one in the world will have the courage to say so people get the kind of reflection they can't get anywhere else in their life."<sup>12</sup>

**Better management skills.** Nonprofit leaders sometimes are viewed as "accidental managers." When asked what called them to their work in the social sector, they often share a passion for an organization's mission, an interest in a particular field such as the arts, health services, youth or education, or a desire to work in community organizing.

Rarely do nonprofit leaders say they came to the sector because of a desire to manage others.

Coaching can support individuals to develop their management skills and business savvy. At a time when the job of a nonprofit leader is increasingly complex, requiring close attention to the needs of a diverse array of stakeholders, coaching helps leaders prioritize key tasks and learn to manage time more effectively. Last but not least, coaching can help leaders develop their own skills as coaches so they can work to create a coaching culture in their organizations.

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<sup>12</sup>Sue Hoye, "Staying at the Top of their Game." *Chronicle of Philanthropy*. October, 2007 available at [www.philanthropy.com](http://www.philanthropy.com).

**Higher levels of confidence, clarity.** Coachees regularly report that coaching strengthens their ability to step into their leadership roles with greater confidence. Coachees also say coaching gives them a higher level of clarity about their career goals. It can yield a stronger commitment to their current positions — and, for some, a clearer understanding that it's time to leave. Coaching also has helped many participants clarify specific aspirations that relate to their development as leaders, including decisions to continue their education, gain or strengthen specific skills, or shift their current job responsibilities.

## HOW CAN COACHING CONTRIBUTE TO THE SUCCESS OF NONPROFIT ORGANIZATIONS?

Coaches, nonprofit leaders and grantmakers regularly refer to the ripple effect coaching can have on organizations (see graphic, page 4). As an individual or team begins to realize personal benefits from coaching, those benefits can spread throughout the organization to enhance its overall efficiency and effectiveness. Some specific organizational benefits of coaching include:

**Stronger Leadership.** The CAP Project's survey of individuals who have worked with an executive coach for at least three months found that respondents believe coaching contributed to significant improvements in key leadership and management skills. Coachees' responses to open-ended questions pointed to specific benefits accruing to their organizations.

"I am trying to be **more sensitive to process and relationships** as opposed to being so outcome-focused. It is hard, but I have come to realize that in order to work with boards and staff, I need to develop my emotional intelligence."



They said coaching helped them manage staff and personnel issues, as well as finance and fund-raising responsibilities, more effectively. They also said they were better equipped to handle conflict in their organizations because of coaching.

Nonprofit leaders also reported to the CAP Project that coaching helped them lead their organizations through a variety of changes, including mergers, quick program growth and organizational restructurings.

"I am altogether **more confident, and more willing to stand up for my ideas and vision** within my organization because of coaching. I am also willing to be more visible within the larger community, which is a big deal for me."



**Smoother Transitions.** Coaches, coachees and grantmakers alike especially value coaching as a means of helping organizations manage executive transitions successfully. "Whether you believe that over the coming years there will be a calamitous departure of senior nonprofit leaders that requires development of a new cohort or, alternatively, that there will be a more organic transition in which leaders are cultivated from within, organizations must develop leaders in-house and cultivate outreach to attract the right kind of leaders from other sectors," wrote executive transitions expert David Coleman in *The Nonprofit Quarterly*. He added: "Executive coaching helps minimize the time needed to prepare leaders for broader responsibilities."<sup>13</sup>

**Stronger Leadership Teams.** Coachees note that coaching has helped them understand that they cannot do the job of running their organizations on their own; they say coaching helped them take steps to strengthen staff and board leadership teams and to improve communications and interpersonal relationships with colleagues.

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<sup>13</sup>David Coleman, "A Leader's Guide to Executive Coaching," *The Nonprofit Quarterly*, Spring 2008.

By increasing the coachee's self-awareness, coaching helps leaders focus on the need to give up control and share work. It therefore contributes to the movement away from "solo or heroic" leadership<sup>14</sup> to "leaderful" organizations where leadership is spread throughout the nonprofit.<sup>15</sup>

Recent research is showing that new models of shared leadership and participatory structures are taking the place of traditional hierarchical structures and cumbersome, top-down decision-making in many organizations. Younger leaders and staff in particular show a preference for these newer models, which can nurture creativity and contribute to faster, more efficient operations.<sup>16</sup>

"[Coaching] helped us deepen our commitment to our shared leadership model, challenged us to be **more intentional and open in our communication** and opened our eyes to the abundant strengths and skills we share."



