#### Marika Laaksonen

# BUSINESS COACHING AS A DEVELOPMENT METHOD IN FINNISH COMPANIES

# Degree Program in Business Management and Entrepreneurship 2012



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Laaksonen, Marika Satakunta University of Applied Sciences Degree Programme in Business Management and Entrepreneurship November 2012

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#### **EXECUTIVE SUMMARY**

This research focused on providing the required information about business coaching in terms of concept, market potential and focuses areas, for establishing a company offering business coaching services on the Finnish market. The reason why this particular topic was chosen was my passion for business coaching and the belief that it is a very efficient method of development and something that will be increasingly used in the future.

This research was a qualitative research and aimed to find out the role of business coaching in Finnish companies today, benefits of business coaching and the future of business coaching. Empirical research was done with the help of semi-structured interviewing of selected HR professionals, business coaches, coachees and business coaching pioneers both from Finland and abroad.

The results show that Finnish companies do know what business coaching is but it is not widely utilized yet. It is mostly utilized for executive and leader development and change management. The results also show that there are proven experiences of business coaching: coachees report having validation for their own ideas, mirroring their own behavior, realizing some significant things about themselves and increased self-confidence after coaching. The best way to track the benefits of business coaching is to set a target in the beginning of the process and measure the target again after the process.

The future of business coaching seems to be more on the team coaching and internal coaching due to the lack of money to be spent for development in the companies. The research showed that it is best if the business coach has a niche of their own to succeed in the already saturated market.

For the purpose of establishing my own business coaching company, this research has helped me identify some actions to start with: determine my own niche, prepare well to ensure success, gain experience and refer to it when selling the services, keep on developing myself, and have self-confidence on my own experience, competence and personality.

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#### 1 INTRODUCTION

The purpose of this research is to provide the required information about business coaching in terms of the concept, market potential and focus areas for establishing a company offering business coaching services on the Finnish market. Business coaching has been a hot topic in Finland for a few years now, thanks to a few passionate pioneers who have been working hard to bring business coaching to Finland and creating a market for it. Through this work and the growing amount of certified business coaches, business coaching has become increasingly available to the companies and the market has grown significantly over the past few years. This is one of the reasons why the topic of this research is very current, but not the only one. When thinking about the ever growing demands on companies to succeed in a fairly difficult economical situation and the pressure that the internet revolution has brought, it is clear that there needs to be some methods to support people to focus their energy on the right things in this game of survival. I believe that business coaching is a key method to do just that.

This research focuses on providing an understanding of how business coaching is utilized as a development method in the Finnish companies today. Research starts by explaining the theoretical background of business coaching from its' historical roots to what it is today, and continues by introducing the objectives and benefits of business coaching based on theory. The theoretical part is then supplemented by an empirical qualitative research, which has a few objectives and will be conducted through interview. First objective is to provide an understanding of how business coaching is understood and utilized in Finnish companies today to form a picture of the market potential for a new business coaching entrepreneur. Second objective is to give the reader feedback of the experience-based benefits of business coaching based on interviews with coaches and coachees. Third objective is to form a vision of the future of business coaching, through interviews by business coaching pioneers.

This research topic is of great importance for me: I am a certified business coach and have a dream of establishing a company offering business coaching services, and hope to gather some important information of the business coaching business through this research. The benefit of the research for me is to learn about the market potential of business coaching in Finland through interviewing some HR professionals and coaching pioneers. I am not the only one to benefit from the research; for anyone who is interested in personal development, reading this research is a simple and cost efficient way to find out what business coaching really is, what can be expected of business coaching, what are the benefits of it. Another benefit is for the business coaching genre and other business coaching professionals in Finland; the more we talk about business coaching, the more we can build awareness and further market potential to support the companies and individuals in their paths towards their vision. This research will also shed some light for the future trends of business coaching. Figure 1. explains the conceptual framework of the thesis.

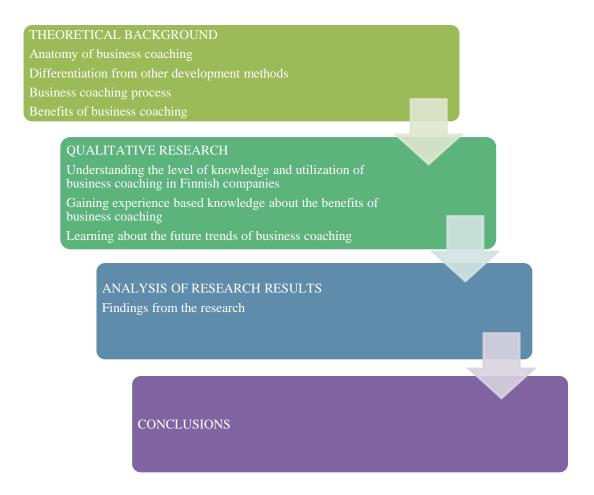


Figure 1: Conceptual framework of the thesis

#### 2 PURPOSE AND OBJECTIVES OF THE THESIS

The purpose of this thesis is limited to presenting business coaching, gaining fresh ideas regarding business coaching and conducting a research on the current state of business coaching as a development method in Finnish companies. The purpose is to create of platform of ideas, not to offer a concrete plan on how to enter the challenging market as a new business coaching entrepreneur.

The first part of this thesis will focus on introducing the concept of business coaching to the reader, utilizing current literature and other sources as widely as possible. This theory part will present the history and evolution of business coaching, objectives of business coaching, comparison to other development methods and introduce the process of a single business coaching session. Benefits of business coaching, based on theory, both for an individual as well as an organization will also be discussed in this part.

The second part of this thesis will focus on empirical research to answer the following research questions:

- What is the role of business coaching in Finnish companies today?
- Are there some benefits to business coaching?
- What is the future of business coaching?

The empirical research is done by conducting several interviews with human resource professionals, coaches and coachees as well as carefully selected business coaching pioneers, both in Finland and abroad. The final part of the thesis focuses on analyzing the results from the empirical research to find answers to the research questions and drawing conclusions based on the theory and empirical research.

#### 3 THEORETICAL BACKGROUND OF BUSINESS COACHING

"You cannot teach humans anything. You can only help them discover it within themselves", Galileo (Silsbee 2010, 1). With this sentence, Galileo has described the heart of business coaching. It cannot be argued that Galileo is 100% right with his insight but it can give the reader who does not know anything about business coaching, a very good groundwork to build on.

I have done a career of 17 years; starting in project management moving to human resource (HR) management in local and global organizations. During that time work life has become more challenging for individuals due to constant changes and need for development in an increasingly tough business environment, challenges of internet revolution and ever increasing expectations to succeed in a competitive environment where only the most innovative and agile businesses flourish. In order to find solutions for surviving and succeeding in today's business environment, I became interested in business coaching and graduated as Certified Business Coach from Business Coaching Center in May 2011. Having seen some very positive results of business coaching during the coaching training as well as utilizing the newly adopted coaching methods at work, the idea of exploring the topic further started to feel more and more exciting, up to a point where I had a business and marketing strategy plans existing for establishing a company offering business coaching services. With such passion towards the profession of business coaching, it became fairly clear during my Master of Business Administration (MBA)-studies that the topic of my Master's Thesis would be related to business coaching. I also have a dream of establishing a company offering business coaching services with a focus on supporting people in finding their full potential and achieving their objectives to excel in current business environment.

Over the past few years business coaching has become more familiar and actively utilized method of development in Finland. One thing to certify that is the fact that Finnish Coaching Association was established in 2004 and had 80 members during March 2005 and has since then increased to 384 in August 2010 (Web site of Finnish Coaching Association). Business Coaching Center, which is one of the pioneers in

bringing business coaching to Finland, has had an establishment in Finland since 2006 and have ever since been building and developing business coaching function and coaching culture in Finland (Web site of Business Coaching Center). The question is who are these 384 people? In case they are coaches, who are their clients, do they have clients, how many and are they willing to pay for coaching services?

Supposedly the most official definition of business coaching is that of International Coaching Federation (ICF), which defines business coaching as "partnering with clients in a thought-provoking and creative process that inspires them to maximize their personal and professional potential" (Web site of ICF). Finnish Coaching Association offers a similar but a more detailed definition: "Business coaching helps the client to focus their thinking and action, to reach their goals and plan strategies". Business coaching supports the client in making thought decisions, reflective learning and deeper development, while it provides tools for growth and motivation to reach their goals. (Carlsson & Forssel 2008, 21).

Whitmore (2002, 10) says that business coaching is unlocking people's potential to maximize their own performance. It is about facilitating the process of discovery. Whitmore (2002, 19) continues that the goal of coaching is building the self-belief of others to reach better performance. Carlsson & Forssel (2008, 22) agree by saying that the essential goal of coaching is building the awareness and enhancing realization of the coachee.

When asked about the most important things in their lives, people tend to list family, health and friends but when asked what they spend most of their time on, the answer is work. There is a contradiction that brings our society to its' knees. Yle Uutiset announced on May 9<sup>th</sup> 2012 that every fourth person in Finland suffers from burn-out symptoms (Web site of Yle Uutiset). Since 1997 Statistics Finland has measured work related burn-out risks in Finnish companies; in 1997 47% of people considered work related burn-out to be a risk for them, the same number was 51% in 2008 (Official Statistics of Finland: Three decades of work report, 2008). Even though wellbeing in the Finnish work life is not the topic of this thesis, it is important in relation to the topic, to understand the environment we are living in.

If the situation today is challenging, let's look at a glimpse of future. Frese (2008, 398) has predicted the trends of future work environment. If we are to believe his prediction, our challenges will keep on growing. Frese (2008, 398-399) believes that work will be much less linked to certain space and certain time, there will be less and less jobs available due to faster rate of innovation while the arise of new technologies will increase the complexity of work. Work is getting more global, which increases cultural diversity and requires higher adaptability from individuals. All sizes of companies keep on developing leading to increased competition, which requires more efficient team work while there will be less supervision because of new production and organizational technologies.

#### 3.1 Anatomy of business coaching

When doing research on coaching, a lot of terms regarding coaching can be found, most of them having a different meaning or a different prefix; ice-hockey coaching, life coaching, business coaching, executive coaching, mentor coaching etc. In the United States of America (USA) term coaching can also reflect to supporting children and youngsters when facing difficulties in life. This thesis focuses on coaching that happens in business life, called business coaching. When a term coaching is used later on in this thesis, it always reflects to business coaching.

Business coaching is a profession that supports personal and professional growth and development leading to specific outcomes that are initiated by the individual. The emphasis in a coaching relationship is on action, accountability and follow-through (Web site of ICF). Business coaching is result oriented and focuses on target setting and individual change management.

