

# PART I



## MASTERFUL COACHING— THE METHOD: WAYS OF BEING, MIND-SET, AND SKILL SET

*I am taking a stand in this book. Yep! I'm making a powerful commitment to teach you everything I know about being an extraordinary leader and masterful coach. I am going to do this in the service of two objectives. The first is to expand your capacity to realize an impossible future and win in your business. The second has to do with the fact that business can be the ultimate self-development and growth experience, and my role as a coach is to make sure that this possibility is realized.*

Today business has become a brawl, and the only rules are that there are no rules. Think al Qaeda, think Wal-Mart, think China and India, think info tech, think talent. Think about the need to do something creative and innovative—to move up the value chain. In this kind of world talent is all there is, the only thing that cannot be reduced to a commodity. As a result the old leadership based on barking orders, command and control, and doing the same thing better is obsolete. The new leader is a coach whose forte is inspiration and improvisation and who gets people to initiate and execute.

Part One of this book is designed to introduce you to the idea of the CEO as coach and to teach the ways of being, mind-sets, and skill sets that go with that. In this part you will learn the fundamentals of masterful coaching. For example, you will learn that coaching is about realizing an impossible future and winning while developing extraordinary leaders and extraordinary results and that coaching is a way of being, not just a technique. You will learn about the masterful coaching five-step coaching model and how to engage in six-cap coaching conversations. You will be introduced to the masterful coaching toolbox—power tools for powerful results. I invite you to join me on the journey to masterful coaching.

## CHAPTER ONE



# THE CEO AS COACH

## *Coaching Is Job #1 in the Age of Talent*

### REALIZING AN IMPOSSIBLE FUTURE AND WINNING IN THE GREAT GAME OF BUSINESS



***A masterful coach inspires talented people to make a difference in their world.***

Today, as we shift from the age of the machine to the age of talent, there is a dramatic shift taking place from the CEO as mechanist to the CEO as coach. The CEO today needs to put on a coach's hat and become a connoisseur of talent in order to compete in a world where no job is America's God-given right anymore. Today's CEOs, like coaches in the world of sports, are put in their jobs to inspire, empower, and enable talented people to realize an *impossible future* and *win at the great game of business*. As we move from a smokestack economy to a creative economy, the rules of the business game are changing rapidly. The old leadership from up on high, barking orders and relying on command and control, is obsolete. The new leadership is about inspiration, improvisation, and coaching people to initiate and execute projects that will rock the world.

## I INVITE YOU—LEADERS AT ALL LEVELS—TO JOIN ME ON THE JOURNEY TO MASTERFUL COACHING

I have already said a mouthful. Before going on I want to get up close and personal with you. I am very passionate about this idea of the CEO (the leader) as coach. I am also very passionate about the idea of using coaching to realize your impossible future and win in your business. Yes! It's not just the whole idea of creating game-changing products or services that result in growing your business exponentially and multiplying your profits that turns me on. It is that business provides people with the possibility of having the ultimate self-development and growth experience. Consider these questions: Do you want to become an extraordinary leader and masterful coach? What would be an impossible future for you and your business? What would winning look like? Are you turned on by the idea of creating exciting products for customers and exciting opportunities for people to grow? If so, please join me on the journey to masterful coaching.

### A DRAMATIC CHANGE IN THE ROLE OF THE BUSINESS LEADER



***In the past the [talented] man has been first; in the future the system must be first.***

**Frederick Taylor**

*The first CEOs were mechanists who saw the organization as a giant machine and people as interchangeable parts.* In order to understand the role of masterful coaching in today's world, we have to look at the historical role of the business leader and how it is changing. What we are seeing as we move from the age of the machine to the age of talent is a shift from the CEO as mechanist to the CEO as coach. As the age of the machine dawned, efficiency experts were often brought in to make sure that the machine ran like a giant clock, independent of human skills. As Frederick Taylor wrote in his 1911 book, *The Principles of Scientific Management*, even extraordinary individual leaders would be outperformed by well-organized groups of ordinary men. Taylor said that "in the past the [talented] man had been first; in the future the system must be first." According to Taylor, "Let's organize this factory more efficiently."<sup>1</sup> Henry Ford added the assembly line. Later Peter Drucker and Alfred Sloan added the idea of the effective executive and the concept of the corporation based on decentralized business units.



