

NATURE AND SCOPE OF BUSINESS COACHING

AIM

Describe services that a business coach can offer clients; identify opportunities to work as a business coach; and develop an understanding of a business coach's role.

THE NATURE OF BUSINESS COACHING

Business Coaching vs. Life Coaching

Business coaches are generally those professionals who support their clients in difficulties relating to business. A business coach may start as a life coach, before specialise in business coaching or they may be a business person who then moves into business coaching. A business coach will therefore have many of the same characteristics as a life coach.

Life coaching involves understanding a person - psychologically, physically and often financially. A life coach becomes a confidant acting in the best interests of the client.

A life coach will:

- determine what is important
- pin-point strengths and weaknesses
- ascertain what the client wants to have achieved within a certain time (6 months or 5 years etc)



Life coaching involves assisting the client to set personal and professional goals, and to develop a workable strategy to obtain their goals within a given time frame. For a client, seeing a life coach can be a life changing experience and an invaluable opportunity to take control over their life and fulfil their dreams.

A client who seeks out a life coach does so because they want to, not because they necessarily need to. They usually have areas in their life they feel they would like to improve. The life coach helps them to focus on what they want for their own future. A business coach operates in a slightly different way. They may be focussing on how the individual needs to change in relation to their business, work or method of working.

Life coaches work one-to-one with their clients, either face to face, via the telephone or email. They build up a relationship with their clients that may be viewed as being something akin to a close friendship. You could perhaps view the coach as being someone who goes with you every step of the way. They almost walk alongside their clients. Life coaching started to emerge in the USA in the early 1990's and its popularity has increased dramatically since. One possible explanation for its popularity is there is no stigma attached to having and working with a life coach, whereas the concept of attending a therapist may have more unconstructive stigma attached. Business coaching now moves forward as it becomes more and more popular as an effective method of supporting people to improve their method of working.

A life coach may look at a range of personal issues such as:

- interpersonal relations
- self-esteem and confidence
- development of physical wellbeing
- public and professional image
- personal finances or business
- career development
- practical life skills, such as time management

A business coach may also consider some of these areas, such as time management, however their focus will be on the person's life related to business.

Like the coach of elite athletes, the business coach is results oriented, and his or her main tasks are to help clients – **recognise, overcome** and then **remove** barriers to personal growth and development. Then to **develop** strategies for achieving goals that will enable the individual to develop his or her full potential. Again like the sports coach, the business coach will be required to accurately assess the client's aptitudes, strengths, weaknesses, needs and goals in order to arrive at a programme that is specifically tailored to that individual.

Unlike a sports coach, however, business coaches may also have to manage a client's reluctance, lack of motivation, inaccurate perceptions and other psychological barriers to effective self-management. Life coaching is primarily about helping clients develop the skills and attitudes that will enable them to manage themselves and their own lives but business coaches will also take into account their business and working life.

As we have said, people may contact a life coach for very different reasons: to help them make better financial or career decisions; to get them motivated; to help them overcome feelings of frustration, helplessness, or lack of confidence; to help them manage personal relationships or to help them develop practical life skills.

The reasons for contacting a life coach may not be the primary issues that are causing the client distress or dissatisfaction, and much of the life coach's work will be to lead the client on a journey of self-discovery.

Like all inner journeys, life coaching must begin with the client's present situation and the many internal and external influences upon it. Life coaching begins with working with the client to understand where the person is, emotionally, psychologically, physically, financially and interpersonally. Only after obtaining a more accurate, clear picture of the client's present can both client and life coach identify elements in the client's past that may be hindering growth in any particular area, and plan strategies for the client's future that will encourage and nurture progress.

Let's now look more specifically at business coaching. Business coaching can help a business owner, manager or director to:

- make better decisions
- reach their goals faster
- set better goals
- improve relationships

Business coaching usually involves working with the individual on THEIR problems, so every client will receive a different form of business coaching, individualised to their needs. So a business coach may work with a business person in one of two ways:

1. To help them as an individual perform better
 - how they respond to staff
 - their work life balance
 - their organisational structure
 - delegation

- staff training
- motivating staff
- better management skills
- time management

2. To help their business perform better

- looking at ideas for the structuring of the business
- employment of staff
- time management with staff

Being a manager or business owner can be a lonely job at times. So a business coach can be there as a sounding board and confidant to help the business person to voice their issues and then help the person to find solutions to their problems effectively and quickly.

