

A Study of Contribution Of Executive Coaching In Development Of Critical Human Capital Within The Organization, In Pune Region

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ABSTRACT:

Members of Executive Cadre (Top, Senior and Middle Level Management) is a critical Human Capital, having larger circle of influence, which might impact Continuity and Prosperity of Organization. They are critical resource for the organisation since they possess extra ordinary competencies, however they are also entrapped in common follies of Human Being – namely Self-Created web of beliefs/limitations, prejudices, Over/Lack of Confidence, Superiority/Inferiority Complexes etc. which limit their Performance Behavior, which impact overall success level of Organization. Organizations in India have recently started adopting practice of deploying Executive Coaches (which is quite established in Developed Countries like Europe, USA etc.) to Develop Critical Human Resource for better success of organisation; through helping them to liberate themselves from common follies to enhance their Performance Behavior. Executive Coaches are commonly deployed for Agenda like Leadership Development, Succession Planning, Performance Improvement and Training for current and future roles etc. Executive Coaching practice is nascent in India and there are major challenges of this profession like non availability of Skilled/Trained Professionals, Lack of Orientation/Awareness and acceptance/cooperation to perform expected role by Coachee, Sponsorer, lack of exact measurement of the benefits achieved through this intervention etc. Hence it was felt necessary to examine contribution of Executive Coaching in development of Critical Human Capital within organisation.

A Systematic and elaborate Research was conducted with objective to critically examine Contribution of Executive Coaching in Development of critical resource i.e. Human Capital, in Pune Region.

The Research established positive correlations between Executive Coaching and Development of Critical Human Capital – specifically in the process of Leadership Development, Succession Planning, Performance Improvement and Training for present and future roles, though with varying degrees. Based on research results and observations, Researcher has following critical recommendations:

- a. Currently Executive Coaching is majorly deployed in MNCs, IT/ITES and Service sector, however there is scope to utilize this intervention successfully in Family Managed organizations and FMCG and Manufacturing organisation.
- b. To enhance effective utilization of Executive Coaching, it is essential to upgrade Training Infrastructure to Executive Coaching to provide more Skilled Professionals, improvement in the Tool/Techniques and methodology/process of Coaching and its measurement of success to enhance substance of benefits achieved through Executive Coaching intervention.

Key Words:

Critical Human Capital, Performance Behavior, Executive Coaching, Leadership Development, Succession Planning, Performance Improvement, Training for present and future roles,

Introduction

Each Organization strives to secure continuity and prosperity of Business. Organizations use various resources including Financial Capital, Technology and Intellectual Capital and most importantly Human Capital to pursue Goal of Continuity and Prosperity of Business. Human Capital is most important amongst other Resources,

Amongst Human Capital, certain Resources like Top, Senior and Middle Management Members (who are commonly referred to as **Executive Cadre**), who might be small in number but critical for the success of the Organization, since they provide Entrepreneurial Leadership and Directions to the entire organisation. Their area of influence is much larger over the entire mass of employees of organisation (the Human Capital) and other stake holders including Suppliers and Customers.

Executive Cadre are roles in the organizational hierarchy, but the Role Holders are basically human beings, who have unique and extra ordinary Potentials, Capabilities, and Competencies, which differentiates them from others. They also suffer from follies of human beings like having Prejudices, Superiority/Inferiority Complexes, Mis-

concepts, Self Limiting Beliefs, Over/Lack of Confidence and so on. These follies might limit their potentials and capabilities from becoming Good to Great and certainly affect their Performance Behavior.

Success or failures of Executive Cadre has capability of causing deep impact on the overall performance of organisation and its success. Hence it is critical to ensure that people in Executive Cadre are able to utilize their entire potentials for the betterment of the organisation and they are safeguarded from the follies of Human Beings. This is part of Development of Critical Human Capital.

In Developed Industrial Societies like Europe and USA, Organizations are deploying support system of **Executive Coaches** to help those Critical Members of Executive Cadre – to enhance their Performance Behavior for better performance of entire organisation. Those Executives Coaches are Elite Professionals who are specifically Trained in specific skills of Coaching more importantly in the field of Psychology, Behavior and Performance Management. They are trained in skills of Effective Communication, Empathy, Persuasion and Constructive Confrontation to enable Coachee to fight his self-created web of inabilities which are limiting their Performance Behavior. This Practice is gaining strength in developing countries like India and it is mostly deployed in organizations which are MNCs having roots in USA, Europe etc, and Organizations whose success mostly depends on Human Capital like IT/ITES Organizations, R&D Institutions.