***Coaching has to emanate from the heart rather than the head as people readily recognize the difference between the two.***

**Herb Kelleher<sup>2</sup>**

*Today we are seeing the shift from the CEO as organization man to the CEO as coach.* In the 1950s, William H. Whyte wrote a book called *The Organization Man*. The CEO was in fact an organization man, dedicated to strategic planning, rearranging the boxes of the organization chart, and making predictable results (in other words, avoiding losing). That was then. Today the CEO as organization man is being displaced by the CEO as coach. These new leaders are obsessed with possibilities, talent, and winning. Leaders who symbolized the shift from organization man to coach began to emerge in the 1950s, '60s, and '70s. They include physicist Robert Oppenheimer, who led the Manhattan Project; Kelly Johnson of the original Lockheed Skunk Works; Robert (Bob) Taylor of Xerox PARC; Steve Jobs and the original Apple Mac team; and Herb Kelleher, chairman of Southwest Airlines. When Kiichiro Toyoda of Toyota and Taiichi Ono of Fujitsu came along, they recognized the power of talent, not only at the top but at all levels. They understood that the key to winning in a global economy was explicitly leveraging the knowledge and intelligence of factory workers.

*The shift to CEO as coach follows the shift from capital as the source of wealth to talent as the source of wealth.* Who wants to be a billionaire? How do you reach such an impossible dream? How do you win? How do you create wealth? In the past investing capital in big factories was the way to create great wealth. Today talent is the source of wealth, due especially to the shift from factory work to knowledge work. Let's do a little math. Microsoft has a total market value of \$250 billion, which it has achieved using a mere \$30 billion of financial capital. The difference is the amount of shareholder wealth the company has created: \$220 billion. In contrast, Exxon Mobil has a higher market value, \$252 billion, but has needed so much more financial capital to support its old industrial-economy business model that it has created less shareholder wealth than Microsoft (\$143 billion).

## **TAKE THE ACID TEST FOR BEING AN EXTRAORDINARY LEADER OR MASTERFUL COACH**

It is possible to talk all day long about the attributes of a great CEO or leader and masterful coach. Yet one thing may stand out above all the rest: whether a leader pursues mastery in leading

a team to an impossible future and winning or is content just with mediocrity. Think about some of the things that fall under the umbrella of coaching, of being a talent maven and motivator of others: impossible futures, brilliant projects, extraordinary teamwork, and of course extraordinary and tangible results. Ask yourself: “Do I pursue mastery in these things, or do I just go through the motions?”

I am passionate about the idea that a leader and coach does not have to possess any set of homogenized attributes. I think the best way to determine whether someone is an extraordinary leader and masterful coach is to see if he or she passes the acid test.

*This book has a hidden message: pursue mastery; don't settle for less.* In the normal course of events, people talk about great leaders and coaches in terms of a set of attributes. Yet some leaders and coaches are charismatic and visionary whereas others possess a stoic, workmanlike quality.

*To me a masterful coach is someone who can pass the following acid test. The masterful coach*

1. *Brings about an impossible future that represents winning*—think Jack Welch of GE, Steve Jobs of Apple, Andrew (Andy) Grove of Intel.
2. *Is a connoisseur of talent who leads people to an experience of their own greatness*—think Robert Oppenheimer of the Manhattan Project, Bob Taylor of Xerox, Tom Kelley of IDEO.
3. *Masters the secrets of great groups*—think Clarence (Kelly) Johnson of Lockheed Skunk Works, Steve Jobs and the original Mac team.
4. *Provides people with the ultimate self-development experience.* A masterful coach is a real business guru, a wise person who listens carefully, has a powerful, profound teachable point of view, and can say the one thing that will make a difference.
5. *Produces record-breaking financial results on a sustainable basis.*

## ACID TEST 1

### **DO YOU INSPIRE AND EMPOWER PEOPLE IN YOUR ORGANIZATION TO REALIZE AN IMPOSSIBLE FUTURE AND WIN?**

One of my favorite leadership gurus is James (Jim) MacGregor Burns, a Pulitzer prize winner, a friend, and the author of *Transformational Leadership*. According to Jim, who visited the White House during Franklin D. Roosevelt's time and was a personal friend of Jack Kennedy, the ultimate test of whether someone is a great leader and coach is that person's ability to realize an impossible dream and bring about irrevocable change consistent with throbbing human needs and wants. Certainly Thomas Jefferson, Abraham Lincoln, and FDR would pass this acid test, as might certain CEOs in the business context. And no doubt many sports coaches and players would—especially those who not only won repeat championships but also changed the game. Vince Lombardi of the Green Bay Packers, Red Auerbach of the Boston Celtics, and Jackie Robinson. How about you?