Coaching pioneers consider that the reason coaching is successful is the idea that of their basic nature people are resourceful and motivated to grow and develop themselves. Silsbee (2004, 1) says that our lives have meaning when we are pursuing worthwhile commitments and Carlsson and Forssell (2008, 14) consider us to be most motivated when our work provides meaning for us. Carlsson and Forssell (2008, 14) continue that when the experience of meaningfulness is acknowledged and supported, wellbeing, performance and innovativeness will grow.

While Silsbee (2004, 7) considers holding development discussions and providing feedback about a subordinate's behavior, coaching, it is important to understand the difference of a coaching task of a manager and coach-coachee client relationship. This thesis does not discuss the task of coaching that is included in the manager role but focuses on the client type of coaching relationship. Hirvihuhta (2006, 7) says that a manager can be a coach because he has a role of developing his organization but there is a contradiction to the real coaching relationship because the manager is also obliged to demand, give orders, have responsibility over finances and solve conflicts. These are things that a pure coaching relationship does not include, therefore coaching at its' core meaning does not realize in a manager-subordinate relationship Hirvihuhta (2006, 7) emphasizes that a coach is a person from outside the coachee's organization, someone who is hired especially to coach a person to support him in a certain situation. A coachee can be anyone. Coaching is mostly utilized for executives, key personnel or managers to support them with a demanding job, ensuring high performance or mirror one's situation regarding professional goals. (Hirvihuhta 2006, 6).

#### 3.1.1 History of business coaching

Coaching has roots in the human potential movement, organizational development, psychotherapy, and learning theory (Silsbee 2004, 2). According to Whitmore (2002, 9), the concept coaching has originated from sports; we have tennis coaches, football coaches and ice-hockey coaches. Harvard educationalist and tennis expert Timothy Gallwey (1974, 11) claimed that it is not the outer game that is played against an external opponent on the other side of the net, that is the biggest obstacle to winning, but it is the inner game that takes place in the mind of the player. The inner game brings other than technical obstacles to the game; lapses in concentration, nervousness, self-doubt and self-resentment causing the player having to overcome all habits of mind to excel in his performance. Gallwey claimed that if a coach can help a player to remove or reduce the internal obstacles, an unexpected natural ability to learn and to perform will occur without the need for much technical input from the coach (Whitmore 2002, 10). Gallwey's definition of coaching is appropriate both on the court and business in my mind; coaching is unlocking people's potential to maximize

their own performance (Whitmore 2002, 10). Appendix 1. shows the history and evolution of coaching. Figure 2. describes the roots from which coaching is originated.

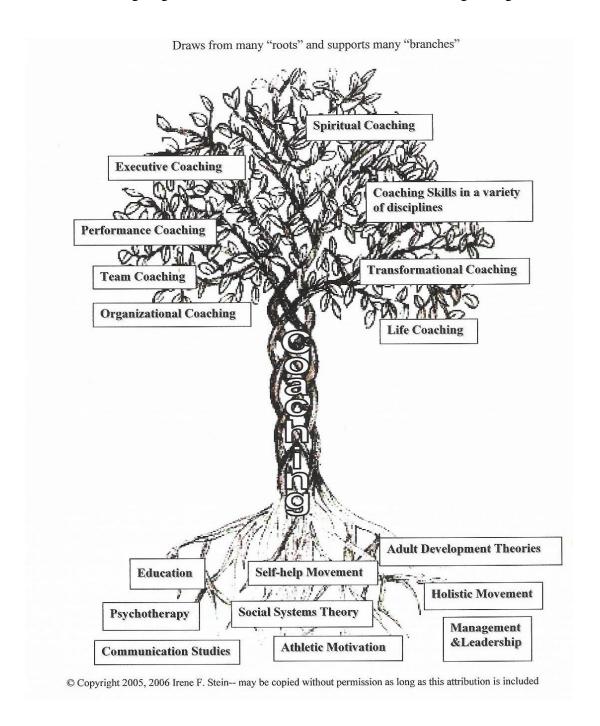


Figure 2. Roots of coaching.

The birth of business coaching is fascinating as Whitmore (2002, 12) describes it in his book; Whitmore trained with Gallwey and finally they ended up forming a small team of Inner Game coaches running Inner Game tennis and golf courses to clients who started asking whether they could apply the same methods in business to help their companies. This is what they did and business coaching was born along with professional business coaches who have been influenced by the Gallwey school of coaching. (Whitmore 2002, 12).

For two decades, coaching has been a powerful tool for individual development and force for transformation in people's lives in the United States. Regardless of being a young profession, coaching has been widely used among executives, teachers, graduate students and business owners. (Biswas-Diener & Dean 2007, 2). International Coaching Federation (ICF) was founded 1995 by the late Thomas Leonard for the purpose of creating a common forum for professionals coaches. Today, ICF is a leading non-profit global coaching organization with over 19 000 members in more than 100 countries worldwide. ICF is working towards advancing professional coaching by setting high standards and building a worldwide network or certified coaches. ICF envisions a future in which business coaching will be an integral part of society and ICF members will represent the highest quality in professional coaching. (Web site of ICF).

The above may be true in the USA but I dare to claim that Finland is far behind this statement. Current assumption of the situation is that business coaching in Finnish companies is still fairly unknown and not utilized as a method of development as widely as in USA.

#### 3.1.2 Objectives of business coaching

Coutu & Kauffman (2009, 2) state that ten years ago, business coach was called to solve toxic behavior at the top of the organization but today, most coaching is about developing the capabilities of high-potential performers. For Biswas-Diener and Dean (2007, 2) coaching means harnessing the best in people, it is a wake-up call and challenge to inspire people to reach their full potential. Doug Silsbee (2004, 4) offers

a working definition of coaching, which is "that part of a relationship in which one person is primarily dedicated to serving the long-term development of effectiveness and self-generation in the other".

Detailed objectives of business coaching tend to be linked to each individual coaching relationship and goal setting, and vary tremendously based on the coachee's wishes. However, there are some common objectives that can be described as objectives of business coaching in general. One of the objectives is the opportunity for giving and receiving feedback as well as internalizing the received feedback (Harmaja, 13.-14.1.2011). Silsbee (2004, 139) says that even though the purpose of business coaching is not to give direct answers, a coach can sometimes provide direct feedback to the coachee, especially when the coachee seems to be missing a piece of information about himself that he would benefit from. Another objective of business coaching is building self-awareness and realizing self-beliefs that may hinder the coachee from developing himself (Harmaja, 13.-14.1.2011). Phrases such as "I cannot do that", "I am not allowed to do that", "I have to", "always", "all", "never" are a proof of self-beliefs that are restrictive, generalizations and the coachee's understanding of rules and the lack of alternatives (Harmaja, 13.-14.11.2011).

ICF has performed a Global Consumer Awareness Study in 2010, asking the coachees specific reasons why they wanted to attend a coaching process. The results showed that 42.6% of respondents said that their number one motivation for being coached was to "optimize individual and/or team performance". Number two motivation with 38.8% was to "expand professional career opportunities" and number three with 36.1% was to "improve business management strategies". More personal motivations like "increase self-esteem" and "manage work/life balance" rated lower in the study.

#### 3.1.3 Comparison to similar professions and development methods

Due to the freshness of business coaching as a development method, it is often heard to be confused with something that it is not. In order to avoid these confusions, it may be worthwhile to make a comparison of business coaching to similar professions and development methods.

Due to the one-on-one nature, business coaching can mistakenly be imagined to be some sort of psychotherapy. The differences are very clear: whereas psychotherapy focuses on the past, healing the pain and finding ways to overcome difficulties that are hampering individuals' functioning, business coaching focuses on the future and gaining results in a chosen topic, mostly related to professional but also personal growth. In psychotherapy, concentration is on feelings and emotional topics, whereas the emphasis of business coaching lies also on positive feelings but mainly on defining actions or strategies for achieving specific goals. (Web site of ICF).

When comparing consulting with coaching, one soon realizes that while consultants are normally hired to diagnose problems and implement solutions, coaching process is designed to support individuals and teams in finding their own capabilities to generate their own solutions. (Web site of ICF).

Perhaps the most similar profession to business coaching is mentoring, where the focus can also be on professional and personal growth and development. However, the process of mentoring typically focuses on sharing of experience in a specific area of industry or career development to a younger colleague, whereas business coaching again aims to support the individual in finding the solutions within themselves. (Web site of ICF). One main difference between business coaching and mentoring is described by Juusela, Lillia & Rinne (2000, 47): mentors are traditionally older and more experienced people high on the ladders of hierarchy. Anyone who has accomplished proven results professionally can become a mentor. This is a difference compared to business coaching where the general conception is that a coaching competence is gained through attending a certified education and does not grow higher by age, experience or hierarchy.

Basic training programs are not very much confused with business coaching due to several distinguishing features; learning objectives of trainings are normally set by the trainer while the objectives of business coaching are determined by the coachee. Business coaching is also proceeding according to the coachee's needs while training programs tend to have a set plan to be followed. (Web site of ICF).

Athletic coaching is often confused with business coaching when only talking about coaching without the prefix. Unlike the experienced and skillful athletic coach who guides the behavior and training of individuals or teams based on his ability, the business coach relies on the experience and knowledge of the individual or team to determine the right way to go. While the business coach has the luxury of identifying opportunities for development based on individual strengths and capabilities, the athletic coach is forced to focus on behaviors that are being executed poorly or incorrectly. (Web site of ICF).

According to Gallwey (1975, 13) it is not the physical limitations or problems with finding the right technique to hit the ball that even the most commendable tennis players are challenged with, it is the mental game that is played at that critical moment of match point on a tennis court. It is about "knowing how to do it but not doing how one knows it". It is about unlearning the habits that are interfering with a peak performance and just let it happen. (Gallwey 1975, 12). This is very true for business coaching.

#### 3.2 Business coaching process

Pohjanheimo (2007, 39) explains that normally there are three parties involved in the beginning of a business coaching process; the organization ordering business coaching services, the coachee and the business coach. The initiative for starting a business coaching process may come from any of the parties involved (Hirvihuhta 2006, 21). Hirvihuhta (2006, 22) emphasizes that it is very important for the business coach to understand what is the situation where he is called for and why. Since business coaching is about supporting the coachee's development and goals, the aim for the coaching should be the same for all parties involved and there should be no hidden agendas like an unresolved dispute between a manager and a coachee, concern for the performance or wellbeing of the coachee or a possible goal to outplace the coachee (Hirvihuhta 2006, 22-23).