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<sup>14</sup> Peter Senge, "Leadership in Living Organizations". San Francisco: Jossey-Bass, 1999.

<sup>15</sup> Joseph Raelin, "Creating Leaderful Organizations". San Francisco: Berrett-Koehler, 2003.

<sup>16</sup> Fran Kunreuther, Helen Kim and Robby Rodriguez, "Working Across Generations". San Francisco: Jossey-Bass, 2008.

## WHEN TO USE COACHING

WHEN AN INDIVIDUAL WANTS TO ...	COACHING CAN ...
Excel in a new role and strengthen competency	Help the individual set priorities and/or develop key leadership skills
Function more efficiently, deal with being overwhelmed or achieve better work-life balance	Help the leader prioritize and make choices about what is important and how to manage time and set boundaries
Become a stronger supervisor and/or use coaching skills to manage others	Aid the individual in increasing self-awareness and developing management skills while providing the experience of having a personal coach as well as guidance in effectively coaching others
Address feelings of "loneliness at the top" or isolation in a leadership role	Provide a confidential partner who allows the individual to share concerns that he or she may not feel comfortable sharing with staff, board members or grantmakers
Transfer to a new role or function	Assist the individual in planning a successful move and in preparing for additional leadership responsibilities
Develop a career path	Help the individual to define career goals, inventory talents and skills, and explore and evaluate job options, either within the current organization or elsewhere <i>Note: This type of coaching is often considered career coaching.</i>
Leave the organization	Help the individual determine what's next, support the process of letting go and create a good ending with the organization

WHEN AN ORGANIZATION NEEDS TO ...	COACHING CAN ...
Ensure a successful organizational transition (e.g., the departure of an executive or a reorganization)	Assist individuals and teams in defining changes in roles and responsibilities, and in identifying system and process changes
Accelerate organization-wide change (e.g., growing or consolidating programs, creating a culture of collaborative decision making or integrating advocacy work in the organizational mission)	Bring greater focus and accountability to leaders as they develop new strategies for managing people and programs, building buy-in and accelerating change
Tap employee potential	Help develop and support good performers whose potential is not fully realized
Take advantage of learning opportunities such as external training, peer networks and sabbaticals	Provide opportunities for leaders and key staff members to think about and plan how to put new learning into practice within the organization

## WHEN COACHING IS NOT THE BEST SOLUTION

Coaching is not a cure-all. In fact, coaching can be precisely the wrong approach to the challenges facing an organization and its leaders.

### WHEN AN INDIVIDUAL IS ...

### A BETTER RESPONSE WOULD BE ...

New to a task or role <i>and</i> his or her competency level is low	Training, guidance or mentoring from someone with experience in the task or role (perhaps with coaching as a follow-up to help the training take root)
Not a good fit for the job or the organization and the organization decides that it is time for the individual to move on	Reassignment or termination with proper human resources support <i>Note: Coaching is not meant to be punitive or a last-ditch effort before firing. Coaching also is not meant to be used to evaluate a staff member.</i>
Dealing with significant personal or psychological problems that interfere with job performance	Referral to therapy

### WHEN AN ORGANIZATION ...

### A BETTER RESPONSE WOULD BE ...

Has systemic issues that are causing poor performance (for example, the organization lacks a clear business model or strategic plan, the organization is too dependent on one funding source, financial controls are lacking, or the board and management are shirking key responsibilities)	Targeted consulting in key functional areas with coaching as a support for larger interventions <i>Note: Do not engage a coach to fix a systemic issue beyond the control of the coached individual. Rather, coaching can support an individual to determine what is within her or his control and how to proceed accordingly.</i>
Is facing an internal crisis	Targeted consulting or mediation with coaching support to help navigate the situation(s) and extract useful lessons for the future
Has leadership that has not engaged in a serious and honest conversation about challenges and the need for change	Facilitation, mediation or training in giving and receiving feedback or managing conflict

# Making the Most of Coaching

## HOW CAN COACHES KNOW IF NONPROFIT LEADERS ARE READY FOR COACHING?

Assessing readiness to participate in a coaching engagement is essential. Coaches can help ensure that prospective coachees exhibit the characteristics needed for successful coaching and that their organizations are prepared to support the coachees as they enter into a coaching engagement.