Since practice of Executive Coaching is of recent origin in India, it is felt necessary to examine whether the practice of Executive Coaching is really contributing in the process of Development of Critical Human Capital (Executive Cadre) in Organizations. Considering proximity, familiarity and restricted resources, Researcher has decided to restrict his Sample of Research in Pune Region only.

Statement of Problem:

Indian Industrial Society is eager to ensure improvement in Performance Behavior of their Critical Human Capital – Executive Cadre through deployment of Executive Coaching as an effective intervention in the process of Leadership Development, Succession Planning, Performance Improvement and preparing Executives for their Present and Future Roles to ensure overall success of the Organization.

However currently the practice of deployment of Executive Coaching is having its limitations since this practice is nascent in India, limited availability of Skilled Professionals, limitations of precise measurement of success of this practice, lack of overall awareness amongst Industrial Community /Sponsorer and Lack of Organizational support. Hence currently there are no clear evidence about utility, effectiveness and contribution of Executive Coaching in the process of Development of Critical Human Resource – Executive Cadre. Hence there is strong need to examine Contribution of Executive Coaching in the process of Development of Critical Human Capital – Executive Cadre. In the process of Research, Researcher has made many Observations and attempted to explore some Recommendations to improve contribution of Executive Coaching in the process of Development of Critical Human Capital – Executive Cadre.

Objective of Research

To examination whether deployment of Executive Coaching for Leadership Development contributes towards Development of Critical Human Capital within an organisation?

To examination whether deployment of Executive Coaching for Succession Planning Process contributes towards Development of Critical Human Capital within an organisation?

To examination whether deployment of Executive Coaching for Performance Improvement contributes towards Development of Critical Human Capital within an organisation?

To examination whether deployment of Executive Coaching for Training Executives for Present and Future Roles, contributes towards Development of Critical Human Capital within an organisation?

Hypothesis:

Deployment of Executive Coaching for Leadership Development, positively contributes Development of Critical Human Capital within an organisation

Deployment of Executive Coaching for Succession Planning Process, positively contributes Development of Critical Human Capital within an organisation

Deployment of Executive Coaching for Performance Improvement, positively contributes Development of Critical Human Capital within an organisation

Deployment of Executive Coaching for Training for Present and Future Roles, positively contributes Development of Critical Human Capital within an organisation

Research Mythology –

Defining Problem – Researcher had some basic concepts about Problem based on his own experience as Senior HR Professional and being CEO/ Executive Coach. However it was felt necessary to define exact Statement of Problems, which enabled Researcher to decide exact scope and limitations of the Research Project.

Literature Survey – Researcher has read various Books, Articles in Professional Journals, Blogs, and Research Papers on the topic of Research to sharpen concepts and knowledge on the subject of Research. List of Books is given at Bibliography section.

Pilot Survey – With objective of validation of Statement of Problem and Hypothesis, Researcher conducted Pilot Survey which consisted of 5 Coachee, 3 Coaches and 3 Sponsorer, The Pilot Survey further strengthened concept clarity and practical scope and limitations of Problem and which helped Researcher to identify exact Hypothesis. .

Finalization of Hypothesis – The Statement of Problem, Literature Survey and Pilot Survey helped Researcher to exactly articulate final Hypothesis which provided guidelines for further process of Researcher.

Drafting of Sample Questionnaire – Researcher decided to collect first hand reliable and accurate Data from the identified Sample. As a methodology, Researcher decided to deploy Questionnaire Method followed by selective personal interviews and Focus Group Discussions. Hence keeping this method, Researcher Drafted Sample Questionnaire to the best of his knowledge and ability.

Pilot of Questionnaire and Interview – With a view to understand experiences, feedback and reactions of the persons filling Questionnaire and Interview, Researcher conducted Pilot of Questionnaire with 3 Coachee, 2 Coaches and 1 Sponsorer. This Pilot has given insight of limited User Experience, which enabled Researcher to reword, rephrase modify and amend certain Questions and Statements in the Questionnaire.

Finalization of Questionnaire – Based on feedback of User Experience through Pilot Survey, Researcher Finalized the Questionnaire. Questionnaire was made shorter, focused and precise to ensure capturing sharp and more reliable responses of Research Survey.

Identification of targeted Sample – Researcher approached 20 organizations in Pune Region, who are known for deploying practice of Executive Coaching for Development of their Executive Cadre for various purposes. Researcher sought permission and support to conduct the Research Survey within their organizations. Out of 20 target Organizations only 7 organizations responded positively and supported the Research Project, with a condition to share final Result/Observations and Recommendations, but not to disclose name of their organizations in the report without their prior permission. 3 Organizations insisted Researcher to sign Non Discloser Agreement and with Confidentiality Clause. 2 Organizations imposed certain restrictions on administration of Questionnaire. 1 Organisaition objected to face to face interview with Targeted Sample.