Before starting a business coaching process, the parties are required to sit down for a kick-off meeting to agree on terms based on which the process will be executed. Pohjanheimo (2007, 42) recommends to making an agreement to understand the

common goals and expectations and describe roles and responsibilities involved in the process. Hirvihuhta (2006, 27) also recommends to agree about the length of the process, methods to be used, confidentiality issues, pricing, ways to deal with possible conflicts and whether there are other coaches, trainers or consultants involved in the process. Figure 3. illustrates the parties required in a business coaching kick-off meeting, and their goals.

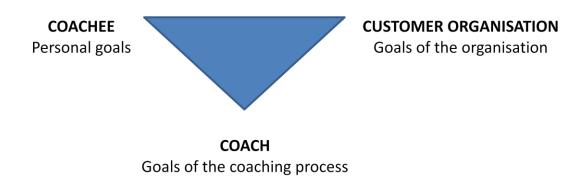


Figure 3. Parties required in a business coaching kick-off meeting

#### 3.2.1 Roles and responsibilities in the business coaching process

The actual business coaching process involves only two of the above mentioned parties; the coach and the coachee, even though the actual results may benefit the whole organization along with the coachee. (Pohjanheimo 2007, 40). Pohjanheimo (2007, 42) explains that the responsibility of a business coach is to ensure that the process is systematically executed towards the goals set in a kick-off meeting. This responsibility may include goal re-setting, evaluation throughout the process and reporting to the customer organization, if it was part of the initial agreement. A coachee must commit to participating the process, provide the materials he wants to discuss about, and commit also to the end results of the process. (Pohjanheimo 2007, 42).

For business coaching to be successful, it is important for the business coach to understand other ongoing development activities in the company so that the coaching process supports those activities. Similarly, it is essential to realize what other factors ongoing in the company may influence the coaching process, such as reduction of personnel, mergers or acquisitions, financial crisis or possible wellbeing issues. (Hirvihuhta 2006, 32).

#### 3.2.2 Goal setting

Business coaching is built around goal setting. Biswas-Diener & Dean (2007, 62) argue that goals give us direction and motivation; they structure our time, actions and decisions. Business Coach of the year 2010 Tiina Harmaja emphasizes that goal setting differentiates business coaching from normal discussion. According to Harmaja (4.-5.11.2010) goal setting sets focus and direction for the activities, creates benchmark for measuring the success of choices and directs the focus to the desired future. Biswas-Diener & Dean (2007, 62) summarizes that working towards goals gives us a sense of meaning, and achieving goals provides a sense of accomplishment.

Exploring goal setting in more details, Pohjaheimo (2007, 48) provides us with examples of what are usually the themes around goals for business coaching. Pohjaheimo lists demands or changes of own role at work, time management and prioritization, improving wellbeing when working as a manager, developing enabling skills such as negotiation, planning and leadership, understanding the behavior of a team or leading change management in an organization. Harmaja (4.-5.11.2011) adds a few to the list; successful project management, sales development and realizing and changing internal beliefs.

The goals for business coaching should be well formalized, for example using the SMART goal setting model as described in the Table 1. According to SMART, the goals should be specific, measurable, attainable, relevant, and time bound (Web site of Mindtools). Instead of having "to graduate from SAMK" as a goal, it is more powerful to say "to have my master's thesis approved by November 2012". Biswas-Diener and Dean (2007, 63) recommend also to set the goals in smaller and realistic intermediate goals for the coachee to optimize his chances for favorable outcome, such as "to finalize theory part by September 2012, to conduct research by October 2012 and to write the conclusions by November 2012".

S	Specific
M	Measurable
A	Attainable
R	Relevant
Т	Time-bound

Table 1. SMART goal setting model.

Biswas-Diener and Dean (2007, 65-66) specialized in positive psychology coaching, point out that in terms of success, it is important to understand the difference between positive approach goals, which individuals strive for and negative avoidance goals, which individuals try to avoid or prevent. As an example of a positive approach goal, Biswas-Diener and Dean (2007, 66) offer "be able to run 10 kilometers by this summer" and a negative avoidance goal "try not to gain weight this summer". It is not difficult to figure out which is more positive and attainable. For a business coach, it is important to differentiate positive approach goals from negative avoidance goals and try to turn the negative ones into positive for coaching to be successful.

#### 3.2.3 Process of an individual business coaching session

Before describing the business coaching process for an individual session, it is required to talk about the method of asking effective questions. Whitmore (2002, 44) describes the essence of business coaching by saying that "telling or asking closed questions saves people from having to think, asking open questions causes them to think for themselves". Questions are normally asked to get answers but in coaching, the content of the answer is not as important as the fact that the coachee has the answer (Whitmore 2002, 46). The meaning of asking questions in business coaching is to bring forward the information that provides maximum benefit for the coachee, increase understanding of the hidden truths; possibilities, assumptions, hopes and fears, challenge current thinking and action and keep the focus in enabling change (Harmaja, 4.-5.11.2010).

Harmaja (9.-10.12.2010) has described good open questions to lead the coachee to think and reflect, bring forward viewpoints and feelings and provide the coachee with a possibility to lead the discussion. Good open questions start with the question "What, how, when, where, who?", lead to some type of action, focus on goals rather than problems, include empowering assumptions for the coachee and are brief, simple and clear (Harmaja, 9.-10.12.2010). Kansanen (2004, 107) considers open questions to activate thinking, increase innovation and provide new viewpoints. Whitmore (2002, 46) agrees by saying that answering to open questions requires descriptive answers which promote awareness, whereas answering to closed questions limit the brain usage because the answer is simply "yes" or "no". Hirvihuhta (2006, 75) emphasizes the power of open questions but also warns the coach not to include suggested actions into the question – intentionally or unintentionally.

Harmaja (25.-26.11.2010) provides examples of good open questions:

- What do you want?
- What other options do you have?
- What do you gain from achieving this goal?
- What can you do to make the change?

Both Kansanen (2004, 108-115) and Hirvihuhta (2006, 73-79) provide lists of questions that have different goals; depending on the situation of the coachee, the coach can ask either inspiring questions such as "What is your most important goal or calling?", motivational questions such as "What are the elements that enable you to succeed?", creative questions such as "What would you do if you had no limitations?" and vision questions such as "Where do you see yourself in three years?". It is the professionalism of the coach to know which type of question is required in each situation. The most empowering question in my opinion can be "What else?". Harmaja (9.-10.12.2010) suggests avoiding questions that are leading and complicated, putting blame on the coachee, pushing the coachee too far, providing answers, having to explain questions, and asking questions only for the sake of asking.

CEO of Goldman Sachs Lloyd C. Blankfein told in an interview by Adam Bryant from the New York Times about his coaching experience with his former boss. As a

Junior Manager he was faced with a problem that he explained to his manager who asked "What would you do?" to which Blankfein described his solution and he received an answer "That sounds right, why don't you do it?" (Blankfein, 2011). With this discussion, Blankfein (2011) said that his manager validated his own thoughts of the situation and empowered him to act.

Whitmore (2002, 55) provides an outline for an individual coaching session using a format called GROW. The GROW-model suggests that there are certain steps in a coaching process that are recommended to be taken for a successful outcome. The steps are described in figure 4.

t = Theme

G = Goal

R = Reality

O = Opportunities, options

W = Wrap-up, will

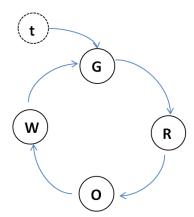


Figure 4. GROW-model

Tiina Harmaja introduced the same coaching process (4.-5.11.2010) but added one step in the beginning of the process; selection of the theme. Since coaching as a long term process can last several weeks or months, there is usually more than one theme introduced during that time. However, the theme for each individual coaching process can vary a great deal as long as they support the overall goal of the long term process.

After theme selection, it is important to have a vision about the goal (G of the GROW) for the coaching session. Whitmore (2002, 55) explains that goal selection before examining reality enable positive thinking and are more inspiring, creative and motivating. Goals that are set based on reality tend to limit performance, lack creativity and not stretch to thinking about what could be possible (Whitmore 2002,

55). Carlsson & Forssell (2008, 71) conclude that being innovative, creative and bold is very difficult if the coachee is too engaged with his own vision of the world.

Harmaja (4.-5.11.2010) says that talking about reality (R of the GROW) – the current state of the theme – helps the coachee to understand the issues that he is faced with and possible restrictions that he needs to overcome. Whitmore (2002, 67) reminds us that when the coach and the coachee discuss reality, it is essential for the coach to understand that the reality of the coachee is formed based on opinions, judgments, expectations, prejudices, concerns, hopes and fears. Self-awareness helps the coachee to realize the content in which he sees his reality. Whitmore (2002, 74) emphasizes the importance of discussing the reality because surprisingly often the answer to the determined goal appears already when talking about reality, rather than later in the GROW-process. This is why Whitmore (2002, 74) suggests the coaches to resist the temptation to jump quickly to discussing about the options (O of the GROW) but instead to take a lot of time talking about the goal and the reality.

When talking about the options (O of the GROW), the purpose is not to find the right answer but to list as many alternative ways as possible to achieve the goal. At this point of the coaching process, it is the coach's job to help the coachee to let go of the fear of judgment and rational choices that tend to restrict the mind and to encourage the coachee towards outside-the-box thinking. Stimulating the brain into generating maximum amount of choices of action can increase the level of creativeness and innovation. This means that the coachee need to let go of such thoughts as: "it cannot be done", they would never agree to that", it costs too much" and the coach needs to help him by asking the questions such as: "what if you had the money?", "what if you had no obstacles?", "what if you had enough staff?". (Whitmore 2002, 79-80).

Silsbee (2004, 229) reminds that the coach needs to ensure that after each individual coaching session the coachee has as an action plan, exercise or other homework to think about. This action plan should be an outcome of the final stage in the coaching process when the coach and the coachee wrap-up (W of the GROW) the discussion. Whitmore (2002, 85) summarizes this part of the session to be answering to questions: "what is to be done?", "when?", "by whom?", and finding the will to do it. It is worthwhile to have the discussion about options focusing on a lot of different angles

of the action planning to have as many points taken into consideration as possible. In addition to the above questions, the action plan should also answer questions like: "will this action help you achieve your goal?", "what obstacles could there be?", "who can help or support you?", "how certain are you on a scale 1-10 that you will carry out the specified actions?". The point here is not to sabotage completion but to coach the coachee to think about all the possible hurdles that may come his way during execution of his action plan. At the same time, the questions and the challenging from the coach support the coachee's self-belief. (Whitmore 2002, 86-88). Silsbee (2004, 224) suggests that after the coaching process is over, the coachee has learned to coach and reflect himself in a similar way as the coach did and he will use these skills to take responsibility and guide his own development.