**Individual Readiness.** Coachees report that other tasks within their organizations can sometimes take precedence over coaching. Coaching is indeed a time commitment. This is why it is important to be clear at the outset about an individual's capacity and willingness to make coaching work within his or her schedule. Respondents to the CAP Project's survey of coachees said they had devoted an average of three hours per month to coaching.<sup>17</sup> This number reflects actual coaching time and doesn't include the full amount of time devoted to "homework" and good thinking between coaching sessions. The average duration of a coaching engagement among survey participants was 12 months.

As important as knowing that coachees have the time to make coaching work is knowing that they have a willingness to learn and to adapt their leadership styles.

William P. Ryan's evaluation of the Evelyn and Walter Haas, Jr. Fund's Flexible Leadership Awards program identified a number of "leader assets or attributes" necessary for effective coaching. These include openness, curiosity, a learning orientation, appetite for change, willingness to be introspective, and interest in and capacity for strategic thinking.<sup>18</sup>

Coutu and Kauffman agree that an executive's motivation to change is crucial to the success of coaching. In their Harvard Business Review article based on a survey of 140 coaches, they write that judging a leader's readiness for coaching comes down to one question: "Is the executive highly motivated to change?" They continue: "Executives who get the most out of coaching have a fierce desire to learn and grow."<sup>19</sup>

**Organizational Readiness.** Beyond assessing the coachee's own readiness, it is important to consider the readiness of the organization for coaching. Because coaching requires an investment of time and resources, it will be more successful if it garners the support of an array of board members and staff leaders in the organization; in other words, the base of support for coaching would ideally extend beyond the person or people who are being coached.

For organizations and individuals that are not ready for coaching, a range of other supports exists. Such support could focus on developing specific competencies in

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<sup>17</sup> BTW *informing change*. (2009). Coaching and Philanthropy Project Nonprofit Coaching Survey. Note: Individuals were eligible to complete the survey only if they had been coached a minimum of three months.

<sup>18</sup> For a copy of William Ryan's report, go to the Online Toolkit. [www.compasspoint.org/coaching](http://www.compasspoint.org/coaching)

<sup>19</sup> Diane Coutu and Carol Kauffman, "What Can Coaches Do for You?" Harvard Business Review, January 2009, p. 3.

the nonprofit leader — for example, in areas such as finance, strategic planning or human resources. Or, if the organization is facing board and staff conflicts or other serious problems, its leaders might want to consider focusing on board development or mediation. Remember: Coaching is not a cure-all for deep-seated problems in an organization. Rather, coaching should be viewed as a way to catapult well-performing and high-potential leaders and their organizations to higher levels of performance in the years ahead. (For more on when not to use coaching, see page 16.)

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## Questions to Consider: Coaching Readiness

The following sample questions can be useful for assessing your coaching readiness:

- ▷ Is the person prepared to devote the time needed to make coaching work, including time for meetings and homework in between?
- ▷ Is the person ready to work on personal issues that affect her or his capacity to lead effectively?
- ▷ Is the person open to new ideas and ways of doing things to facilitate positive change and growth?
- ▷ Is the person experiencing personal challenges or crises that might get in the way of successful coaching?
- ▷ Do board members and staff leaders support coaching for the person? Do others in the organization understand the reasons for and goals of coaching?
- ▷ Is the organization experiencing a change in strategy, leadership or external conditions that can become a focal point for coaching?
- ▷ Is the organization suffering because of interpersonal conflicts or other problems that might hinder the effects of coaching?
- ▷ Is the person in need of additional tools, resources or concrete approaches to a variety of leadership and organizational challenges?

To download a coaching readiness questionnaire, go to the Online Toolkit.

 [www.compasspoint.org/coaching](http://www.compasspoint.org/coaching)

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## HOW CAN COACHES KNOW WHAT KIND OF COACHING IS RIGHT FOR THEIR CLIENTS?

Coaching for nonprofit leaders can come in a variety of forms. Coaches should consider which type of coaching to use, based on the needs, interests and characteristics of the organization and the coachee. It is important to note that the different types of coaching borrow techniques and approaches from each other — for example, external coaching by a professional leadership coach might include targeted content coaching on specific issues such as finance. Key types of coaching are:

### **One-on-one coaching (external or internal).**

A coach is assigned to (or selected by) one nonprofit leader”. The coach can be an external provider of coaching or a member of the organization’s staff who has been trained in coaching. This form of coaching can be offered on its own or as part of a larger initiative focused on organizational capacity and/or leadership development.

