



# How to Measure Results in Executive Coaching and Leadership Development

## We can and must measure results in coaching and leadership development.

It's critical for our credibility as coaches, trainers and consultants. And, it's critical for our industry as a whole. In this white paper, we will identify current gaps, look at relevant trends and truths, outline five necessary actions for success and provide a methodology to measure.

We started to get really curious about measurement in leadership development as a result of the work we were doing with clients. As we took on more intensive, long-term and meaningful programs, we noticed some serious gaps in our own work. And we also noticed a pattern: the same serious gaps existed in the work of other really reputable, world-class executive coaches and facilitators with whom we were working or associated.

## Three Gaps

### Gap #1: Where's the data?

The first gap came from our clients when they started asking, "How do you know if we are successful?"

Of course, we responded with big smiles on our faces because we had smiley sheets that reflected great results. Participants were happy with our content, our coaches and facilitators. But, deep down inside, we knew we were only measuring client reaction and not behavioral change.

### Gap #2: Where's the plan?

The second major gap we began to notice, no matter how good our content was and how much we prompted participants, was that when our action-planning process was paper based, 80% of the participants either didn't create an action plan or their plan was so weak it wouldn't support behavioral change. On top of that, since it was paper based, there was zero transparency between the participant and coach, and between the participant and her manager—we know that the manager's role is critical to creating behavioral change.

### Gap #3: Where's the keyboard?

Finally, we noticed another interesting trend back in 2011 and it's continued every year. We were in a workshop, the first of several in a 7-month program with a high-tech client in Denver, Colorado. The head of IT security looked at the workbook on his desk, looked up at our program facilitator, and said, "I haven't taken notes on paper in years."

And this has continued today, especially with millennial participants. That was a huge wake-up call for us. We knew that we had to get relevant when it came to the modern learner and technology if we wanted to have credibility with our participants.

Simultaneously, we knew three truths of leadership development:

1. **Companies spend a lot of money on leadership development.** A 2012 study found that American companies spend almost \$14 billion annually on leadership development training.
2. **Grooming leaders is a top priority.** According to a study of 500 CEOs by McKinsey, when asked to rank their top three human-capital priorities, CEOs said leadership development was included as both a current and future priority. Almost two-thirds of the respondents identified leadership development as their number-one concern.

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3. **Achieving sustained leadership behavior change is challenging.** Most of the time behavior isn't retained, or we don't know if it has been because it's not measured. However, so many times, after the leadership program ends, new behaviors aren't sustained. Studies have found that adult learners in a lecture setting forget nearly 50% of what they learn within two weeks.

### **So where does all this information lead us as coaches, trainers, consultants and facilitators?**

We can and must measure the impact of coaching and leadership development.

#1 We have to be able to show our executive sponsors the return on investment if we truly want to make the leadership development agenda a strategic priority.

#2 If we want to create credibility with our programs, we have to measure with the same discipline that we measure anything else in the business.

However, we strongly believe that before you can measure effectively, the right conditions must be in place.

## **Five Actions That Must Be Implemented to Measure**

Our research and experience shows that the following 5 actions must be implemented to create behavioral change in your coaching and leadership development programs. Of course, you can add more actions or tools, depending on your background and expertise, but these are the critical few that must be implemented.

### **Action #1: Create a Focused Online Action Plan**

The first coaching action, as basic as it sounds, is that every participant should have an action plan. AND, it needs to be online. As we mentioned earlier, we've found that when action plans are paper based, they simply don't get done or don't get completed to the extent that they should. Online action plans create transparency between the coaches and participants, and between the participants and their managers. With that transparency comes more accountability to support change.

### **Action #2: Uncover Limiting Beliefs**

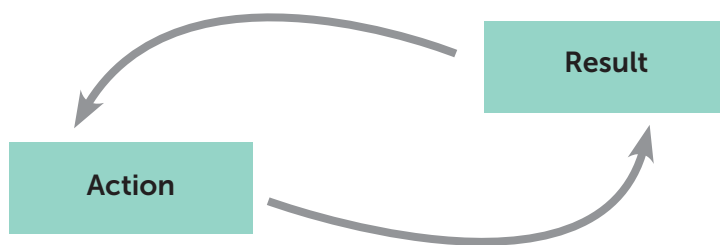
Have you ever led a coaching or leadership development program and behavior didn't change?

