

INVESTING IN LEADERS IS NOT ENOUGH

Preparing an organization for
rapid scale requires more
than just executive coaching.

By Chris “Mitch” Mitchell

The ability to lead transformational change is a crucial executive skill.

And while developing senior leaders is important in organizations looking to optimize performance, the reality is that coaching alone simply isn't enough. Leaders who excel at unlocking enterprise-level potential go much further than just individual growth initiatives.

An executive coach we worked with years ago recently shared an unfortunate client story. A forward-thinking CEO of a multi-site healthcare services organization reached out requesting coaching services. Her goal was to elevate her capabilities following a private equity firm's investment in the company so she could meet the new backers' high expectations.

Six months later, the CEO felt she had improved her ability to connect with employees and delegate but was losing the confidence of her board as she struggled to meet performance targets. The pressure was taking a toll on her ability to serve as an effective and inspirational leader.

In our experience, this scenario is all too common. Smart, hard-working leaders in organizations undergoing transformations feel the pain of being asked to accomplish more, and they reach for coaching as the go-to fix. Their attitude is, "Just make me a better leader and I'll get the company across the finish line somehow."

They don't request or receive coaching that reflects the specific business needs of their organizations. More significantly, they internalize the growth challenge as one that rests fundamentally with them and their executive team, instead of considering their broader context and climate.



Why We Over-Rely On Coaching

The reality among organizations looking to achieve rapid scale is that coaching alone isn't enough to help them reach their goals. These companies require a far more comprehensive approach that considers organizational strategy, structure, culture and, most importantly, the degree to which key stakeholders are aligned.

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Too few leaders recognize this. And it's understandable, given our society's strong emphasis on self-reliance. The rugged individualism that our culture has long idealized is alive and well, especially in America's boardrooms. Leaders continue to overvalue the contributions of individual leaders and undervalue the systems in place—both visible and invisible.

What's more, many leaders become successful at least partially as a result of having exceptionally strong work ethics—a vital quality in CEOs, but one that can ironically point them down the wrong paths. Based on their experience, they mistakenly, often subconsciously, believe that all goals are within reach for those who are willing to work harder and smarter. This inevitably leads to frustration and disappointing results.

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What Does It Take To Scale Successfully?

Of course, much of the thinking behind these perceptions is valid. The most successful executives are almost always strong individuals with exceptional capabilities and work ethics, who are committed to continuous self-improvement. Many of these executives engage mentors, coaches, and advisors and see direct, even exponential business results.

Yet the leaders who excel at rapidly unlocking their organizations' growth potential go much further than achieving personal growth. They consider the parts and the whole—utilizing strategic business-focused executive coaching while simultaneously initiating overall change management.

Often, leaders don't find their way to this perspective right away. In time, however, and with the right partner, they realize that while individual excellence does matter, the surrounding reality matters just as much, if not more. The savviest such leaders recognize the power in taking a more holistic approach to developing their organizations and harnessing that power to achieve scale.

So, what are the additional approaches can executives take to better prepare their organizations for rapid growth? Through decades of business advisory work, we've identified three key strategies that, when paired with coaching, can help companies scale and maximize the return on their coaching investment.



1. Clarify and cascade strategic priorities

As the saying goes, “If you don’t know where you’re going, then where are you going?” Wise coaches and receptive coachees can only make so much progress without clarity about where the organization is headed and how each leader is expected to contribute.

By establishing a clear list of priorities, executives can ensure coaching and all other change efforts are focused on supporting the enterprise’s most immediate, pressing goals, maximizing overall impact and setting the table for exponential growth.

2. Explicitly instill organizational values

There’s often a gap between what’s written on the wall and what happens in the hall. When values fail to align, problems surface, even in organizations committed to developing leaders through coaching. No amount of one-on-one or group sessions will work in environments that tolerate and/or implicitly reward bad behavior. Only by clearly setting expectations and holding people accountable can companies truly reinforce their values and harness them to create a positive culture that allows team members to propel the organization forward.

To illustrate, think of a healthcare startup that has established a “no jerks” policy in order to create a climate of high trust and high performance, where employees do their best work. At the same time, the company hires industry experts who—despite the existing policy—are harsh, judgmental and transactional, making day-to-day collaboration and teamwork extremely challenging. The result is chronic underperformance with disengaged team members who lack the confidence needed to operate independently and decisively.

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3. Foster a culture of continuous self-improvement

Too many workplaces regard coaching as a "scarlet letter"—a corporate program designed to “fix” flawed under-performers. This mentality limits the positive impacts of coaching, preventing leaders from openly discussing their progress and keeping them, their teams, and the whole organization from reaching their full potential.

Top leaders can counter this by shaping cultures of continuous self-improvement, in which coaching is a gift and ongoing learning and development is seen as a positive attribute. This serves to destigmatize coaching and encourage team members to innovate, collaborate, and think bigger.

It will be easier said than done.

A word of caution about these recommended approaches: they are much more difficult to implement than most leaders appreciate. This stems from the fact that too many top executives mistakenly separate *business growth* from *organizational health*. They focus too much on the short term and not enough on the long term. This creates an environment in which employees accurately recognize human capital and cultural initiatives as actually less important in the eyes of leadership. They act accordingly and the whole enterprise suffers, regardless of the addition of coaching and/or other elements.

Leaders looking to truly drive transformation must change this paradigm and internalize the absolute importance of setting the right example: *leading from the top*. For example, they might seek out and communicate how they themselves will “always be growing as a leader” and regularly work with a coach or advisor who offers wisdom tied to both their individual performance and the broader goals of the business itself.



About the Author



Chris “Mitch” Mitchell is a Principal at FMG Leading, where he guides executive leaders and teams through periods of rapid scale, ambiguity, and strategic change.

Mitch partners with management teams, investors, and boards to accelerate growth and create value. He brings a holistic approach to both corporate strategy and individual development, aligning overall business context and goals with the human capital capabilities required for organizations to thrive. Mitch excels at guiding executive leaders through complex and nuanced situations where the stakes are high, primarily advising middle-market private equity-backed executives and investors, as well as senior leaders from a wide range of industries. His specialty is preparing executives to build and lead high-performing teams as they take on new growth expectations and the increased pace commonly associated with an infusion of growth capital.

Mitch earned a Bachelor of Arts in Finance and Insurance from the University of Rhode Island, and his Master of Divinity degree from the Gordon-Conwell Theological Seminary in Massachusetts.

About FMG Leading



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FMG Leading helps leaders build the alignment, agility, and strategic focus required to transform their organizations, deliver world-class outcomes, and help healthcare fulfill its promise.

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