**Manager as coach.** Nonprofit managers can serve as coaches to other staff members, providing training on an ongoing basis as a means to develop staff members’ skills and effectiveness.

**Peer coaching.** Peers from one or more organizations receive training in coaching and share support, feedback and materials; they help each other address leadership needs or organizational priorities.<sup>20</sup> This type of coaching can be useful in reducing isolation, providing opportunities for leaders to talk through issues and brainstorm solutions, and offering a confidential forum for learning from peers.<sup>21</sup>

**Targeted coaching** (sometimes called content coaching). A coach works with a nonprofit leader to help develop his or her capacity and skills to address discrete, well-defined organizational issues that focus on specific topics or content areas, such as human resources or board issues.<sup>22</sup>

**Blended or hybrid approach** (organizational development consulting and coaching). This technique combines coaching with other methods of improving organizational effectiveness to address larger organizational development goals and issues (as opposed to discrete issues, as listed above).

**Team coaching.** A coach or group of coaches works with a team of nonprofit leaders from the same organization. The goal of this approach is to help the group work more effectively as a team over time while developing the individual skills team members need to achieve their shared goals.

For a complete list of types of coaching and descriptions, go to the Online Toolkit.

 [www.compasspoint.org/coaching](http://www.compasspoint.org/coaching)

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<sup>20</sup> Marshall Goldsmith and Louis Carter, *Best Practices in Talent Management: How the World’s Leading Corporations Manage, Develop, and Retain Top Talent* (San Francisco: Pfeiffer, 2009).

<sup>21</sup> UPS Foundation, CompassPoint Nonprofit Services, and Harder and Company Community Research, “Leadership Development Program for Women Executives in Underserved Communities Evaluation of Findings,” June 2007, available from [www.compasspoint.org/content/index.php?pid=19#Women](http://www.compasspoint.org/content/index.php?pid=19#Women).

<sup>22</sup> Cambria Consulting uses the term *targeted coaching* to describe coaching designed “to help companies accelerate efficient and focused behavior change to address specific, well-defined issues.” See [www.cambriaconsulting.com](http://www.cambriaconsulting.com).

## HOW CAN COACHES ENSURE A SUCCESSFUL MATCH WITH COACHEES?

Like any other relationship, the success and endurance of the coaching relationship relies on strong chemistry between coach and coachee. The Harvard Business Review's survey of 140 leading coaches spotlighted good chemistry as "absolutely key to the success of the coaching experience."<sup>23</sup> Where coaching fails, it is often because the coach and coachee failed to click. The CAP Project therefore recommends that nonprofits have a choice of coaches and conduct interviews and sample sessions before making a decision about whom to hire.

The most successful interviews are a combination of education and establishing the coaching relationship. For those who are new to coaching, this is an opportunity to help them understand what it is, what it's not and to describe the value of coaching. It also is an opportunity for them to experience coaching firsthand so they can have a sense of the coach's personality and coaching style.

An example of one approach to matching comes from LeaderSpring's Executive Coaching Project, which makes one-on-one coaching available to participants in the organization's two-year fellowship program. LeaderSpring has established a careful and thorough matching process, providing both coachees and coaches with a choice in identifying their partners. The process includes sample sessions between coaches and coachees, after which participants complete a feedback form to document their initial impressions, their willingness to be matched with each other and any perceived barriers to working together.<sup>24</sup>

## HOW CAN COACHES WORK WITH COACHEES TO CREATE A SUCCESSFUL ENGAGEMENT?

Coaching requires the active engagement of the coach and coachee in promoting self-awareness, setting goals for their relationship, developing a schedule and plan for coaching, and revisiting goals and coaching methods in the course of the engagement.

**Promoting self-awareness.** Recognizing the importance of self-awareness for successful coaching, many coaches start the process by offering a range of opportunities for self-assessment. Brett Penfil, training and development associate with the Center for the Health Professions at the University of California, San Francisco (UCSF), said participants in the center's coaching programs complete one or more "psychometric" assessment tools at the start of each coaching engagement. UCSF and others also use 360-degree feedback tools to gather input from a coachee's colleagues about his or her performance and work behaviors.