In our experience, it's because participants didn't uncover the deeper cause of their current behavior.

Here's what we've found with high-performing leaders:

- They want results.
- When they don't get the results they want, they change their actions.

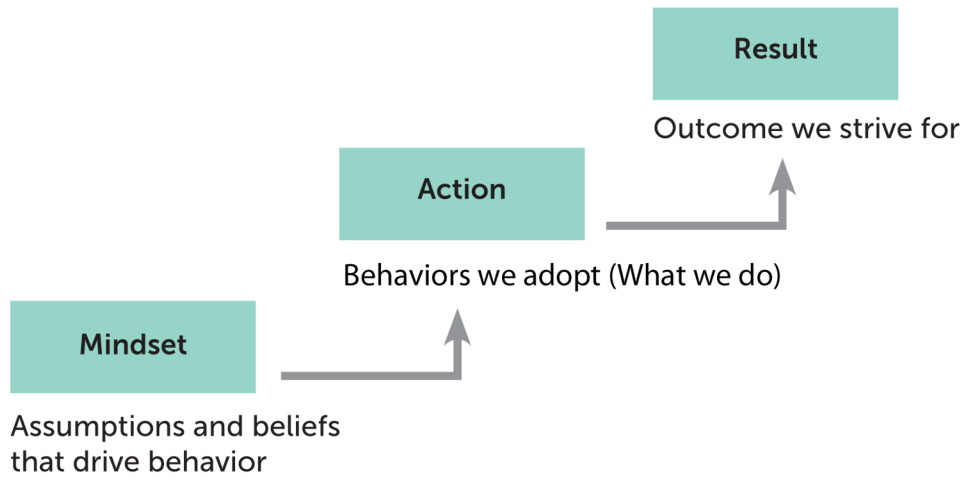
This two-step process is a reactive loop that only taps into a small part of a leader's capacity.



So, as coaches and trainers, we have to help our participants uncover the limiting assumptions, beliefs and stories that are driving their current behaviors. Then, with a shift in mindset, our participants can drive a new set of behaviors that lead to different results.

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Here's an example. We were recently coaching an executive who told us that he grew up as the fat boy in the schoolyard. He was the kid who was always picked last for the kickball games. His response, in turn, was to be the one picking the team so that he wouldn't be picked last.

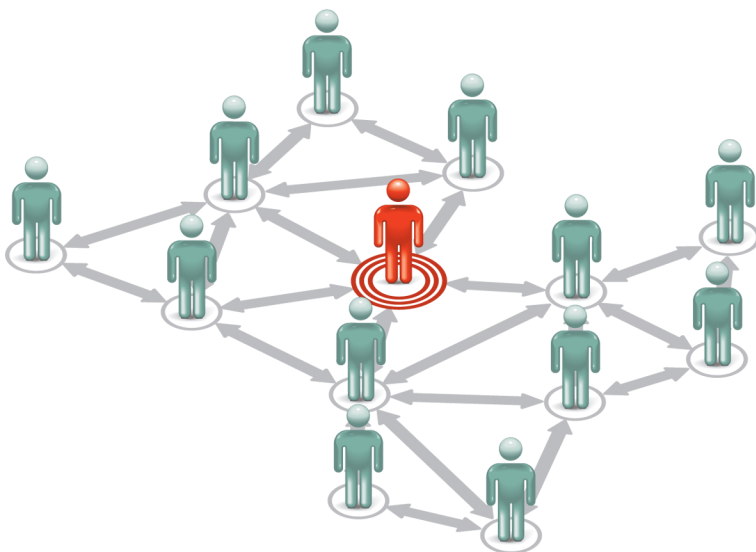
Consequently, he learned to find safety and self-worth by being the one in control. As an executive, you can imagine how this belief set has impacted his leadership style. He finds safety in controlling information and micromanaging others. As a result, he pushes people away in relationships and comes across as arrogant and autocratic.

Bottom line: As part of the leadership development process, we have to help leaders uncover the mindsets, assumptions and beliefs that are driving their behaviors if we want to create sustained change.