Business coaching is generally considered to be a good method of intervention to improve a business or the way the business person works, as it can be

- time efficient
- effective
- is individually tailored to the person's requirements
- is outcome focussed

In summary business coaching -

- is a one to one service for an individual business person, aimed at improving the success of that individual or their business
- focuses on the important factors and helps the individual to focus on their goals and to ACT on those goals.
- helps individuals grow their business, give support and also improve their overall life hopefully.
- provides skills and knowledge. The business coach will also share with the business person different tools and skills to use in their business and personal life for the short and long term success.

Don't be confused here. A business coach is not the same as a business consultant, they are not there to help the business person to set up a new rota or procedure for employing people, but they are there to look at issues that could be affecting how well the business is running and find ways to help the business person to change that.

Business coaching can be confused with other interventions, such as counselling, life coaching, consultancy and training. It is not the same.

Let's clarify what some of these other terms mean.

Consultancy	Consultancy using involves an expert coming into the business for a specific project or to identify a particular problem, then solve it. At the end, the consultant leaves. Their expertise and knowledge goes with them.
Training	This is education that tells you what you need to do and how you need to do it. It is usually a general training method and not specific to the individual and their business.
Life Coaching	This looks at the client's personal goals and aspirations, but doesn't look at business processes or business growth.
Counselling	Looks at a person's specific personal problems and allows them to discuss those issues and concerns.

Why do People Use Business Coaches?

Any business can use a business coach as a resource to obtain better performance, satisfaction and learning. By understanding the work processes involved in a business, a business coach can help the business person to prepare a business coaching schedule to help the client most effectively.

The client and coach work together in a partnership. As we said above, coaching is not there to help a person with their psychological issues; it is to help clients to improve their learning and performance and also to improve their quality of life.

Business coaching mainly focuses on the here and now and the future. Although occasionally, they may look at a business person's past if it is relevant to how things are working now.

Coaches may offer opinions, advice and suggestions, but the final decision on whether to go ahead with the suggestions are the client's.

A business coach doesn't necessarily have to have a specific knowledge of the industry concerned. The coach is there to help the client to promote their awareness and choice of actions, rather than evaluating the company. Coaching can look at a range of issues from professional to personal.

Clients may go to life coaches for any number of reasons. Let's look at a few examples.

Case Study 1 – 'Married' to your work

Andy feels as though he is married to his job. Every morning, he gets out of bed and goes into his study and checks orders and emails from the night before. He does this for one hour. Then he goes up and showers and prepares for work. While he does this, his wife gets their children ready for school. He becomes angry and frustrated at the noise of the children getting ready. When he is ready, he goes to work. He is always late. He leaves the house late and hits rush hour traffic. By the time he gets to work, he is usually one hour late. He feels stressed and harassed and behind most of the day. He always leaves late. Then comes straight home and switches his computer on again and starts answering emails. He usually eats at around 10pm before going straight to bed tired.

Andy could be helped by encouraging him to consider HOW he works and to take control of the time he does work. Can you think of any examples?

A business coach could for example, suggest that Andy stops working for the hour in the morning. If he got up and dressed and went straight to work then, he would avoid the rush hour traffic, he would be in work earlier, he wouldn't feel so stressed during the day and the work he did at home, could then be done at work, without the distractions from other family members (thus always helping with his family relationships).

Case Study 2 – You are really good at what you do, but now you need to do more to be better.

Jane is very good at what she does. She has set up her own business a few years ago and is now making a reasonable income but she knows that there is a lot more potential out there for her to succeed and improve her income.

A business coach could help Jane to consider her strengths and weaknesses and then help to push and persuade her to achieve more, perhaps take risks she is scared to take, undertake more training and so on.