Coachees acknowledge that self-assessment can be difficult — for example, when a 360-degree assessment offers insights into how others feel about one's leadership, or when coaching forces the coachee to confront deep-down fears and negative behaviors. However, the rewards of heightened self-awareness are clear.

"This gives (coachees) a better sense of strengths and weaknesses, how they work best with others, and what one to three things they can work on in the course of the coaching relationship," Penfil said.

**Setting goals.** Successful coaching starts with connecting coaching to specific goals and outcomes for individuals and organizations. "Every coaching experience should be a journey with a clear and definable destination, and the coach is responsible for

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<sup>23</sup> Diane Coutu and Carol Kauffman, "What Can Coaches Do for You?" Harvard Business Review, January 2009, p. 3.

<sup>24</sup> For more on the LeaderSpring program, see Regina Sheridan and Kim Ammann Howard, "Enhancing Nonprofit Leadership Through Coaching: LeaderSpring's Executive Coaching Project," BTW *informing change*, October 2009, available at [www.leaderspring.org](http://www.leaderspring.org) or the Online Toolkit.

[www.compasspoint.org/coaching](http://www.compasspoint.org/coaching)

managing the pathways,” according to coaches Madeline Homan and Linda Miller, authors of *Coaching in Organizations: Best Coaching Practices*.<sup>25</sup>

When nonprofit coachees report that a coach’s strategies or techniques posed a barrier to the success of coaching, one of the top complaints is that the coaching was not founded on a concrete plan, goals or structure. Indeed, William P. Ryan’s evaluation of the coaching component of the Evelyn and Walter Haas, Jr. Fund’s Flexible Leadership Awards program shows a connection between the extent to which coach and coachee agree on clear goals and the coachee’s satisfaction with the experience. “The EDs whose coaching centered on identifying and working to change discrete attitudes and behaviors — rather than developing leadership broadly — expressed the highest satisfaction” with their coaching, Ryan reported.<sup>26</sup>

Successful coaching may also require buy-in from others in the organization with respect to the goals of coaching. This is why coach Gail Ginder insists on including a board member or another senior leader from the organization in the three-way “kickoff meeting” she schedules at the start of every coaching engagement. The meeting is an opportunity to convey to the coachee’s superiors and colleagues that the coaching relationship will require a commitment of time and energy on the part of the coachee, and that the organization’s support is essential to the success of the engagement.

Of course, the level of board and staff engagement may vary depending on the situation — often, coaching itself provides nonprofit leaders with strategies for engaging the rest of the organization more effectively and for garnering added support for these types of investments. However, the authors believe that coaches and coachees should be mindful from the start of the need to educate board and staff leaders about the coaching engagement and its goals — so that coaching isn’t viewed as something to be ashamed of or to keep under wraps but rather as an important investment in both the individual leader and the organization.

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## How Much Coaching — and For How Long?

Coaches and coaching providers (e.g., management support organizations) in the nonprofit sector have adopted various approaches to the scheduling and format of sessions. Some prescribe a specific number of sessions according to a set schedule, whereas others prefer a more flexible approach. For example:

- ▶ The Blue Shield of California Foundation’s Clinic Leadership Institute provides nine hours of coaching to participants over a period of 18 months while coachees are participating in other institute activities including training sessions and peer advising groups. Coaching is provided according to a set schedule of one-hour sessions, with coaches checking in on a monthly or bi-monthly basis. The first one-hour session is a face-to-face meeting, with subsequent sessions happening by phone. The grantmaker recently added six hours of coaching for alumni of the Institute once the 18-month program ends.
- ▶ The Fieldstone Foundation supports year-long coaching engagements for participants in its Coaching Network. The grantmaker expects coaches and coachees to meet face-to-face at least once a month, with telephone and email contacts in between as needed. Fieldstone Foundation President Janine Mason said the grantmaker also encourages coaches and coachees to meet outside of the coachee’s office so participants can focus on getting the most out of coaching.
- ▶ CompassPoint’s coaching referral service typically connects nonprofit leaders to coaches for a minimum of 10 sessions over a 3 to 4 month period. Regularity of the sessions is important, according to CompassPoint’s guidelines, which also specify that clients can be coached in person and over the phone.

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<sup>25</sup> Madeleine Homan & Linda J. Miller, *Coaching in Organizations: Best Coaching Practices* (Hoboken, N.J.: John Wiley & Sons, 2008), p. 59.