*The leaders of great groups love talent and know where to find it.  
They revel in the talent of others.*

Warren Bennis<sup>3</sup>

## ACID TEST 2

### **IS THE PURSUIT OF GREAT TALENT AN OBSESSION FOR YOU? ARE YOUR MARCHING ORDERS: “FIND THE BEST PERSON IN THE WORLD!”**

There is a creative class of American professionals consisting of research and development people, scientists, engineers, doctors, lawyers, musicians, and artists. This creative class, drawn from all over the world, makes up about 30 percent of the U.S. working population and receives almost

80 percent of the income generated by American companies. In order for CEOs to realize an impossible future and win in their business, they have to be able to recruit the best talent from this creative class, as well as to excite talent and develop talent. We talked earlier about Microsoft, a company that has thrown off more wealth to shareholders and employees than any other company on earth. What does Microsoft run on if not financial capital? Talent! A clue: ask Microsoft executives what the company's core competency is, and they do not say a thing about software. They say hiring. That is why Bill Gates personally will call promising graduate students that the company hungers for. It is why Microsoft bought software maestro Ray Ozzie's company, just to get Ozzie. It is no wonder that Microsoft went wild when Google hired one of its top talents.

### ACID TEST 3

### WOULD THE PEOPLE ON YOUR LEADERSHIP TEAM SAY YOU HAVE MASTERED THE POWER OF CREATIVE COLLABORATION AND THE SECRETS OF GREAT GROUPS?

The CEO as coach has to know something about creating an effective leadership pipeline if he or she is to realize an impossible future. At the same time, developing individual leaders is not sufficient to create a winning company. A leader has to know something about fostering great groups and also must master the secrets of creative collaboration. One of our guiding principles of masterful coaching is that the surest way to create new value is to connect people from one network (team) to another network (team). Creating new relationships between networks creates new relationships between people. Creating new relationships between people is a fantastic recipe for creating new industries. Look at what happened when Fred Smith of FedEx connected twenty-four-hour package delivery with computing and airfreight. Look at the connections among QVC, the Internet, and network television.



***Groups become great only when the leader and everyone in them is free to do his or her absolute best. The test of leadership is to lead others to their own greatness.***

**Warren Bennis<sup>4</sup>**

#### **ACID TEST 4**

### **HOW MANY TALENTED PEOPLE WOULD SAY WORKING FOR YOU IS THE ULTIMATE SELF-DEVELOPMENT AND GROWTH EXPERIENCE?**

I have led leadership seminars throughout the world with over 30,000 people. These seminars were mind-boggling, heart-opening events in which transformation often occurred before people's eyes. Yet as powerful as these programs were, they paled beside what happened when I took up the mantle of masterful coaching and began to coach executives in their businesses with colleagues, amid competition, change, and complexity. I believe this occurred not just because of the power of the masterful coaching approach and my coaching but also because the great game of business provides the perfect context for having the ultimate self-development experience. You can't take a stand for an impossible future, source an inspired, high-performing organization, or create exciting products for customers and exciting opportunities for employees without rapid self-development and astonishing personal growth.

#### **ACID TEST 5**

### **DO YOU HAVE RECORD-BREAKING FINANCIAL PERFORMANCE?**

There is a great deal of evidence to suggest that business leaders who devote significant amounts of time to coaching and teaching often deliver record-breaking financial performance. A study of thousands of companies by Hewitt Associates, a human resource consulting firm, showed that the CEOs who spent at least 30 percent of their time coaching and teaching other leaders produced a 20+ percent TRS (total return to shareholders) over a ten-year period, whereas those that spent less than 10 percent of their time coaching and teaching produced a -3 percent TRS. For example, during Jack Welch's reign as CEO, General Electric's market value increased from just \$12 billion in 1981 to about \$280 billion at the time of Welch's retirement in 2001. Lawrence (Larry) Bossidy of Allied Signal, who says he spends 60 percent of his time coaching and teaching when he comes into a job and 30 percent when he turns a company around, took this flailing company in hand and delivered thirty-four straight record-breaking quarters of profitability.<sup>5</sup>