#### 3.3 Benefits of business coaching

In terms of understanding the need for business coaching and possible benefits of it, it is worthwhile to discuss a bit about motivation at work. Hertel & Wittchen (2008, 29) explain motivation to be internal and external forces that start actions at work; abilities determine whether people can perform the job and motivation determines whether people will perform their job the best they can. Without motivation even employees possessing the best abilities, may not perform to an acceptable level. People, who start business coaching with a coach, tend to do it out of their own will and have motivation to develop themselves (Hirvihuhta 2002, 66).

Hirvihuhta (2002, 10) states that the best results of business coaching are gained when a coachee knows the meaning of business coaching and is willing to critically evaluate and develop his work and performance. A coachee with a challenging job that requires abstract thinking benefits from business coaching due to having a neutral sparring partner who challenges his thinking about performance, resources and challenges faced in his job. It can also be beneficial to offer business coaching for a person who needs to innovate in his job or succeed in challenging customer service situations. (Hirvihuhta 2002, 10).

Moilanen (2001, 47) emphasizes that the motivation for learning must be based on the individual needs but aligned with the goals of the organization. Hirvihuhta (2002, 10) states that coaching can help the individual understand the mission of the organization. In coaching sessions, he has the possibility to discuss about the goals of the organization and their meaning to himself. Meaningful tasks and the visible link of his performance to the organization's goals increase his engagement and improve his job satisfaction. (Hirvihuhta 2002, 11). Whitmore (2002, 34) agrees and adds that the ability to determine what is relevant increases, including an understanding of systems, relationships and the role of emotions on one's own perception. He also believes that business coaching can increase coachee's self-awareness. Silsbee (2004, 137) explains that the coach can encourage the coachee to develop his ability to observe himself and consider the consequences of the choices he makes. He also emphasizes that when the feedback is coming from a trusted source, a new perspective on oneself can be invaluable to the coachee.

Silsbee (2004, 143) also talks about a gift that a coach can offer to a coachee by leading them towards identifying and discovering their strengths within themselves. This brings along responsibility of accepting one's thoughts and choosing one's actions leading to increasing commitment and performance. This way, the coach can support the coachee to be successful and have confidence in himself (Silsbee 2004, 145). Junkkari (2007, 177) summarizes it all in one sentence: "Coaching increases emotional intelligence".

There is a lot of discussion about the benefits of business coaching in literature and in the internet but only a few researches to prove them. One reason for the lack of proven results is that it is difficult to measure and pinpoint how increased engagement and motivation based on one activity – business coaching - have affected individual or organization's performance. Charan (2009, 3) guides the coaching businesses to resolve the difficulty of measuring performance of coaching. He does acknowledge that there are more positive stories than there are negative but at the same time, he reminds that there is no research that has followed coached executives over long periods of time to allow measuring the true benefits of coaching in a reliable matter (Charan 2009, 3).

Despite Charan's opinion, I have found some researches that have been able to show the benefits of business coaching in terms of improved tangible and intangible impacts. ICF has performed a study on the benefits of business coaching. According to their Global Coaching Client Study in 2009, companies that have used business coaching have gained a return on investment of seven times the initial investment whereas individual clients reported the same number to be 3.44 times the investment. (Web site of ICF). According to the research done by McGovern & all (2001, 8) business coaching has a lasting impact for the individuals involved and their organization. In addition to positive behavioral and organizational outcomes, the research showed – through an estimation given by the participants of Return on Investment (ROI) of their coaching – that coaching was worth 5.7 times the initial investment. (McGovern & all 2001, 8). Due to the novelty and relatively short history of business coaching as well as the small number of research on the subject, it is wise to be critical about the financial benefits of it. Tiina Harmaja said in an interview on October 25<sup>th</sup> 2012:"when trying to measure changes in human behavior in general, there are many variables and the science is not accurate. But as long as we have discussed and defined the raters, we are better off on having the benefits out from the process than without doing so".

I believe that organizational benefits of business coaching become visible through individual development and growth gained through an individual coaching process. Niitamo (2007, 181) reminds though that there are no organizational benefits from business coaching unless the motivation and execution of activities of an individual coachee is aligned with the goals of the organization.

When thinking about leaders and business coaching, it is fairly safe to say that coaching leaders may have an impact, not only for the leader himself, but the whole organization. For the leader who is coached, an important benefit of coaching is gaining realization of how to utilize his abilities more efficiently in enhancing strategic activities in an organization, how to increase his own balance and how his internal thinking patterns affect how he sees the surrounding environment and how others perceive him. Erik Schmidt, the CEO of Google, says that "the one thing people are never good at is to see themselves as others see them, a coach really helps" (Schmidt, 2011). The benefit for the whole organization is not to change the self of a leader but

to help him realize how he can appreciate, develop and utilize his potential so that it benefits both himself as an individual as well as the whole organization. (Santasalo & Åhman 2007, 73).

McGovern & all (2001, 5) state that after having executives go through business coaching process, the business had increases in productivity, quality, organizational strength, and customer service. I believe that while the report shows improved relationships and teamwork, increased job satisfaction, and reduced conflict, there has been change on the individual level, which manifests itself on organizational level. Another research on the benefits of business coaching was performed by Denison Consulting in 2009 to understand whether leaders improve on their skills and practices after manager training program including individual coaching sessions with the purpose of identifying patterns, establishing goals, and developing and implementing action plans. (Research Notes 2009, 1-2). The results showed that the most notable change for better happened in developing organizational capability, evaluated by the manager of the manager and direct reports. Peers indicated an improvement with their colleagues in developing organizational capability and working to reach agreement. Managers themselves noticed improvement in developing organizational capability, creating a shared vision and defining strategic direction and intent. What made a clear difference – reported by the managers themselves – was the fact that in their coaching sessions, they were visualizing and rehearsing behavior patterns and stepby-step process of reaching a desired goal leading to a desired behavior as the actual situation arose. (Research Notes 2009, 2). The peers of managers, who were coached, saw a change in realizing the situations that called for effective leadership and implement new behaviors (Research Notes 2009, 4).

Hirvihuhta (2002, 10) says that organizations can benefit from coaching especially in sudden change situations, for example fusions or strategy renewals. When starting a new and undetermined project, business coaching can help crystallize the goals and make concrete plans to move forward. Hirvihuhta (2002, 12) states that organizations that are lead through strict processes and instructions from top management are not the ones to benefit from business coaching nor are they mostly interested in purchasing coaching services.

#### 3.4 Conclusion from theoretical framework

If one was to summarize what business coaching is based on the theory, it would most probably be maximizing clients' personal and professional potential by helping them build self-awareness and discover their capabilities to enable decision making, development and high performance. Sounds challenging just through one development method and process but it is the essence of business coaching. Business coaching is based on the person's motivation to develop oneself and together with the focus being 100% on the coachee, makes it such an efficient method of development.

Based on theory, it is best if the coach is someone who does not have organizational authority towards the coachee because only then, it is possible for the coach not to have any hidden agendas for the coaching process. Business coaching has long roots in different sciences and is widely used in the United States of America but not so widely used in Finland, and the purpose of the research part of the thesis is to find out why this is and how this could be changed. Looking at the research introduced earlier, the ability to measure the effectiveness of business coaching is difficult, which causes some challenges for professional coachees to materialize the effects of their work. It is not enough for the decision makers in companies to say that the coachee can be inspired to reach his full potential by the challenge that a coach can bring or he can get better results by testing new methods to approach difficult situations or in case the coachee is a manager, he can affect the whole organization in a positive way once being coached about leadership. As long as there are no numbers, no ROI figures to show, these are just beautiful words, which have no correlation to the bottom line of the company.

Individual coaching session is lead through a GROW-model, which first focuses on determining the objective, then looking at the reality, weighing in options and finally wrapping-up, creating an action plan to move forward. Focusing on the objective long enough, allows the coachee to "dream" as much as he can in the process, without having to dwell on the possible hinders he sees in his reality. This leads to innovation, finding new ways of working and increasing self-belief.

Understanding the theory of business coaching; its' history, roots and evolution to what it is today, enables the planning of research to submit the best possible outcome. It helps choosing the right research method, formulating the research questions, understanding the importance of finding the right sample group and analyzing the final results. Having the required information about business coaching based on the theoretical part of the thesis will ensure that the research results can be analyzed and the final conclusion can be made in a way that supports the objectives of the thesis and the development of business coaching genre.

#### 4 RESEARCH METHODOLOGY

#### 4.1 Research approach

Preliminary research on the theoretical part began already during 2010, although the final theoretical framework was gathered only during 2012 through exclusion after the final selection of the topic. Research was done in a rather conventional style, gathering theoretical background and viewpoints from great thinkers and pioneers in business coaching, and finally conducting a qualitative research attempting to understand where and how theory and reality collide.

#### 4.2 Research methods

Toivonen (1999, 99) argues that compared to quantitative research, qualitative research emphasizes softer values such as informal research strategy, generating ideas, having close relationship between researcher and researchee and having the ability to understand and interpret single phenomena or chain of events.

It was fairly clear from the start that this was to be a qualitative research. Due to my natural interest towards human behavior, it made sense to conduct the research through direct sample group contacts. Due to the novelty of business coaching, it would have been difficult to find a large amount of sample that a quantitative method

requires, and the quantitative method would not be able to provide the in-depth information required for this research to be successful.

Toivonen (1999, 100) says that a qualitative research is often based on interviews or observation. Gillham (2005, 70) introduces a semi-structured interview, which means that the same questions are asked of all the interviewees, form of questions ensure the focus to a certain topic, interviewees can be asked supplementary questions if needed and approximately equivalent interview time is allowed for each interviewee. In semi-structured interview, questions are open, therefore the answers are also open and probes can be used if the interviewer believes there is more to be disclosed at a particular point in the interview (Gillahm 2005, 70).

This particular qualitative research was a semi-structured interview performed through phone with the selected HR professionals, coaches and coachees as well as business coaching pioneers. Companies chosen for the research are all Finland based but not necessarily Finland originated. Because the companies are located in different cities around Southern Finland, it was more efficient both in time and cost to conduct the interviews by telephone than to travel to each location to interview the HR professionals face-to-face. It was also easier to find time from the busy schedules of the interviewees for telephone interviews than face-to-face interviews.