<sup>26</sup> For a copy of Ryan’s report, go to the Online Toolkit. [www.compasspoint.org/coaching](http://www.compasspoint.org/coaching)

### **Scheduling and duration of sessions.**

David Coleman recommends “meeting at least once every two or three weeks to get the momentum going” for coaching.<sup>27</sup> This suggestion was echoed by coachees we talked to, who typically believe sessions should be held more frequently at the beginning of an engagement (e.g., weekly or biweekly), with adjustments to the schedule as time goes on. Most coaches and coachees prefer to meet for sessions lasting an hour or more. Between sessions, coaches often invite coachees to stay in touch through e-mail or telephone on an as-needed basis.

Regardless of the precise schedule and format, coaches, coachees and grantmakers tend to agree that consistent and frequent meetings (in person or by phone) are a critical element of a successful coaching engagement. Although time is a huge pressure for many nonprofit leaders, some coachees complain that they actually need more regular coaching sessions and that sessions are sometimes too far apart (e.g., a month or more).

Most coaches and coachees also say they prefer at least some in-person sessions because they find it easier to build rapport and trust and observe nonverbal communication. However, the power of telephone coaching should not be underestimated. For some coachees, phone sessions deliver a number of important advantages — they are easier to schedule and reduce travel time and costs. The decision about how to structure a coaching engagement can come down to the learning style of the coachee. Visual learners might want and need more in-person contact, for example, while others are more auditory and find it easier to concentrate when they are meeting by telephone.

### **Revisiting the relationship and goals.**

Depending on the length of the engagement, many coaches and coachees periodically revisit their relationship (and renew their coaching contract with each other) at various milestones (e.g., quarterly). The purposes of renewing the contract include: adjusting strategies and plans; ensuring that the coach is still

meeting the coachee’s needs; and confirming that the coachee remains committed to the coaching process. CompassPoint’s experience with its coaching referral service suggests that coachee commitment can drop off significantly in the absence of contract renewal.

Conversely, some have observed a tendency among some coachees to become over-dependent on their coaches. Since the point of coaching is to encourage leaders to become more competent and self-reliant, coaches and their coachees should be aware of the “dependency dynamic” that can enter into their relationship, and revise strategies and goals accordingly along the way.<sup>28</sup>

**Ensuring confidentiality.** Coaches and their clients should reach agreement at the outset of their relationship about the extent to which the coach will share information about the engagement with the coachee’s organization, its funders and others. Confidentiality is important to the success of coaching — the coachee must feel safe in sharing information and ideas that he or she might not want to share with others. At the same time, the coachee’s employer has a right to a basic understanding of the coaching process and how it’s going.

Monci J. Williams addressed the confidentiality question in an article in the *Harvard Management Update*, advising nonprofit leaders as follows:

“Unless you are paying for the coach yourself, you are not the coach's client. The organization is [the client]. The organization is. Ask for an up-front agreement about what the coach will tell your employer. Information appropriate to be shared includes the goals that have been set, whether you’re showing up for your appointments, working toward your goals, and making progress.”<sup>29</sup>

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<sup>27</sup> Executive Coaching Roundtable, “Practical Advice on Using an Executive Coach,” 2005.

<sup>28</sup> For more on dependency issues in coaching, see Michael Maccoby’s essay, “The Dangers of Dependence on Coaches,” in *Harvard Business Review Research Report*, What Can Coaches Do For You? p. 5. January 2009.

<sup>29</sup> Monci J. Williams, “Are You Ready for an Executive Coach?” *Harvard Management Update*, 1996.

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## The Costs of Coaching

- ▷ Fifty-eight percent of coachees surveyed by the CAP Project said that a “grant or funder” had paid for their coaching fees; 52 percent said their organizations paid the fees (respondents could choose multiple responses). Just 12 percent said they had paid for the coaching themselves.
- ▷ Respondents were paying a mean of \$121 per hour for coaching services; the range was \$20 to \$325 per hour.
- ▷ Ninety-four percent said their coach charged for the service, while 6 percent received pro bono coaching.
- ▷ Two-thirds (67 percent) of coaches participating in the Leadership Coaching Learning Circles, a pilot project to build community and share best practices among coaches in several regions around the country, offered reduced rates to nonprofit clients. The same percentage (67 percent) said they package coaching sessions for nonprofit clients (e.g., three sessions for a set price).
- ▷ Coaches participating in CompassPoint Nonprofit Services’ Coaching Referral Service charge \$100 per hour. According to CompassPoint, this is lower than most coaches charge in the open marketplace. The reason: “Our coaches are committed to the nonprofit sector and are willing to reduce their rates.”