### Action #3: Surround the Participant with Supporters

Ask most world-class athletes why they're successful and they'll often point to the team that surrounds them, whether it's their coaches, team members or support staff.

We need to do the same thing in leadership development.



The third action we have to add to our coaching programs is what we call "supporters." A supporter's role is to support the participant throughout their entire leadership development or coaching engagement. Firstly, they are people who are in a position to observe the leader; in fact, they are often impacted by the leader's behaviors. Secondly, they are willing to provide ongoing feedback and "feed-forward" to the participant throughout the leadership development process.

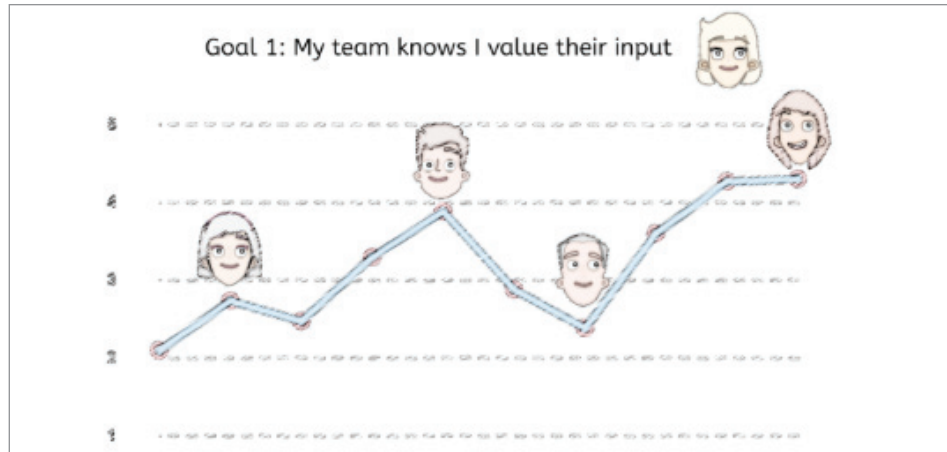
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## Action #4: Engage in Ongoing Measurement

The next critical factor in creating behavioral change is ongoing measurement—we call this pulse feedback.

In many leadership development and coaching programs, there's 360 feedback at the beginning. In some programs, there's a "time two" 360 at the end. The intent is good, but it's missing the mark. It's unfocused measurement and often times unrelated to the participant's action plan.



Instead, we advocate for 360 feedback at the beginning of a coaching program, a focused action plan, and then ongoing pulse feedback surveys based on the action plan where supporters provide feedback on a regular basis.

## Action #5: Follow Up

The final action needed to accelerate behavioral change in leadership development and coaching is follow-up.

What do we mean by follow-up?

Follow-up is a process in which the participant meets with her supporters on a monthly basis and says:

1. I've been working on\_\_\_\_\_.
2. How have I been doing? (feedback)
3. What are ideas for the future (feed-forward)?
4. Thank you.

Follow-up not only helps a leader understand what to do next to sustain behavioral change, it helps the leader overcome a much bigger challenge: changing the perceptions that others have of them.

Marshall Goldsmith makes a compelling case in his article *Leadership is a Contact Sport* about the importance of follow-up. When leaders didn't follow-up, most of the time there was almost no perceived change in leadership effectiveness. The more consistently a leader followed up, the more effective their leadership behaviors were perceived.

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## 4 Levels of Measurement

With an understanding of some of the key trends in how people learn and the actions that must be implemented to measure, now we can address the actual measurement process.

Our measurement methodology is loosely based on the Kirkpatrick Model original developed by Dr. Don Kirkpatrick. We measure through 4 levels. Those in the organizational development world are probably familiar with this model.



### Level 1: Reaction

Level 1 measures the participant's reaction to the coaching and training. Often referred to as smiley sheets, this level of measurement measures both the content of the program and the coach or facilitator. This is the easiest level of measurement and a simple survey at the end of a workshop or a plus-delta at the end of a coaching session does the trick.