What makes a leader stand out as a masterful coach is not being great at one of these abilities but displaying a dynamic combination of all of them. For example, Steve Jobs, Fred Smith, and Jack Welch each realized an impossible future and figured out how to win in his business. Each made the pursuit of talent an obsession, reveling in the talent of others. At Apple that future was to “change the world.” At FedEx it was twenty-four-hour guaranteed delivery. At General Electric it was “to be the most competitive enterprise on earth.” Each of these leaders created a great group and showed mastery in the art of creative collaboration—connecting people and networks together: Apple, Pixar, and Disney; FedEx, the Internet, airfreight, and logistics. Each leader coached and mentored direct reports, providing the ultimate self-development experience. General Electric became a CEO factory. Apple became the incubator for hundreds of Silicon Valley start-ups. FedEx has many stepchildren. Each delivered good to great financial performance over the years.

## **A HANDFUL OF CEOS ARE FASCINATING AND INTRIGUING ROLE MODELS FOR THE CEO AS COACH**



***The Talent Review Process is a contact sport at GE; it has the intensity and the importance of the budget process at most companies.***

**Ed Michaels, Helen Handfield-Jones, and Beth Axelrod<sup>6</sup>**

Historian Arnold Toynbee says that the rise and fall of civilization depends on leaders (creative minorities) who, when met with big challenges, respond creatively and effectively rather than merely react. In the 1980s and 1990s, a handful of big company CEOs who represented a creative minority took a stand for dramatically altering the way we define leadership, growing up perhaps in a time of parenthesis between management’s past and its future. They intuitively recognized that when you change the way you define leadership, you change the way you run a company. Among the leaders who made up this creative minority were Jack Welch of GE, Roberto Goizueta of Coca-Cola, and Andy Grove of Intel. Interestingly enough, each of these leaders proved remarkably successful in growing his or her business, multiplying profits, and winning the talent war.



***My expertise is not creating a strategy or building a product. But I do know something about coaching and teaching people.***

**Jack Welch<sup>7</sup>**

*Jack Welch*, building on General Electric founder Charles A. Coffin's dream that GE was about building leaders, not just about making lightbulbs and transformers, spent a gaspworthy 30 to 60 percent of his time coaching and teaching—developing a virtual CEO factory in the process. He borrowed the idea from Wayne Calloway of PepsiCo that executives needed to be directly involved in developing other leaders, not just delegating that task to human resources or outside consultants. He often spent three days a month at GE's leadership center at Crotonville, New York, as well as a full month doing *talent reviews* in every GE division. He looked for people who were star performers or good performers ready for a stretch assignment in a far-flung division, and weeded out nonperformers. He further differentiated through pay for performance—a rare practice in most companies. According to Welch, “You build strong teams by treating individuals differently. Just look at the way baseball teams pay 20-game winning pitchers and 40-plus homerun hitters.”<sup>8</sup>



***I was always coached and mentored to confront the very natural fear of being wrong. I was constantly pushed to find out what I really thought and then to speak up.***

**Roger Enrico<sup>9</sup>**

*Roger Enrico* of PepsiCo pushed the envelope further with his *special classrooms* (leadership encounters) that he taught once a year to rising stars within Pepsi. To qualify, participants had to come with a leadership and business breakthrough project that was a top priority for their division. Enrico would then spend the next year coaching them on this project, regularly meeting and speaking with them one to one and in groups. Instead of equating a leader's development with leadership competency lists, Enrico equated it with being able to produce difficult or impossible results. He also had a teachable point of view to the effect that it is how you treat employees that will determine how they treat customers.<sup>10</sup>



***How do you define yourself as a leader? You calendarize coaching.***

**Jeff Fettig<sup>11</sup>**

*Jeff Fettig*, CEO of Whirlpool, points out that CEOs often have the most capacity to be great coaches simply because they have had lots of experiences of winning. Also, having climbed to the top of the corporate ladder, they are no longer competing with everyone around them. As a result their passion often shifts from maximizing winning and avoiding losing at all costs to helping others win. Their position at the top of the organization also gives them a unique view of strategic imperatives and a unique view of the playing field. Jeff Fettig coaches five Whirlpool people in executive roles and mentors five high potentials in various parts of the world—two in the United States, one in Latin America, and two in Europe. He believes that if you want to be a coach, you need to calendarize coaching rather than leaving it ad hoc.<sup>12</sup>