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Source: BTW *informing change* (2009). Coaching and Philanthropy Project Nonprofit Coaching Survey. Leadership that Works (2008). The Coaching and Philanthropy Project’s Coaching Learning Circles Coach Survey.

## HOW SHOULD NONPROFITS PAY FOR COACHING — AND HOW MUCH?

Nonprofits, grantmakers and other funders of coaching vary widely in how they compensate coaches. The Aepoch Fund and other grantmakers often ask coaches to discount their standard hourly rate for work with nonprofit grantees. However, the Blue Shield of California Foundation compensates coaches in its Clinic Leadership Institute at their regular rates. The grantmaker explains that it wants to pay “full freight” to ensure that coaches are fully engaged in the work.

One trend of note is an increase in pro bono coaching by coaches who feel called to contribute their time to nonprofits.<sup>30</sup> While pro bono coaching can certainly be helpful, the CAP Project has some reservations about this growing practice.

Specifically, when the coachee is contracting directly with the coach, pro bono coaching can often contribute to the perception that coaching is less valuable or important. This perception can result in canceled coaching appointments and reduced commitment on the part of coachees to the work required between meetings. Additionally, many coaches offering pro bono service do so in order to meet their hour requirements for coaching certification, which may pose a quality issue.

## HOW CAN COACHES SHOW THAT COACHING IS DELIVERING RESULTS FOR COACHEES AND THEIR ORGANIZATIONS?

Because coaching centers on a confidential relationship between two individuals, tracking coaching results can be a challenge. And yet nonprofit leaders, coaches, grantmakers and coachees themselves are often eager to show that their investments in coaching have yielded positive outcomes at both the individual and organizational levels.

For most nonprofits, assessments of coaching can be based on the goals agreed to at the outset of an

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<sup>30</sup> The Harnisch Foundation has created a special Web page devoted to pro bono coaching on its Coaching Commons Web site at [www.coachingcommons.org/category/gift-of-coaching/](http://www.coachingcommons.org/category/gift-of-coaching/).

engagement by the coach and coachee. Assessments can look at progress toward reaching coaching goals, as well as how specific coaching strategies or activities contribute to the successes or shortcomings of coaching.

Awardees of the Aepoch Fund’s coaching grants, for example, agree to complete a simple evaluation form after the first three months of coaching and again at the end of the award period. The evaluation forms are provided to coachees based on the understanding that their results will not be shared with coaches. The forms ask coachees a range of questions about their experience in the program and what they learned in the course of working with their coaches.

Like the Aepoch Fund, most nonprofits and others who want to assess the results of coaching collect data from the individuals who are being coached. This kind of assessment is considered helpful in eliciting good information and feedback, but some express concern that self-reporting is not always the most reliable indicator of impact.

To strengthen this type of assessment, some coaches and coaching providers collect complementary (and anonymous) information from others who work with coachees — including organizational peers, supervisors and direct reports.

Grantmakers, coaches and nonprofit leaders note an array of challenges related to assessing the impacts of coaching. Protecting the confidentiality of coachees is one challenge. Another is the fact that coaching sometimes is offered as one form of leadership or organizational effectiveness support among others. In these instances, it can be hard to isolate the unique contribution of coaching.

Last but not least, linking coaching to specific organizational impacts can be difficult because of the time lag between personal and organizational changes. “It’s important to have clear expectations about the outcomes you want to see,” said coach and independent consultant Carol Gelatt. “The outcomes you will see earlier are very much about the individual leaders and their perception of themselves. It takes longer to see organizational outcomes.”

While the CAP Project found widespread interest in stronger assessments of the impact of nonprofit coaching, it is important to note that there are proponents of coaching who disagree about the feasibility and importance of strictly quantifying its results. For example, coaches Stratford Sherman and Alyssa Freas, in a 2004 article in the *Harvard Business Review*, argue that “the essentially human nature of coaching is what makes it work — and also what makes it nearly impossible to quantify.”