### Level 2: Application

Level 2 in our methodology, measures the extent to which the participant assesses their application of the insights from the coaching or training to the workplace. This is where measurement gets more complicated and where a web-based tool like Coachmetrix can help. In our Coachmetrix application, the participant responds to ongoing pulse feedback surveys throughout an engagement so they measure their own perspective on how well they are tracking on their action plan and applying what they are learning. This level of measurement, when compared to Level 3, enables the participant to understand how well their self-perception is in or out of alignment with that of others.

### Level 3: Behavior

Level 3 measures the change in behavior of the participant as perceived by others. Perception of others is where almost all coaches, trainers and consultants stumble.

Here's our recommendation on how to measure behavioral change. It's a multi-step process based on the five actions we outlined earlier that are facilitated and automated by Coachmetrix.

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### ***Step 1: Engage supporters***

- Each leadership participant selects a group of supporters, usually around 5.
- The participant asks supporters for input on their action plan. Sometimes these data points come from verbal or online 360s and are often supplemented with direct verbal conversations between the participant and supporter.

### ***Step 2: Build an action plan***

The participant creates an action plan that includes a goal statement, a behavioral statement (this is also used for the survey item in Coachmetrix), and additional details such as action items and support needed.

### ***Step 3: Measure***

Identify your scale. You can use a traditional likert scale of 1-5 (perhaps linked to the same scale on your 360). We prefer a 7-point scale of -3 through +3, where zero represents no change, negative scores represent getting worse, and positive scores represent improvement.

Coachmetrix automates a monthly survey process and consolidates the data so that they are displayed graphically. The numeral data provide feedback from the past 30 days and are supplemented with suggestions and ideas for the future (feed-forward) for the next 30 days.

### ***Step 4: Follow Up***

As we outlined earlier, the participant then follows up with supporters and incorporates their feedback and feed-forward into an updated action plan.

The process of engaging supporters, building a plan, measuring, asking for feedback and feed-forward is almost like a marketing campaign. It helps to accelerate behavior change and perception change. Remember, in most cases, perception change is harder than behavior change.

## **Level 4: Organizational Impact**

There are a number of components you might measure at the organizational level. You might measure using existing engagement survey data you have; you could also measure the retention of team members of the program participants. You might also measure retention of leaders who are in the program. Many of the CEOs for whom we work, especially in fast-growing organizations, consider retention of their leaders as one of the most important data points.

We culminate our coaching and leadership development programs by guiding each participant through an ROI calculation. Here are the steps we recommend to calculate ROI in your programs.

- 1) **Leadership Goals:** What goals did the participant focus on in the program?
- 2) **Impact of Improvement:** As a result of focusing on those goals, what was the impact to people, process and/or the business? Have participants describe what changed.
- 3) **Financial and Business Impact:** What were the financial and/or business results that came about? Perhaps there was an improvement in productivity or efficiency. Maybe there was an impact on revenue or cost structure. Better leadership may have led to improved retention or new innovations.
- 4) **Percentage Attributed to Leadership Development:** What factors contributed to the improvements? It's likely that the business impact in Step 3 was due to several factors, not just leadership development. This step prompts the leader to determine how much leadership development contributed to the business outcome. It's better to be conservative and to underestimate the percentage, as you'll have to justify your assumptions to executive sponsors.

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5) **Financial Impact Due to Leadership Development:** Multiply the financial and business impact from Step 3 to the percentage identified in Step 4 to determine the outcome resulting from your leadership development or coaching efforts.

## **Where Do You Go From Here?**

As coaches and trainers, we want to make a difference. But we are often missing the key ingredients to create and sustain behavioral change. Measurement is a must if we want to take our business and our profession to the next level.

### **Coachmetrix can help.**

With Coachmetrix, you can:

- Create online action plans.
- Share action plans with anyone to create transparency.
- Engage in online and private discussions with your participants to add reinforcement between coaching sessions.
- Build a team of supporters to help your participant accelerate behavioral and perception change.
- Measure ongoing behavioral change through pulse feedback.
- Take private notes.
- And more!

If the time is right for you to optimize your coaching, leadership development and team development engagements, give Coachmetrix a try. Your first project is on us.

**Get started at [www.coachmetrix.com](http://www.coachmetrix.com).**

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