#### 4.3 Company selection

Adams & all (2007, 146) suggest that the group of people participating a research should represent the group which the research refers to i.e. since this research focused on Finnish companies, the reference group interviewed represented the cross-section of Finnish companies. Companies were selected to include both service and manufacturing industries, both small and medium sized to large companies with both foreign and national origin.

HR professionals interviewed were identified through personal network and finally chosen based on having a long experience in the field of HR and HR development as well as holding a position of decision making regarding leadership and organization-

al development in the company. Coaching pioneers interviewed were chosen based on having the most experience in business coaching in Finland or abroad. People having business coaching experience were chosen through personal network and having a common professional history. List of companies the interviewees can be found in the appendix 2.

#### 4.4 Data collection, interview questions and data analysis

Toivonen (1999, 100) argues that the data collection for a qualitative research is less formal and based on interior relationship between the researcher and researchee. According to Adams & all (2007, 144), it is important to talk to people in order to obtain research data for a qualitative research. Data collection from phone interviews was done by documenting the answers in writing. Recording of the interviews did not feel ethically correct due to the physical distance and lack of visibility between the researcher and researchee. Documenting the answers was done during the interview and this proved to be a lot easier than what was the preliminary thought; interviewees were very careful with their answers, took time to think about each answer so there was plenty of time to write down the responses accurately. In case more time was needed for finalizing the writing of some responses, the time was politely asked from the interviewees. Some interviewees asked for the questions to be sent beforehand and those interviewees had very structured responses that were easy to write down while listening.

Schostak (2005, 53) points out the importance of ethical protocols involved with interviews; anonymization, confidentiality, negotiation of access, right to say no, independence and representation. In connection to this research, all interviewees have given a possibility to decline the interview, they have been explained how their responses will be linked to their name in the thesis and how the responses are used only for the thesis purposes. They were also promised they will get the final version of the thesis.

In order to ensure some consistency in data collection, an interview structure and design of questions was used as a basis. Interviews were, however, very informal and allowed room for free conversation. Interview questions can be found in appendix 2.

Gillham (2005, 151) introduces different ways of analyzing the collected data. The method suitable for this thesis is a thematic analysis, which means that instead of disclosing the whole interview, there are certain themes selected and presented from the research data. The most important statements are identified and repetition and additional unnecessary words or sentences are deleted. The result is a narrative which is clear, quick to read and almost entirely repeating the interviewee's own words. (Gillham 2005, 151).

#### 4.5 Validity and reliability

Toivonen (1999, 105) challenges the validity and reliability of a qualitative research in general. According to him, the challenge is that due to personal differences, each researcher formulates and presents interview questions in a different way. Each interviewee also answers the questions based on their personal view and way of being. (Toivonen 1999, 105).

The statement by Toivonen was proven to be right through the research; each interviewee naturally responded to the questions based on their reality and experience. As described by the theory, there can be several interpretations of the term coaching, and this became evident through the interviews. Although it was clear that the term coaching is discussed in a business concept in the interviews, it was not as clear how the term was understood by each interviewee. This may have had some affect on the way interviewees responded to the questions. It is not up to me to say which individual coaching experience is relevant in terms of the research so it needs to be understood that due to the novelty and fluidity of business coaching, it is possible that the responses were not given based on the concept of business coaching introduced in this thesis. For instance, most HR professionals have experience in coaching the managers they support but the way they do coaching in that context, may not be according to the process introduced in the thesis.

Adams & all (2007, 148) say that an error in data collection done by interviewing can be an interviewer bias, memory failure of the interviewees, them pleasing the interviewer with their answers or perhaps an error that has happened already in sample selection. Schostak (2005, 15) says that an interview is not a tool but an encounter which involves negotiations, calculations, interpretations: "if we knew what others were going to say, presumably we would not bother to ask them". In connection to any interview, there is a risk of discrepancies, differences between views, a risk of misunderstanding, of misjudgment. Simultaneously, interviewing creates possible new articulations of experience or new ways of combining together differences into syntheses.

In this research, there is a possibility for error in sample selection and interviewer bias because as a certified business coach I passionately believe in business coaching as an efficient method of development. However, one purpose of the thesis is to provide data for establishing a business coaching company and for the success of that, extraordinary caution has been practiced in terms of setting up the interview questions and interpreting the results to create as objective conclusion as possible. In any encounter between two people, there is a possibility for misunderstanding each other; this is a possibility also in this thesis.

#### 5 RESEARCH RESULTS AND ANALYSIS

In this section of the thesis, research results based on interviews conducted with different interviewees are introduced and analyzed. For the empirical research, I interviewed seven HR professionals, two experienced business coaches, two coachees and three business coaching pioneers, of whom one was from Finland, one was from USA and one was from the United Kingdom (UK). Totally fourteen people were interviewed for this thesis.

#### 5.1 Research results based on the interviews of HR professionals

Interviews of the HR professionals started with general questions about the company in question to understand whether the utilization of business coaching depends on size, location or the branch of business of the company. Based on the interviews, these things do not make a difference on the utilization of business coaching as a development method within the company. In other words, both smaller and bigger companies with headquarters either in or outside the capital area of Finland had similar experiences in business coaching as a development method.

Interviews continued with questions about the different development methods that companies are utilizing in certain situations. Half of the HR professionals said that they are mostly using the help of an external service provider for leader and executive development as well as change management. There were several methods of development that were utilized for these purposes; coaching, mentoring, training, seminars and group work. One HR professional had created a leadership development program, which includes leadership modules and supporting modules, exercises and training days accompanied by 360 assessments and coaching. Two HR professionals mentioned that the more experienced managers within the company are coaching the newly appointed managers to develop as leaders.

All HR professionals said that in connection to a change process, they prefer small group discussions as a method to manage change. 28.5% of the respondents also like to use coaching and change agents or ambassadors in addition to workshops to lead change and engage others. It was mentioned that the only way to succeed in a change process is to engage employees to change but only 28.5% mentioned active and open communication as a method to lead change.

HR professionals said that they are using coaching for individual development 50% more often than for organizational development. However, coaching is just one method in the variety of other methods that are used for individual development; other methods include mentoring, traditional training, job rotation and shadowing. Development needs and methods are in most cases determined in development or performance management discussions between the manager and the individual.

To explore how business coaching is understood in the companies, HR professionals were asked about the methods they use for resolving conflicts and performance issues in their organization. The answers show that business coaching is not utilized as a method to solve these issues; 87.5% of the HR professionals considered it to be a manager's job to resolve conflicts in their teams, naturally with the support of HR if required. The most common method is to discuss with the parties involved in the conflict separately first and then bring them around the same table for conflict resolution. Active follow-up is the key to the success in these cases. It is not clear through the interviews whether the managers or HR professionals utilize coaching in the discussions but at least coaching is not a verbally recognized method for resolving conflicts. For a professional business coach entrepreneur, this is good news because it means that coaching is not considered to be a problem solving tool, which it is not aimed to be. This is one step towards the right definition and use of business coaching. All HR professionals say that performance problems are always handled directly by the manager and the most common way of doing that is through a discussion between the manager and the subordinate. There was no experience in using coaching in these cases but 71.4% of the HR professionals said that in case there would be an agreement about a possible outplacement in connection to performance problems, they would use external service provider to support the employee.

Due to the demanding business environment and work life, HR professionals were also asked about how to manage and improve wellbeing in their organization and 87.5% of the HR professionals considered this to be included in the role of a manager. Companies have trainings for managers on how to lead and improve individual and organizational wellbeing and this work is supported by the healthcare providers and HR. Coaching is not utilized for this purpose.

When asked about the most important method of development for the HR professionals, half of them said coaching. However, it is important to understand that the term coaching was used very vaguely and it cannot be considered that coaching in this context would mean pure coach-client relationship. The term coaching here means both manager-subordinate coaching discussions as well as HR-business manager coaching discussions, which both can be considered coaching but are not in the context of the term coaching as determined in this thesis. One HR professional said

that "the most important is that the partner I work with is professional and has knowledge and ability to support the situation at hand". This is easy to understand considering how many different methods of development there are to choose from and how many different service providers as well. It can be difficult to find the right method and the right provider and at the end of the day, the results are depending on both factors.

The same result was gained from asking about which method of development HR professionals would want to learn more about. Almost half of the interviewees said that it is not a question of which method of development as long as the possible service provider is professional and can deliver the required results. The same amount of interviewees mentioned coaching to be the method that they would like to know more about. This is an encouraging result for a future business coaching entrepreneur. Even more encouraging is the answer to a question about the type of support that HR professionals mostly need themselves; 85.7% said they would really benefit from and want to have coaching or sparring services. Different reasons were mentioned for the need of coaching services; "when I buy coaching services to my employees, it would be important for me to know what it is all about" and "I am very much alone in my work and it is sometimes not enough to trust in myself in all situations, I could really benefit from sparring with someone". There was also a different type of solution for the need for coaching; "I could benefit from having a small HR network to have confidential discussions with and have a possibility to unwind about whatever is going on in the organization".

After finding out the potential need for business coaching in the companies, the second part of the interview focused on business coaching itself as a method of development. All of the HR professionals knew what business coaching is, most of them had heard about it through their job or a colleague. One person had heard about business coaching already during 1990s and 71.4% said they are using it as a development method in their company today. 28.5% of the interviewees said they have not used business coaching in their company and they do not have any experience about it. The ones, who have used business coaching, were mostly using it for executive and leader development. It is used for "especially in situations where an individual is promoted to a higher management level position and in situations where it is required

that the individual takes his/her full potential into use". Another HR professional said that "coaching in my company is used for leader and executive development and possibly high potential development in the future".

All the HR professionals were willing to purchase business coaching services from an external service provider and 28.5% are already purchasing coaching services. The reason for the interest is "because it is an efficient method of development", concluded by 87.5% of the interviewees. One person said "it is an efficient tool in case the chemistry between the coach and the coachee work" and "there is a possibility to be inspired", another one said: "we do not have enough resources internally and sometimes an external coach can add more value than an internal one" and also "I need to know myself how the process works".

In order to understand how a new business coaching entrepreneur can get meetings with HR professionals in Finland to market the services, it was asked what would need to happen for the person to purchase business coaching services. The single most important thing was the fact that the person offering business coaching services can be trusted: "the coach has to convince me to purchase coaching services; I would not buy coaching services if the personality or the professionalism of the person did not convince me", "I should find a business coach who I know can handle the cases we have and it is not too expensive". It seems that the cost plays a role as well, although the quality of the service is more important: "knowledge that cost and quality of the services are well balanced is very important". 28.5% of the interviewees also emphasized the importance of having a possibility to test the coaching service before making a decision of purchase: "it is important to offer business coaching services free of charge or with a reduced price for the person who actually makes the decision".

