



# Research on Purpose and Effectiveness of Executive Coaching

*Executive Summary*

**People Business**  
in Partnership with  
**IIM Kozhikode**



# # 1 Overview & Assessment

- **Objectives of the study:** People Business in Partnership with IIM Kozhikode conducted a survey with CEOs and HR Heads of major organizations on the purpose they use executive coaching and their perceptions of the effectiveness of the same.
- **Responses:** 68 CEOs and 110 HR Heads responded to the survey.
- **Overall Summary of Results:** Analysis shows that Executive Coaching is a highly prevalent approach for developing managers and leaders. Majority of the responding organizations have used executive coaching as an effective leadership development tool.

## **PB's Assessment:**

India is catching up with the United States in terms of Executive Coaching. While the industry is only less than a percent what it is in the US in terms of numbers reported, Executive Coaching is getting accepted and key stakeholders who influence usage of same (CEOs and HR Heads) are agreeing to the fact that it is making an impact on the organizations.

Executive Coaching is making its presence felt in two critical areas : The top management / senior management and the upcoming future leaders. By helping leaders to shape up their strategic thinking, leadership skills or how they are able to build effective teams, the role that executive coaches are playing is critical.

It is also interesting to note that as executive coaching as a profession is evolving in India, organizations are looking to engage with professional external coaches who have got business experience, built a reputation, and has expertise in the relevant area.

## # 2 Analysis & Key Results

### Importance:

- More than 60 % of the organizations surveyed use executive coaching as a mechanism for developing talent.
- More 70 % of HR Heads consider executive coaching as an effective tool.
- More than 82 % of CEOs who responded have got Coaching inputs from an external coach in their career
- Around 46% of HR heads agree that coaching has been highly effective in achieving desired outcomes and around 36% of HR heads agree that coaching has been moderately effective
- 72% of CEOs agree that there has been a positive impact on the organization through executive coaching.

### Purpose:

- Coaching is essentially used for senior management and leadership levels.
- Most (91%) of HR heads use coaching engagement for their senior leaders and close the 82% of them use it for Top management.
- Considering the major purpose of using executive coaching,
  - 60% of them mentioned Leadership Pipeline development where they train a pool of successors and prepare them for future leadership
  - Almost 55% of them agreed that it is used to enhance current performance of the person or to induce a behavioral change
  - 45% mentioned that coaching is also used while enabling employees transition from one role to another
- Key leadership skills/behaviors that Coaching can help are - Aligning vision (64%), Interpersonal skills (55%), Conflict Management & Team Building Skills (45%) and Communication Skills (36%)

## # 2 Analysis & Key Results

- While most of the HR heads (77%) are looking at building internal leaders through developing skills such as Change Management, Leadership Skills, Mentoring/ developing internal talent and Strategic Orientation – 67%, other aspects such as Conflict Management – 60%, Execution Excellence – 55% and Compassion/ Empathy – 46% are more people-centric and managerial-focused in nature.

### **Participation:**

- 59% agree that they find both internal and external coaches useful. However, more than half of those participants find external coaches to be more useful than internal coaches. Similarly, 64 % of CEOs mentioned that they would like to engage with external coaches.
- 80 % of CEOs mentioned that they are open to feedback and receptive to changes that come with a Coaching engagement.
- 91 % of CEOs who responded mentioned that they were coaches to others in their career and is open to do the same again

### **Major Decision Factors:**

- While most of the HR heads' deciding factors to select a coach are Coaching Experience (77%), Level of Business Experience (73%), and Area of expertise (68%), reputation of the coach in the industry also plays a major role in involving the coach in coaching engagement
- Most frequently used coaching tools and techniques include 360 degree Feedback (73%), Action learning techniques (55%) , Peer interview and Psychometric tools (41%), Appreciative inquiry and Supervisor interview (32%)
- Typically used interval for coaching is for 6 months
- Key obstacles to coaching include - operational challenges that divert the focus of the coachee (64%), expecting immediate success (50%) and close to 45 % of them are either due to losing momentum or discontinuing after the start.

# About People Business

People Business is a leading HR and Leadership consulting firm with offices in Bangalore and Mumbai. We focus on providing expertise in the areas of HR Transformation, Leadership Development, Culture & Employee Engagement and Employer Branding.

People Business in partnership with Economic Times has launched Great Manager Awards, an initiative to measure and compare the managerial effectiveness index of companies across India.

Our research has been published in the Wall Street Journal, Harvard Business Review, Fortune, The Economist, and the Washington Post.

For more details visit us at [www.peoplebusiness.org](http://www.peoplebusiness.org)

**If your organization is exploring executive coaching  
reach out to us**

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