Collection of Primary Data through Questionnaire & Interview method – Researcher approached 70 Coachee, 10 Coaches and 5 Sponsorer for participation in the Research Survey. Out of above, 40 Coachee, 8 Coaches and 4 Sponsorer responded to the Questionnaires. Out of above Researcher did not considered Questionnaires of 3 respondents, which were considered to be non-consistent & non-reliable responses.. Researcher could conduct individual Interviews of 12 Coachee, 3 Coaches and 2 Sponsorer and overall 3 Focused Group Discussion of Coachee+ Coach+ Sponsor. Those interventions generated substantial first hand, reliable primary data

Analysis of Primary Data – The Primary Data collected during the process of Research Project was analyzed by using Statistical Methods to understand its strength, reliability and arrive at certain conclusion. The Analytical Statements are placed at Annex of the Research Paper.

Reaching logical conclusion about Hypothesis – The scientific study and statistical analysis provided sufficient and definite ground to reach to logical conclusion about Hypothesis. With varying degree, but all 4 Hypothesis were proved beyond doubt. The same is explained separately in the Report.

Result

Based on the Analysis of Primary Data and based on Feedback of Interview and Focused Group Discussions, it proved beyond doubt as follows:

- a. Deployment of Executive Coaching for Leadership Development, positively contributes Development of Critical Human Capital within an organisaiton. Leadership Development Process ensures continuous supply of Executives who can provide Leadership within the Organization in Excellence in Operations, Thought Leadership, Champions of Customer Relationship, and Employee Engagement etc. Those areas are considered to be DNA of the organisaiton. Executive Coaching was found to be very effective to inculcate and develops Executives in those areas of Ethos within organisaiton
- b. Deployment of Executive Coaching for Succession Planning Process, positively contributes Development of Critical Human Capital within an organisaiton. Succession Planning for Key Critical Positions is a dire necessity for mitigation of risk of disruption in Business Continuity. After identification of (Immediate, Short

Period, Long Period) Successors, during the process of Grooming them for the identified position, Executive Coaching was considered to be boon for the Coachee. They needed psychological support, help to train their vision to becoming wider to see bigger picture etc.

- c. Deployment of Executive Coaching for Performance Improvement, positively contributes Development of Critical Human Capital within an organisation. Normally Executive Coaching is utilized to enhance Performance Behavior of SUCCESSFUL Executives. However in 2 cases Organization has deployed Executive Coaching for improvement of Performance of Not so successful Executive, to explore possibility of providing helping hand to come out of old Performance Habits. In one case the intervention of Executive Coaching proved very successful and it saved job of the Coachee and Organization saved out of huge embarrassment of potential failure of Top Executive.
- d. Deployment of Executive Coaching for Training for Present and Future Roles, positively contributes Development of Critical Human Capital within an organisation. It is unfortunate to observe that due to high pressure of growth and vacuum at the Middle and Top, Executives are promoted thought they are partially ready, who struggle to perform in promoted position. Executive Coaching has provide them helping hand to overcome their gap in competencies and absorb new paradigms on new roles.

Observations:

Executive Coaching Practice is introduced in Indian Industrial Society comparatively recently. Hence it has its own limitations of acceptance and rate of success.

There is a challenge to establish its ROI compared to its cost of resources, particularly in absence of accurate measurement of its benefits.

There is also challenge to measure sustenance of benefits of improvement in Performance behavior of Coachee, achieved through Executive Coaching, over period of time.

It is prominently used by MNCs, IT/ITES and Sophisticated Technology companies having substantial profit margins. Its use in Manufacturing and Family Owned Organization is by dismal.

Recommendations:

Executive Coaching Practice, if utilized for Leadership Development, Succession Planning Process, Improvement in Performance and Training for Present and Future Roles, per se has promising potentials to contribute towards development of Critical Human Capital in an organisation. However, the current process, practice and skills, needs to be modified to improve its Effectivity and Utility in Indian Industrial Society, more importantly in following aspects:

- a) Improvement in Knowledge, Skill, Process, Practices and Tools and Techniques Executive Coaching Practice.
- b) Improvement in Sustainability of the benefits of improved Performance Behavior of Coachee, achieved through Executive Coaching, through better process and practices
- c) Improvement in overall awareness about utility of Executive Coaching Intervention for Leadership Development and specific awareness of Sponsorer about realistic expectations from Executive Coaching and their role in the process of Executive Coaching for better results.
- d) Improvement in overall awareness and acceptability within the organisation to provide conducive environment for better results of Executive Coaching.
- e) Improve preparedness of Coachee to be more receptive and cooperative for their own benefits. .

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