***China's goal is to launch hundreds of true multinational firms. Today the primary obstacle is a leadership gap. To close it, China is going to have to develop 75,000 leaders in the next ten years.***

*Emerging leaders, in emerging businesses, in emerging markets.* Today the CEOs of emerging businesses are pushing the envelope even further. One software company CEO I have heard about personally recruits talented engineers right out of college and then for the next year personally and methodically coaches and teaches them in small teams in developing the company's next generation of products and services. Similarly, the CEOs of venture capital firms, like Thomas Binton of Palmer Inc., are shifting from being speculators and financiers (who, once they had listened to your business plan and decided to fund you, then kept a cool distance) to coaches and thinking partners (who, once they have decided to fund you, also help you decide what talent you need to hire, develop your business plan, and support execution). They are even venturing out of Silicon Valley to coach emerging leaders in emerging businesses in emerging markets—Shanghai, Bangalore, or Bangkok. They are often taking people who are the godparents of invention and turning them into their godchildren of marketing.

## THE IMPACT “CEO AS COACH” GOES RIGHT TO THE BOTTOM LINE, YET MOST CEOS JUST DON’T GET IT



***The top software developers are more productive than average software developers, not by a factor of 10x or 100x, or even 1,000x, but 10,000x.***

**Nathan Myhrvold, former chief scientist, Microsoft<sup>13</sup>**

Most CEOs and other leaders are by and large so preoccupied with their boards, bosses, reading the political tea leaves, and handling the nondiscretionary parts of their jobs—such as the annual round of planning and budgeting—that the discretionary parts of their jobs—such as coaching and mentoring—get put on the back burner. Leaders also usually fail to recognize that we have moved from the age of the machine to the age of talent, where marquee players can make a difference compared to average players in the same job. Say Ed Michaels, Helen Handfield-Jones, and Beth Axelrod of McKinsey & Company, “We believe companies can increase their market cap 50 percent in 3 years by putting in higher level talent.”<sup>14</sup> Steve Macadam at Georgia-Pacific changed twenty of his forty box plant managers to put more talented, higher-paid managers in charge. He increased profitability from \$25 million to \$80 million in two years.<sup>15</sup>



***Ninety-five percent of managers surveyed said they don’t act as though they are responsible for people’s performance and development.***

**Ed Michaels, Helen Handfield-Jones, and Beth Axelrod<sup>16</sup>**

It is not just that most CEOs do not get the need to put a great player in every key job, they also don’t get how important it is to develop people. Ed Michaels, who led the McKinsey study of

what came to be called *the war for talent*, asked 12,000 decision makers, “Do you feel you should be accountable for the strength of the leadership talent pool you develop?” Over 80 percent said emphatically yes. When asked, “Do you in your role as a leader actually act like you are responsible for the strength of the leadership talent pool you develop?” all but 5 percent said no. Further, 82 percent seemed to feel that even though companies did provide some occasional leadership training, they grossly underdelivered on providing stretch assignments or one-to-one coaching. These results show that we are still living in a time of parenthesis between the CEO as organization man and the CEO as coach.<sup>17</sup>

## Most CEOs Just Don't Get It

- They fail to inspire *anyone* with the *audacity* of their dream.
- They are surrounded by sycophants and have a low tolerance for contention and risk takers.
- They think the great game of business is not about winning but about getting by.
- They focus on (big) mergers rather than organic growth as the key to offense and defense.
- They do not show up 24/7 like talent fanatics, and they spend less than 5 percent of their time coaching.
- They allow people to set goals that are not a challenge, and they accept less than excellence.
- They hold team meetings as a political contrivance, and they don't encourage straight talk.
- They foster constant improvement rather than breathtaking, disruptive innovation.
- They believe that *process* beats *passion*, *analysis* beats *action*.
- They are not *loved* by frontline workers.

## **MOST BUSINESS LEADERS ARE CRAPPY COACHES**



***Most companies have a leadership development program. What's missing is a formal coaching and mentoring program.***

In this chapter I have been talking about the CEO, but it is a no-brainer to assert that *leaders at all levels of the organization* need to become coaches, given everything we now know about the importance of recruiting talent, engaging talent, and developing talent. The issue is that most people in leadership roles are merely posturing as leaders and are miles away from being coaches. The fact is that until you become a real leader, you are like the kid in school who puts his hand up in class in order to give the right answer and look smart.