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## Questions to Consider: Assessing Coaching’s Impact

- ▷ What information is already being collected about the organization’s impact — and how can the impact of coaching be included?
- ▷ What level of evidence of impact do people want and need?
- ▷ What do those involved in the coaching relationship (e.g., coaches, coachees, grantmakers) want to learn so they can adjust the design and implementation of coaching supports, as needed?
- ▷ Is the coaching based on goals or a contract that identifies desired outcomes and that can serve as the basis for assessment?
- ▷ What can the coach, grantmaker and others do to ensure that data collection and reporting activities respect the confidential nature of coaching?
- ▷ Are all stakeholders clear and comfortable with the proposed methods and timing of data collection and reporting?
- ▷ If the coaching supports are part of a larger intervention, how can reporting and evaluation assess the impact of coaching? At the same time, how can assessment of coaching be connected to other data collection efforts?

## CASE STUDIES

# STORIES

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James Kass is executive director of **YouthSpeaks**, a San Francisco literary arts organization that received a grant from The James Irvine Foundation's Fund for Leadership Advancement in 2008. Kass used the funds for coaching as well as enrollment in a Stanford University program for arts leaders.

One of the key benefits of the coaching, according to Kass, was having a forum where he could connect the content of the Stanford program to the day-to-day issues facing YouthSpeaks. "I found the coaching created a place where I could work with someone to bounce ideas back and forth about what I was learning and how to apply it," he said.

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Sue Carter received coaching through the **Fieldstone Foundation's** Coaching Network while she was a program manager and subsequently program director with the Girl Scouts in San Diego. Then, when she became executive director of Volunteer San Diego, she worked with the Fieldstone Foundation to arrange a second year of coaching.

She said the coaching was especially valuable in helping her grow into her executive director position. "The new job meant I had to work more closely with the board than I was used to, and I had to play more of an ambassador role for the organization in the community.

Coaching helped me peel back the layers of the job and gave me the validation I needed to take on these new responsibilities with new confidence," she said.

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Shelley Hoss and her leadership team worked with a coach when Hoss was redefining her role and responsibilities as president of the **Orange County Community Foundation** in Irvine, California.

The foundation had just completed work on a new strategic plan that would require Hoss to play a more external role in the community. As a result, she would have to delegate more responsibilities for day-to-day operations to her direct reports.

Hoss said coaching has helped her realize her vision of a "fully competent leadership team that can function with or without me." As a result, she has now stepped out of almost all daily operating responsibilities and is actively engaged in advancing the foundation's external role in the community and its field.

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Following the retirement of a long-time executive director in 2004, Lindsey Buss took the top job at **Martha's Table**, a Washington, D.C., nonprofit that provides food, clothing, educational programs and enrichment opportunities to children, youth and families.

Buss identified a need for significant changes at the organization — and he used a coaching grant from the Eugene and Agnes E. Meyer Foundation to help him plan how to make those changes.

In addition, as a first-time executive director, Buss said his coach provided an outlet for him to air frustrations and raise questions that he couldn't raise with his staff or board members. "This was an opportunity for me to talk about what was driving me crazy during the day or week or month that we met. It wasn't just about blowing off steam but allowing me to really think about these issues and find some tools and strategies for dealing with them."

## Conclusion

The CAP Project was created in part to help grantmakers and nonprofit organizations become more conscious consumers of coaching. But an equally important goal in this work has been to help coaches working in the sector. We heard the same refrain again and again from the coaches we spoke with: In order to serve nonprofits more effectively, coaches need more information and resources about what's happening in the field, what works, and how to ensure that coaching delivers results for individual leaders and their organizations.

We have tried to offer some answers to these questions in this guide, and we encourage coaches to visit the CAP Project's Online Toolkit for additional resources and information. The CAP Project also has published similar guides to coaching for nonprofits and for funders. These, too, can be an important resource for coaches as they talk with clients and grantmakers about coaching.

The CAP Project was never intended as an effort to promote coaching as an all-purpose solution to the challenges facing nonprofits today. Rather, our goal has been to provide good information and practical suggestions about something that remains an emerging practice in the nonprofit sector today — many people still don't know about coaching and the benefits it can provide, and there is misunderstanding in the field about even the basic goals of coaching.

The authors hope that this guide, together with the CAP Project's other resources, will help coaches build a broader awareness and understanding of coaching among clients and the sector as a whole. Based on our research over the last several years, we are convinced that coaching can be an important tool for strengthening the nonprofit sector, and we applaud the many coaches engaged in this important work.