HR professionals wanted to have a possibility to familiarize themselves to business coaching for instance in a morning seminar where it would be possible to see a demo of business coaching and discuss directly with an experienced business coach to gain more information for decision making. To help decision making about a purchase of coaching service, it was recommended that a clear and concrete offer about the process and what is to be expected of business coaching including the pricing should be

made by the service provider. This is extremely important for decision making because "I do not have time to make research about the topic and if I have to do that, I will not proceed with purchasing the services".

Out of the interviewed HR professionals, 42.8% had personal experience in business coaching and all of them said that one of the benefits of business coaching was that they were able to focus their actions better on the most important things and this way were able to move things forward more efficiently. The same amount of interviewees said that their self confidence increased during the coaching process, they were able to trust themselves to have the required knowledge and competence to make the right decisions. One interviewee said that: "my life was much easier and I could focus on looking into the future and taking things forward because I could deal with possible people challenges in coaching sessions. I was more sensible and analytical when someone else asked the critical questions. At that time, I was changing jobs and it was good to have someone to talk about work so I did not have to take the issues home with me. I was more efficient when I was working with a coach". Another comment about the benefits of business coaching was: "it was target oriented, business coaching was conducted based on my personal needs and the focus was only on me".

The interview also included a question about the benefits for the organization of the coachee and the answers for the question varied a lot depending on the situation in which business coaching was conducted but the most popular answer was aligned with the individual benefits: "I could focus my actions better and that resulted also in the organization". One interviewee referred to a situation where a manager had been coached and described the benefits to be: "when manager role was standardized and coaching was used for manager development, things started to happen also in the organization".

All the HR professionals would recommend coaching for their colleagues and half of them would do so because they have experience and proof that it works. This is a good result in the business coaching entrepreneur point of view because not all the interviewees have personal experience about business coaching but they would still recommend coaching to someone else. This means that there is a certain positive buzz ongoing about it. One comment supports this thinking: "I have not heard anything negative about business coaching". There are, however, some reservations as well: "I would not recommend business coaching to everyone but I would recommend it to someone who needs new ideas" and "I have good experience about business coaching but the process has not always been constant in speed but this is depending on the chemistry between coach and coachee. There are variations as to how quickly the coachee has been able to take the given tools into use".

#### 5.2 Experiences by coaches and coachees

The research included interviewees of professional certified business coaches who are doing business coaching for living. The purpose of the interviews was to find out how the coaching culture has changed during previous years, are there benefits of business coaching for coaches and to get advice on how to enter the Finnish market as a new coaching entrepreneur to get own clientele.

Both interviewees had been professional coaches for a few years, and between the two of them, they have coached around 200 people. When asked what inspired them to become certified business coaches, they both said that "it was because I believe that people are capable of learning, worthy of trusting, sparring and coaching, and that is what I have always been interested in". Another reason is that "due to my commercial executive background, I am a result oriented person and coaching is a combination of result orientation and the belief in people". This is very interesting because the answers are exactly in line with business coaching theory where the red thread to follow is the belief that people are resourceful and motivated to develop themselves. If at the same time this is the motivation to become a business coach, the possibilities of great end results are huge.

When the interviewees were asked about what has changed from the time they started as business coaches compared today, one of the answers was "today, every executive knows what business coaching is so I do not have to explain from scratch what it is but the conversation is more about what it truly means". It seems like the word is familiar but the concept behind still needs explanation. Another answer

was:"business coaching today is more professional and systematic than what it was when I started".

If one of the objectives of business coaching, stated in the theory, is realizing self-beliefs that may hinder the coachee from developing himself and building self-confidence, then it is very inspiring to hear the experienced coaches answer to the question about the best experience they have had as a coach to be "the moment when the coachee realizes something about themselves that they have never even thought about before, and it helps them move towards their target". "I worked with a coachee who I had a very honest and open relationship with and at the end of one session; he wondered whether he was wearing his clothing properly because he felt so emotionally naked. At the end of the whole process, he had a clear picture of how he moves forward with his career. That felt great for a coach. Sometimes even the coachee's physical appearance looks different after they have realized something special about their life. That is how powerful coaching can be".

There has been a discussion about the benefits for the coachee in the theory part but can there be some benefits for the coach? According to the interviews with coaching professionals, there can: "coaching has broadened by point of view on how to influence people; it has developed my communication skills and has helped me to talk to my family and friends. I also feel that my self assessment, life management and self management skills have improved along with self confidence." "I feel so energetic and enthusiastic after every single coaching session, it is great to see how things move forward and the coachee is so present in the conversation".

Last part of the interview focused on finding out about what was difficult entering the Finnish market as a business coach and what should new business coaching entrepreneurs do to get their own clientele. The most difficult thing in entering the market was "not having the experience and the references to show the results of my work. Business coaching was so new that I was under the pressure to find the early adapters who would become interested in business coaching even without the references. As soon as I found my own niche, the area I wanted to focus on as a business coach, I started getting customers. My advice is not to talk about what business coaching can do for the coachee but what you as a coach, with your experience and

personality, can do for your customer, with the help of business coaching. It is very important to bring the essence of who you are and what you have done in your career to the table when offering business coaching services. We have too many generic coaches; it is best if you can find your own niche and focus on that, otherwise you will easily appear unauthentic. It is like job hunt, it does not work to apply for every position, you need to find the special one to match you knowledge and experience". Another challenge was related to the unfamiliar concept of business coaching: "executives think that I am trying to tell them how to run their business so I had to explain them what business coaching is and how they can benefit from it. My advice is to clarify to yourself what kind of companies you have the interest, competencies and resources to work with".

To understand the real experience that the coachee gets from business coaching, I also interviewed coachees who have worked with a professional business coach. Interviewees were managers with subordinates, thus the coaching processes focused very much on supporting the role as a manager. Viewpoints were different based on the coachee's needs; supporting the transition from a specialist role to a manager role or sparring and discussing about the opportunities to further develop as a manager and finding new ways of working. It is difficult to find a manager training that can support both senior managers and managers who are just starting up their careers as people managers. Coaching has the benefit to support both.

It seems that in any case, the best experience of business coaching was related to getting confirmation and validation for self-belief: "the best experience about business coaching was when I realized that I had done things in a right way. I had a possibility to mirror my way of working as a manager and it was nice to notice that things that I needed to change were minor". Another comment was: "I thought coaching was going to focus on my development needs as a manager but instead the coach turned the focus to my strengths and helped me understand that I already have the required skills to succeed in a manager role. It totally changed my thinking about leadership". What was considered positive and is aligned with the theory about a coaching process, was that the coach did not provide answers but asked questions and this way supported the coachee's individual thinking and showed them that they have the ca-

pabilities to make decisions, lead their organizations and focus on the right things within themselves, they just needed someone to pull them out of them.

Benefits of business coaching could not be measured in financial value, rather the experience that the coachee had about the process itself; a possibility to get validation for the ways of operating. "One concrete benefit was related to developing management meeting practices; getting all people involved in the discussion, also the quiet ones of the team. I do not have a possibility to work with a coach very often so it was nice to have this opportunity, it is like orienteering; it is good to look at a map every now and then".

Since the coachees were people managers, they were asked about whether they saw that because of coaching, there were some benefits also for their organizations. One response was that "my organization has possibly enjoyed better leadership but this cannot be verified because I do not know how I would have done as a manager without the coaching". One answer was:"very good question." To me, this answer said more than the person giving it ever meant to say. The answer validated from its' own part the difficulty of measuring the benefits of business coaching. This is not to say that there are no proven benefits of business coaching but to challenge whether the benefits can be scientifically measured and utilized as a selling point for coaching. The answer from this specific coachee continued:"we are still missing the final review of the coaching process for the whole team so that we could discuss how to utilize the possible benefits in the organization and in different activities. We do not get all the benefits out of the process unless we do a wrap up together as a management team". This is a very important acknowledgment; it cannot be assumed that just by going through the coaching process will materialize benefits. The coachee needs to ensure implementation of possible actions determined during the coaching process before having the possibility to expect or measure benefits. The interviewee made a valid point though:"one way to measure might be the estimate of each coachee about the personal value of business coaching for them".

When asked about whether the coachees have anything negative to say about coaching, the answer was:"sometimes I wondered whether the process would lead to any-

thing but the coach realized this very quickly and added new drive to the coaching process".

#### 5.3 Future of business coaching and business coaching trends from abroad

#### Tiina Harmaja (Finland)

Tiina Harmaja is the Co-founder and Chief Strategy Officer at Business Coaching Center Oy, Coach of the Year 2010 and one of the forerunners in business coaching in Finland. Tiina has been a professional business coach for ten years, and made her first contact to coaching on training in England over a decade ago. According to her own words, she "became addicted and wanted to bring forward the knowledge of coaching for much wider audience. I needed to become an entrepreneur to do so and that is how it all started". Tiina was interviewed for this research as a coaching pioneer on October 25<sup>th</sup> 2012.

During her professional coaching career, Tiina has coached hundreds of people and has probably the best understanding of how the coaching culture in Finland has changed during the past ten years and what is the future of business coaching in Finland. When Tiina started her business coaching career, the knowledge about coaching was almost non-existent and there were only about five people, who were working as professional coaches at that time. Looking at the theory part about history and evolution of business coaching, it is clear how business coaching was influenced from different lines of development and behavioral sciences; this was also visible in Finland because according to Tiina, there was already a strong market existing for supervision of work, and today there is place for both supervision of work, coaching and mentoring.

Tiina considers business coaching to be so popular today because it is "just on time" – development by focusing on the issues that are current rather than "just in case" - trainings that we used to have. Coaching focuses more on how are you doing it with "work smarter not harder" –philosophy. Tiina adds that this is exactly what is needed in current economic situation and when the whole global structure is changing. "We

can't compete with the numbers so we need to compete with foresight, innovation and execution".

When talking about the future of business coaching, Tiina says that it is good that more and more coaches are seeking professional training and certifications so we can keep the quality up and the profession keeps developing. "The trend at the moment is getting more with less - the cost versus benefit is important in coaching initiatives. Coaching should be something that the organizations could and should do themselves. And using external coaches should happen only in special cases. The international trend is to build coaching capabilities within organizations - internal coaches, managerial coaching skills - and that way more and more people in the organizations could benefit from coaching everyday without the huge costs and extra effort in bringing the external help in". This is an interesting and a surprising statement coming from a coaching pioneer and professional because at the end of the day, should this materialize, it means that professional coaches in Finland do not have as large a market as they may have today. It only proves that there is such passion towards the profession of coaching that it does not matter who is doing it in the organizations as long as it is done.