***When you become a real leader, what you stand for starts being about making your people brighter, bigger, and bolder.***

When you become a real leader, things shift in a powerful and profound way. You become much more concerned with making your people brighter, bolder, and better rather than always looking for the opportunity to put your hand up. It is this process of becoming a real leader that naturally evolves into the coaching mind-set: “Got a problem? Let’s talk about it.” Then there’s the issue of skills. Most leaders lack the basic skills needed for coaching. Learning to become a coach means being a dream maker and master motivator, setting high goals, discussing both the hows and the whats, holding people accountable, and most of all getting past superficial congeniality and giving honest feedback. This doesn’t come easy.

## **ARE YOU READY TO ENTER THE JOURNEY TO MASTERFUL COACHING?**



***When you see yourself differently, you will begin to act differently.***

*The first step in the journey to masterful coaching is to see yourself differently: I am a coach, teacher, mentor. You will be surprised when you see yourself differently; you will suddenly begin to adopt the ways of being of a coach and begin to act differently. This can be as simple as changing hats. One day your job as a leader and coach may require you to put on the dream builder or the master motivator hat. The next day it may require you to take that hat off and put on the team builder hat. The day after that your job may require you to provide a strong teachable point of view about success in order to address a breakdown such as bad design or poor quality or possibly to draw people out as *thinking partners*.*

## **Starting Right Now, See Yourself as a Leader and Coach**

- See yourself as a leader who impacts people's vision and values and enables them to create an impossible future, rather than as the one who makes all the decisions or is the center of action.
- See yourself as a coach who expands people's capacity to perform at higher levels by intervening in situations and providing what's missing, rather than as a supervisor or checker up on.
- See yourself as a teacher who transforms people's paradigms and shares practical know-how with others, rather than as just a function head.
- See yourself as a mentor who furthers people's professional development, rather than as someone who simply gets things done through other people.

*The second step in the journey to masterful coaching is to adopt the concept of the leader as coach as the framework for all you do, rather than as a peripheral activity. Coaching is not just about finding leadership gaps, but also about creating a powerful new future. Coaching is not about a studying the leadership behaviors on your corporate competency list but about producing extraordinary and tangible results. Coaching is for winners; it is not a last gasp activity before showing people the door. Coaching is a day in, day out activity that makes sure feedback is around every corner, not just something that occurs only during the annual performance appraisal. Coaching is *everything* you do to recruit talent, motivate talent, and develop talent. Coaching is *everything* you do to come up with a game-changing strategy that "unravels the mind of the enemy." Coaching is *everything* you do to mobilize people, build great groups, and execute. It is *everything* you do to improve*

performance, from setting high goals and never settling for less than excellence to providing honest feedback that builds people's confidence.

*The third step in the journey to masterful coaching is to read this book, dog-ear the pages, and get involved.* When I first wrote *Masterful Coaching*, in 1995, there was no *cultural clearing* in companies for coaching, and it was a while before I got my first phone call from a reader of the book. Then suddenly the book began to take off, in part because it contributed something to creating a cultural clearing for coaching. Today almost 80 percent of the Fortune 500 companies use executive coaches, something that I am quite proud of being able to contribute to. As my group's coaching business increased I had to develop masterful coaches for client work. I found talented people with good raw material, ex-CEOs and top consultants, and trained them via the masterful coaching workshop. I then worked with each coach one-to-one before and after major coaching sessions with clients, using a learn-by-doing approach. I would like to suggest a similar approach here. As it may not be possible for you to attend a masterful coaching workshop with me, why not read this book, dog-ear the pages, and underline the golden nuggets as you find them? This will approximate spending a few days with me in a special training class.

*The fourth step in the journey to masterful coaching is to learn by doing, putting aside for the moment the desire to hire superstars and, instead, coaching the people that you've got.* Please keep in mind these golden nuggets of the masterful coaching philosophy: (1) coaching is about winning at the great game of business; (2) coaching is about producing extraordinary results, and in the process extraordinary leaders; (3) coaching is a real-time activity that involves real goals and problems and real situations. I might then encourage you to create a thirty-day action plan for getting started with coaching, after which you might search for someone to be a coach for you in your own company, someone who could observe how you are doing with your coaching and give you feedback (your boss perhaps or someone from human resources or training). Now let's step back and look in some detail at creating the thirty-day action plan for getting started with coaching.