Case Study 3 – You must be there!

Simon runs his own business with twenty staff employed by him. He works very long hours and hardly ever takes a day off. He thinks that the business cannot run properly without him being there.

A business coach can help the client to realise that in reality, Simon is just a much employee of the business as everyone else. They may make him consider that even if he went on holiday, his management team could cope.

The coach could look at methods to help the management team to develop, so Simon is happy to go away without them. They could look at business processes and how the business works. The coach may also help Simon to consider – is the business his life or something he has to do to have a good standard of life? If it's the latter, then always being at work isn't actually improving his life.

Case Study 4 – You don't feel passionate about your business any more.

Christine set up her own business some years ago and it has grown and developed well. Initially, she started out offering to self-publish novels, and then later expanded into non-fiction and other areas. Christine actually wanted to be an author herself. Now she has run out of ideas and is frankly bored. She feels that her life revolves around producing OTHER people's work.

The business coach can help her to see the potential within the organisation, look at different ways of working, different ideas, and ignite her creativity again, to look at ways that she might want to improve the business. Perhaps draw the focus back to what she originally wanted – the novels. Perhaps she could handle the non-fiction aspects of her work to other staff. Perhaps she could take time to start writing her own novel as well, as a way to improve her creativity and enthusiasm again.

Case Study 5 – You have lost sight of where the business is going

Niall has run his own business for 20 years. He has been very successful, but now the business is not doing so well, his staff who have all been with him since the start are feeling disgruntled and some are saying they might leave. Niall feels constantly stressed and irritated. He no longer enjoys the business, but can't see what is wrong. This is what they have always done and it has worked before.

Part of the problem is that Niall is doing what they have always done – what worked twenty years ago may have been great, but it won't necessarily work now. Think back to twenty years ago, it would probably have been perfectly acceptable to write a letter to a business or post an order and expect a response a couple of weeks later. Now people email and expect more immediate responses. If they place an order online, they expect confirmation straight away. All these things change what can be done within a business.

A business coach may help Niall to see that there are some areas in which the business may need to change. Some of his older members of staff may find that difficult, but Niall may have to consider whether he needs to bring new staff into the business to elicit change. Or talk to his existing staff about what needs to be done.

Case Study 6 – Not enough profit for your efforts

Martin set up his own business a year ago. He works long hours and very hard. He offers an excellent service to his clients, but whenever he does the accounts, he realises that he is not making much money.

A business coach will help Martin to see what he is doing and help him to consider actions to grow profits and ways to drive the business forwards.

Case Study 7 – Lots of experience, but no investment in you

Shona runs a successful business. She treats her staff well. They receive regular training and supervision to do their jobs well. Shona does not put herself on any training or receive supervision.

A business coach could help Shona as someone who can look at her performance, ways she works and areas in which she could improve. This is maybe something her staff members may be reluctant to say.

BUSINESS FAILURE OR SUCCESS

Why do some businesses fail, whilst others succeed? Well the answer to that is – how long is a piece of string? Some business ideas that seem really silly and unlikely to succeed do, and other businesses that shouldn't fail, do fail!

Let's look at another case study.

Case Study

Gordon was a very successful regional manager of toy shops. He had been in charge of the running of over 50 shops in the last 15 years. The firm's profitability had increased 100% in that time. Gordon thought it was mainly due to him. He decided to set up his own business and followed the same format that he had used in the firm. He initially bought two toy shops and set them up, following his original plan. The toy shops began to make a loss almost immediately. Gordon sold one after a few months and tried to make a go of it with the other one, but it also failed.

A coach could help Gordon in a number of ways.

- Whilst Gordon was a very good manager, he was not actually very good at talking to children. He was running the one store himself and when children came in to talk about toys, he didn't like the children handling the toys, was very brusque with them and their parents and didn't enjoy customer contact.
- Being in charge of fifty stores is not the same as being in charge of two. Gordon was used to ordering thousands of the same toys to sell in the stores, so did the same, but he only had two stores and insufficient customers to purchase all of them.
- He was very confident in his abilities. He believed that his previous firm had succeeded mainly because of him. He did not consider that he had a very experienced team behind him helping him to make decisions.
- The firm he worked for had become very successful also selling toys on the internet, but Gordon was not involved in that process in the previous firm and had not considered that as a method of selling for the new toy shop.