Digging deeper into the future of business coaching, Tiina adds that "I truly hope that the next step in Finnish business coaching market is that the coaches themselves would be brave enough to specialize in some niche areas. At the moment most of the coaches are ready - and maybe even able - to coach whomever and in which ever situation but both the coach and the coachee would benefit the most if the coach would fully understand a certain area or a theme. For instance specializing in women executives with small children at home might add something extra in coach's toolbox, when he or she has been coaching dozens of women in the same situation".

Tiina advices new business coaching entrepreneurs to build a niche in an area that they know a lot about and focus their coaching services to that special group of people, that is not focused by any other coach, and help them to solve a common challenge that most of them have. "It is better to be a big fish in a small bond than to be a small fish in a big bond. So the best way to find your own share of the market - that is already quite saturated - is to specialize in something". Tiina also advices all new

coaches to take care of their professionalism and keep on developing their skills; "there are plenty of those who are in the business for easy money, and the clients are paying the prize". "Soon the clients will learn to ask for trained and certificated coaches and those, who are taking their professionalism seriously, have the competitive edge".

### Diane Brennan (USA)

Diane Brennan is Executive Coach for leaders and teams and has done a career of twelve years as a professional business coach. Diane has also done a long career in medical field as Executive Director. Diane is a Dean for Business Coaching Center's Business Coaching Master Program. Diane was interviewed for this research as a coaching pioneer on November 3<sup>rd</sup>, 2012.

During her career, Diane has coached hundreds of people and has spent tens of thousands of hours coaching. Diane said that today there is much more awareness of what coaching is than there was when she started as a full-time coach in 2001. At that time, the term coaching was very often related to sports but it has emerged to be an integral part of talent management, organizational effectiveness and organizational development today. "When I started 2001, coaching had formally been around for five years and now after to 8-10 years, there has been more research about it and a lot more understanding of what coaching is and what are the benefits of it", says Diane. The amount of internal organizational coaches has also increased during Diane's coaching career: "when I started at ICF 2004, there was a group of ten people in the coaching community for internal coaches and I was helping them creating their coaching communities. Now there are hundreds of people involved in that community so we have already seen a shift towards using more internal coaches".

"I believe business coaching has become this popular over the years because now we can see the value of business coaching:"we have the understanding of possible results and realities of what organizations have achieved", says Diane and continues that:"the academic community has also helped through dissertations on what coaching can do". Leaders who have been involved in coaching process have helped build-

ing the understanding of coaching, as well as the HR community, which has looked at coaching realistically to see whether it could help the organization.

Diane looks back to talk about the most rewarding experiences as a business coach and tells a story about a CEO who was very skeptical about business coaching but decided to test it and eventually became very engaged with the process. As a result, the organization saw better improvement than expected measured by their employee satisfaction survey and even the organization gave feedback to Diane about the positive change in their leadership.

When asked about the future of business coaching, Diane says:"the organizations that I work with, most often have a group of internal coaches working with teams and individuals but they are still using external coaches for executives and leaders who really need to focus on coaching. The challenge with internal coaches is that they have other responsibilities in the company so they cannot manage with many different coaching processes. Regardless of the fact that internal coaching culture will evolve and grow, I still believe that external coaches have a great future: we have started to educate the organizations about coaching but we are not done yet. While internal coaching is an affordable option and a way to integrate coaching into the organization culture, combination of external and internal coaching in a team environment is used for maximizing the impact. If we want to create a better environment for the organizations and the world, we still have a lot to do as external coaches. We can help organizations to create not just a successful future but a sustainable one", Diane concludes.

Diane would recommend business coaching to any manager, leader or business who wants to have an opportunity to develop themselves, their business and their organizations. It is best to start with leaders to have most impact but it is not necessary to limit to the leaders.

Diane also told a story of an organization, which had budget cuts and had to cut down all the leadership development, which included coaching. "Those who were engaged in a coaching process voiced their opinions saying that coaching cannot be discontinued because there is a high need for it to stay focused and get the organization through difficult times. At the end, coaching was the only development method brought back regardless of the budget challenges".

Diane was also asked about what the new business coaching entrepreneur should do in order to attain their own clientele in the market and Diane emphasized thorough preparation to be important before establishing a company. She said that she started by working as coach in the evenings and weekends but simultaneously keeping her regular job. "I have heard people say you need to find your own niche but if they have contacts and like the industry they have been working with before, it is easier to start business utilizing the existing network, trust and credibility that is already there rather than starting to sell to someone you do not know".

## Neil Scotton (UK)

Neil Scotton is the co-founder of One Leadership Project and has around ten years of coaching experience. Neil was nominated Coach/Mentor of the Year in 2008 by Coaching at Work-magazine and received The ICF President's Award for evolutionary leadership and services to the coaching profession the same year. Neil and his business partner and co-founder of One Leadership Project Alister Scott have a mission and that is to enable the catalysts of the world. Anyone can be a catalyst, catalytic leadership is about leadership without status, ability to change the game to serve the greater good, both for now and for the future. (Website of One Leadership Project). Neil was interviewed for this research as coaching pioneer on November 2<sup>nd</sup>, 2012.

During his coaching career, Neil has coached around 200 people. When Neil started as a coach 2004, he had a lot of work explaining what coaching is but today, he rarely has to have this conversation. When he started, everyone in the coaching community was helping each other; "it was much more on the heart and soul side of things", says Neil. "It is not as present anymore; it is more about business benefits today", he continues and concludes that: "it may have been an important shift to be where coaching is now".

Neil believes that coaching has become more popular over the years because there are simply more coaches and therefore more people promoting and talking about it. "There is a lot of uncertainty and chaos, we do not know what will happen in the markets and as a leader it is not always easy to sort things out by using logic alone. Right now one of the big shifts in the world is having just the profit in your compass is not enough. Coaching gives possibility for the individual team to explore issues more creatively and to tap into those deeper wisdoms. When the hope cannot be found in the forecast and numbers, it can be found through coaching". Neil says that coaching is effective, people see the results and it is now introduced as a management competency, is more available and therefore organizations can see the benefits better.

When asked about the future and possible trends of business coaching, Neil sees that team coaching and influencing coaching are increasing in numbers. Coaching is normalized in a way because it is expected to be one of the management competences. "External coaches have to have a niche, which is a bit of a paradox because good coaching should be able to tackle anything". In a business context Neil sees that having proof of training and competency will be important. Neil adds that:" there is a need for great courage of coaches and coachees to shift the discussion away from talking just about performance but this is difficult when the companies are paying for the coaching. It requires for the coach, coachee and the organization to agree that it is ok to look at the bigger picture". Neil believes that coaching will be getting greater: "because of the uncertainty organizations cannot carry on business as usual". At the same time companies have less money to spend on it, which Neil believes will be one of the drivers for team coaching in the future.

I asked Neil who would he recommend coaching to and his response is:" anyone who would want to listen, be supported and feel comfortable with decisions and actions they want to take." "For me, coaching is fulfilling, productive, meaningful, purposeful, and full of rich life. Who should we not recommend it to? I can't think of anybody" and immediately continues: "Well, I would not go to a 5-year-old or 80-year-old to ask whether they would want a coaching conversation".

When asking Neil about what he feels that new coaching entrepreneurs should do to attain their own clientele in the market, he says that coaches are not particularly good in being business people. "All the coaches recognize the value of coaching but very few recognize the value of their coaching i.e. what is the value that I am bringing here". His advice is to create time after every coaching session to reflect - what happened, what went well, what could be better, what did the client really appreciated to get very comfortable with asking for feedback right after the session - what did they get from it, what can they help me with going further - to regularly go back to clients and ask what are they getting from the coaches - what are my strengths, what would you like to be different, what are you getting from the sessions. "Listen without attachment, listen with curiosity". "Until you have had 100 clients, you probably do not know what your niche is so be ok to be a bit lost". Another advice is: "do not listen to anybody else what you ought to be charging because they do not know what your value is. If you are not comfortable with some things, it is better to charge low and build up from there once your experience grows and you are able to show that you are worth more. Also, go and spend time with people who share the things you love and you will find alliance there. Do not try to manufacture it, let people recognize and appreciate what you can do and work with it". Neil also says that:"you need to justify the expense of coaching but coaching is a very open human thing. Make sure you coach the person and not the problem; it is about human relationships. To me, coaching is very human oriented".

#### 5.4 Analysis and summary of the research results through the interviews

According to the research, it seems that there is interest towards business coaching in the Finnish companies regardless of size or location. Some companies are more familiar with business coaching and that seems to depend on the individual HR professionals' interest towards business coaching. Today, business coaching is mainly utilized for leader and executive development and change management and in some cases for high potential or talent management. Coaching is not utilized as a problem solving tool, nor is it considered as a tool for increasing wellbeing in an organization, which might be the underutilized potential niche because wellbeing can be very target oriented and is one of the important factors in individual and organizational

achievement. It is also heavily linked to financial situation of the company in terms of cost and efficiency.

Based on the results, coaching is a method that HR professionals consider efficient in terms of delivering results, are interested in learning more about and feel that they could benefit from. The most important factor when making the decisions about purchasing coaching services is that the coach can convince the HR professionals with their experience, competence and professionalism. The ones who had experience of business coaching said that they benefitted from having a sparring partner and getting emotional support, and because of that, their self-confidence increased, which helped them to focus on the right things at work. Because of this experience, they would definitely recommend business coaching to their colleagues.

Business coaches have witnessed the change of coaching culture during the past years; from having to explain what coaching is to having to explain what they can provide in the context of business coaching. It is important that the coach is aware of his or her competences, experience, resources, and how to combine, productize and utilize those to provide business coaching services that are considered beneficial by the customer, marketed in a convincing and interesting way and finally priced to the point to make them available for the companies. Business coaches feel most successful when they see that the coachee has realized something life changing that they have not thought about before and are therefore able to achieve their targets.

Coachees felt that the business coaching experience was positive; it was good to have a possibility to mirror ones' ways of working with another person, get validation for own activities and this way build self-confidence. Benefits of business coaching were seen in connection to some very basic things like developing meeting practices and ways to manage performance discussions. Benefits for the organization were difficult to identify because the coaching was focusing on individual level and no real measures for the organizational benefits were implemented. Coachees appreciated the discussions they had with their coaches; possibility to change opinions and focus some time only on them only. Coachees would recommend coaching for other people as well, especially for colleagues who are in early stage of their careers and may need support on decision making and get even more validation for their own

thoughts. This comment was aligned with the HR professionals' comments both on recommending business coaching for colleagues but also on getting confidence and validation for their own thoughts.