## **THE LEADER'S THIRTY-DAY ACTION PLAN FOR GETTING STARTED WITH COACHING**



***The most powerful coaching tool is the human imagination.***

If you and I were having a coaching conversation about creating a thirty-day action plan, before looking at what actions you might take, I would encourage you to use your imagination, and we would have an invigorating conversation about that along these lines:

- Imagine your impossible future realized. How did you achieve it? How many talented leaders did it require and in what roles? How did you develop these leaders?
- Imagine four to eight people in the organization you would like to personally coach and mentor.
- Imagine what kind of formal leadership development program you would like to set up.
- Imagine what kind of mentoring program you would like to see established.

In our coaching conversation I would also encourage you to look around you at the opportunities you are presented with to step into the role of the leader as coach. You might consider these options.

*Get personally and methodically involved with coaching direct reports (or others) who are essential to your impossible future.* This is a good place to start coaching but do not get too hung up on the chain of command. For example, you might start to see that Bill, a direct report and the president of your Asia Pacific region, needs to pay attention not just to the vision of “being a global leader” but also to the waterline of your business. Bill’s group is in danger of losing \$300 million on some unsavory acquisitions. Give coaching to Bill on both his performance and his development. He will need to break the grip of and excel beyond the winning strategies that have made him successful in the past but that are now a source of his limitations.

*Mentor talented people and budding managers with lots of potential, whether they report to you or not, on both their personal growth and their development.* You start to see that Josef in Europe, a thirty-something highflier who works three levels below you and manages one of your box plants, has the potential to do your job one day. What about offering him a six-month rotation as your personal assistant back in the home office so you can personally mentor him? You might be wondering what the difference is between *coaching* and *mentoring*. Whereas you coach Bill on his performance (not losing that \$300 million) and his development (becoming a better coach), you can mentor Josef on his development by following the axiom “stretch, build confidence, correct.” Help him learn to extend autonomy, encourage innovative action, and master the political chessboard.

*Coach everyone in your company to think like a businessperson with a whole-business perspective, rather than like a bean counter in the accounting department.* If you are going to lead and coach your team to win at the great game of business, then you have got to create a culture where everyone thinks like a businessperson rather than a marketer, tech rep, or bean counter. Make it a game by setting goals and focusing on the scoreboard: “How many new products in the pipeline?” “How many sales this week?” “How many packages shipped?” Yeah, I hear you thinking out loud; you are thinking about Ernesto, the finance guy in Brazil. If only he could think like a businessperson with a whole-business perspective, he might be a business unit manager one day. Sign him up for the masterful coaching leadership course *How to Win at the Great Game of Business* and a monthly coaching circle with other highfliers in the Latin American organization. Or what about setting up a formal coaching and mentoring program?

## IN CONCLUSION



***I need to spend 25 percent of my time leading; 25 percent of my time managing; 25 percent of my time coaching and mentoring; 25 percent of my time doing stuff where I am personally driving toward a result.***

**Steve Marchetti**

I have been putting out a lot, but as I often say, coaching occurs not in a coach’s speaking but in the coachee’s listening. What did you get? What are you left with? Well, if you have been using your ability to listen, it is probably safe to conclude that you already know a lot about coaching. As Steve Marchetti, president of Washington Group International’s engineering group, told me: “I know a lot about leadership, and I know a lot about coaching. It’s time to put on my coach’s hat and make a commitment to it.” It is a cop-out to say, “I kick off our leadership program three times a year,” or, “Once a year we do succession planning.” That’s great but not nearly sufficient to create an inspired, high-performing organization. Says Marchetti: “I need to spend 25 percent of my time leading; 25 percent of my time managing; 25 percent of my time coaching and mentoring; 25 percent of my time doing stuff where I am personally driving toward a result (pulling off a joint venture deal, bolstering profits, and getting back some lost money).”

## And the Winners Are Those Who . . .

- Become admired by other CEOs, creators of a new tradition, and legends in their own time
- Declare an audacious dream to change the world, inspiring everyone
- Preach a teachable point of view about what it will take to win
- Get personally involved in recruiting rock stars of talent
- Create new markets and become value innovators, and do not copy rivals
- Grow the business organically, rather than just trade companies
- Set stretch goals collaboratively, constantly improving performance
- Spend 30 percent of their time developing other leaders
- Become organizing geniuses, mastering the secrets of creative collaboration
- Become loved by direct reports, middle management, and frontline workers