All of these areas could be considered by the business coach.

We have looked at why business coaching can be useful but to finish off this first lesson, let us consider why sometimes business fail and some businesses succeed.

Most businesses have the POTENTIAL to succeed. There is always a way to make a business grow, you just have to find out what you need to do. Growing a business requires constant experimentation to see what works and what doesn't work. Then going over and over what does work. If a business person does this for long enough, they will succeed. If they are not able to do it for long enough, they will probably fail.



It is very hard to create a unique business, so there is always going to be competition. So one reason that smaller businesses (and larger ones) fail is when they are not able to answer the following question well.

WHY US?

You have twenty different firms offering the same toy. Why would you go to one particular firm? Consumers buy for a range of reasons, but they have to know who will give them what they want.

If they want someone like Gordon, where they can go into a shop and buy a toy. Then Gordon may well be their man but if they want to be able to order their toys online, he won't be.

So firms need to be able to answer that question -

- Why us?
- Why should clients buy from YOU?
- Why should the best staff come to you?

A lot of the reasons that firms succeed can be due to networking and marketing. Good marketing can help you to sell anything. Networking can lead to a circle of people who will use your products or services. They in turn, may tell other people about you, so the business gets “word of mouth” recommendations.

Business owners also need to set goals. If you do not set goals, it is unlikely that a business will be successful. Coaches can be very useful in helping clients to set goals and aims for their business and consider ways to achieve that.

Other areas where businesses fail are when they do not offer great customer service. Customers want to be impressed. Think about Gordon again. He does not encourage his customers to come back, so if someone wants a toy, will they go back to Gordon or somewhere else? But if Gordon had been friendly and nice and helpful, they may just have gone back.

So good customer service is important and potentially leads to repeat custom.

Linked to that, it is not all about price, people want an affordably, reasonably priced product, but they want a quality product or service at a FAIR price.

Other areas where businesses can fail are:

- lack of marketing knowledge
- lack of backing capital
- lack of planning
- lack of research into their market – good business people will analyse their market, see if there is sufficient business there for them to grow, see if there is a niche in the market they can fill and so on.
- lack of infrastructure to support the business
- lack of personal qualities to make the business succeed – determination, business knowledge, good networking skills and so on.

We have looked at why businesses fail, but why do some succeed? Really the answer is that they do take account of all the factors above. They have researched their market, planned well and so on.

All of these factors mentioned above are useful to consider when coaching clients in business. They may not see areas that aren't working well for them. Or fail to make use of areas that are working very well and improve on them.

SET READING

Refer to, and read any reference material you have access to that relates to the aim of this lesson.

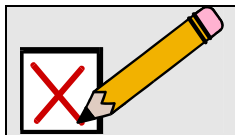
This may include any of the following:

Books in your own possession, or which you find in a library

Periodicals you have access to (i.e. magazines, journals or newspapers)

Websites

Spend no more than 2 hours doing this.



SELF ASSESSMENT

Perform the self assessment test titled 'Self Assessment test 1.1.'

If you answer incorrectly, review the notes and try the test again.

SET TASK

Contact a business coach or business coaching organisation by email, telephone, or in person. Ask them to briefly explain what they do, and how it differs from the role of a life coach or an external supervisor employed by a business (it might pay to explain to them that you are studying business coaching with a view to perhaps working in this area and that you would really appreciate hearing about their role directly from the horse's mouth, so to speak). If they have brochures or other literature explaining their operations, ask them to forward copies to you.

If you are unable to complete this task for whatever reason, then try to gather as much information as you can about the services offered by different business coaches or business coaching organisations from internet searches, trade or business magazines, newspaper articles, and so forth.



ASSIGNMENT

Download and do the assignment called 'Lesson 1 assignment'.