Coaching pioneers said that when they started coaching about a decade ago, there was not a lot of knowledge about coaching in the market, nor were there a lot of professional coaches. It was something totally new and in some cases it was easily related to sports so they had to spend a lot of time explaining what coaching was. This has changed over the past decade – now there is much better knowledge in the companies about what coaching truly is and realization of benefits as well. The reason for this is that there are a lot more trained and certified coaches today and the word about the results of coaching has spread from company to company. This is also why business coaching has become so popular over the years: there is more proof that it works and it is teaching us how to work smarter and focus on the relevant. There was one more realization as well comparing the early 2000 and today and it was the fact that a decade ago there was more heart and soul to coaching and every coach was helping each other to succeed whereas today the focus is more on the business benefits that can be gained through it.

Internal coaching has become more popular over the years and it seems that based on the interviews it is more popular outside Finland than it is in Finland. In Finland, there are still struggles with getting the foothold, spreading the word and building the awareness of coaching but in UK and US, the coaching culture has already spread into the companies to the level that they have created internal coaching communities to have possibilities to develop the organization internally. This can be seen as the future of business coaching in Finland as well and the respond by the business coaching community towards the idea seems to be positive: the common agenda seems to be that it is more important that coaching is available for the organizations rather than coaching is available for the organizations by the external professional coach. A common target of the experienced coaching pioneers seems to be building a better world and a sustainable future for the organizations. When looking at the financial side of coaching, it is understandable to have internal coaches as well as team coaching, which also seems to be the next big thing in coaching.

A unified message from coaching pioneers to new business coaching entrepreneurs was to prepare well, utilize your experience and network and possibly find your own niche where you can become the big fish in a small pond. What is important is not about what coaching can do for the organization; it is about what you can do for the organization with the help of coaching. Professionalism and certification of business coaching was considered very important because there are all kinds of people in the market calling themselves coaches and the one that will create sustainable added value for the customer will have the competitive edge. Coaching pioneers would recommend coaching to anyone who is open for personal and organizational development, is willing to listen and take action.

#### 6 CONCLUSIONS

This part of the research focuses on introducing the final conclusions of the research compared to the objectives of the research. This part also includes reflection on how to utilize the results of the research in the planning of my own business coaching company. The reflection is limited to the establishment of my own company; the purpose is not to give general guidance or create a concrete plan to new coaching entrepreneurs on how to enter the market, but rather to create a platform of ideas for the benefit of my own company.

When looking at the role of business coaching in Finnish companies today, according to the empirical research, companies in Finland do know what business coaching is and some of them have experienced it already but there are still companies who have not had any experience in business coaching and they do not have exact knowledge of what it really is about. Business coaching is currently competing as a development method with external and internal training, mentoring, group working, 360 assessments, job rotation and shadowing.

The research shows that the companies are utilizing external service providers but mostly for executive and leader development and change management. This means that the companies must be budgeting some amount of money annually for these purposes; therefore the money most often is there but how it is used, may be open for discussion. I need to think about how to win the customers over to use their budget on my coaching services, I should have a clear vision of what are the things that my service can provide and what others cannot. I should think about what I have done previously during my career; what is my education, what are my competencies, what am I truly good at, what really interests me and what do I really want to do in my future career. According to the coaching pioneers, these are the important things to consider because if the coach is not true to oneself, authentic or appear honest, the client turns to someone else. Proven experience, passion and genuine interest towards the topic at hand are things that I need to be able to show to the customer to convince that as a coach I am a professional in what I do and I have a high level of selfconfidence in my own professionalism. According to the HR professionals' wishes, I could start by offering a pro-bono service to create the first impressions. Then I need to deliver what I promise to get good references and reputation for finding more potential customers.

I need to think about how to increase the use of coaching also outside executive development and change management. My niche could be related to career coaching, creating a motivating career vision, new manager coaching and perhaps prioritization in terms of increasing personal wellbeing and preventing work related burn-out. I would also be very interested in coaching HR professionals. When interviewing the HR professionals, none of them said that they are using coaching for increasing wellbeing in the organizations. My niche allows the companies to utilize coaching for this purpose but I need to work some more on determining and materializing clear benefits of my niche for the companies. Sick leave costs can be huge for the companies; I can see great potential in reducing these costs by including coaching in connection to early involvement discussions lead by the HR professionals, managers and health care. Prevention of wellbeing problems in companies are targeted mostly for the groups, even though early involvement discussions have made it more individual. However, in my experience, their follow-up is not very active due to the lack of decent mechanisms and resources. I do not mean to say that the companies should outsource wellbeing issues to external coaches but to work together using coaches as a resource to work towards meaningful career goals and increasing motivation. This would also support our society's challenges when the population is increasingly in bad shape and burn-out risks increasing among young people.

I have a perfect platform to work with HR professionals: long experience both in business and in HR, knowledge of the challenges of working in HR, genuine interest in developing HR work, and increasing wellbeing of HR community. Even if internal coaching is increased, HR professionals cannot coach themselves in the small companies where big HR organizations do not exist. 75% of the interviewed HR professionals said that they would want and would greatly benefit from coaching services. In connection to this, I need to figure out my resources so that I can match those with the list of companies that I should be targeting, most likely small companies due to the size of my business.

To answer the question about the benefits of business coaching, the theory part offered a wide range of benefits and the purpose of the empirical research was to have a critical look on the actual benefits through real-life experience and compare those to the benefits offered by the theory. Both the coaches and coachees interviewed had very positive things to say about coaching. The coaches said: "I got validation for my own thoughts, it boosted my self-confidence, I could build on my strengths rather than on my development areas, I realized that I had done things right, the coach did not give me answers but made me think on my own and I realized I had the required skills". Most often the feedback from the coachees about their coaching experience was about having the possibility to trust their own decision making, getting validation for doing this right, having someone to talk to and enabling focus on the right things. These results are very much aligned with the theory if we are looking back on Silsbee's (2004, 145) comments: the coach can support the coachee to be successful and have confidence in himself. The coaches said: "I feel so energetic after each session, it was great to witness the eye-opening moment of the coachee, my communication skills have improved as well as my life - and self management skills". The benefits for the coaches are therefore not just monetary. This must be especially rewarding if we are reflecting on what the coaching pioneers have said about wanting to utilize coaching to supporting organizations in building a successful and sustainable future.

Both the coaches and coachees had difficulties giving a number to measure the success of their coaching by. As stated in the theory, one needs to be very careful when talking about the benefits of coaching in terms of ROI or other measures that cannot be 100% proven to be because of coaching. The advice from the coaching pioneers was to set out a target in the beginning of the coaching process and compare the success of coaching based on that target at the end of the process or after another specified time. This is how the success is best to be measured because then one can count on the measures to be right.

It was not clear for the coachees whether their organizations had benefitted of the coaching they had experienced as managers of those organizations. One estimate was that they had been led better as a result of coaching. The important thing is that the results are seen only if the actions from the coaching process are implemented. The work does not necessarily stop after the coaching process stops but the work continues in some cases much longer. In those cases, coaching has provided the tools to lead the organization but the manager itself has to use those tools in everyday life. Good example of using the tools effectively came from one of the coaching pioneers when she said that her best experience as a coach was when some of the members of the organization of the leader whom she had coached, came to her and said that they had noticed a positive change in their leader. Talk about coaching success!

When establishing my own company, I should focus on introducing the proven benefits through experience. I can use the results of this thesis to start with and also introduce the individual events from my own experience and through my network. Mainly, I should focus on proving what I can do for the company with the help of coaching, not what the coaching can do in general.

As important as it is to look at one's history and experience when establishing a business coaching company, at least as important is to look into the future, which was one of the topics in the research for a good reason. My own thinking and starting point is that in establishing a company successfully you need to either introduce something new or provide the existing service better than other providers. I want to be prepared for the future so I reached out to the coaching pioneers to use their expertise in predicting the future trends of business coaching.

One clear thing to be prepared for is that companies have less money to spend on development but the similar or maybe even more demanding development needs. This causes at least two things: the companies need to get the same benefits with lower costs and they need to provide an increasing amount of services internally. Therefore there is pressure also for coaches to offer more with less. This was a clear prediction of the future by all the coaching pioneers; they see internal coaching taking a bigger role in organizations - there are already coaching groups built in the companies to tackle the development needs. Also team coaching is becoming more popular because the companies can get more people in the coaching sphere of influence at one stroke. This development requires business coaches also to start thinking innovatively and come up with new ways of providing the value add that no-one else can provide. Pioneers encourage coaches to start specializing into their own niche areas to ensure the demand of special expertise in the future because even though internal coaching is increasing, there is still a high demand for external ones, especially when thinking about sustainability of the coaching effort and truly creating a coaching community. But the value add of external coaching must be high. Another recommendation for the future is to keep on developing the overall professionalism further so that external coaches can stand out from the crowd as the important ones to partner with.

A good experience based on the research on how to start a coaching company in a financially secure way was to start coaching in the evenings or weekends and keep the day job at the same time until there is some clientele to work with to manage financially. Otherwise, it can be a struggle to get started. This is definitely something I would want to do myself because my day job does not hinder me from practicing coaching during my free time, on the contrary, I can gain some very valuable coaching experience and build my coaching toolbox and reputation through my day job. Another advice that I plan to take very seriously was to price my coaching services in a way that I am comfortable with, there is always a possibility to increase the price once I have more experience and more self-confidence in my service offering. Nobody else can set a price on my experience, personality and value but me. In connection to this, it is important to be brave enough to ask for feedback, over and over again and develop myself based on that feedback. This requires courage and tenacity but in order to be successful, those traits are required anyway. Speaking of courage,

one comment about the future trends of coaching was that organizations need to be bold enough to start having discussions about the big picture instead of only profit and performance. The way I understand this is that through coaching, people would have the opportunity, time and space to really open up about things that matter to them, about their hopes and dreams for the future, fears of failure, the unknown and being accepted as who they are. Some might say this is the job of psychotherapy and in some cases it might be so but in my opinion, a human being does not have to have a problem to be fixed before they are allowed to talk about their life and feelings as a whole – life and feelings that with such a big time allocation include work.

I feel like I was able to answer a lot of questions through this research and I certainly gained some valuable insight on establishing my own business coaching company. I do identify though some questions that remain unanswered. I want to raise them here in case another passionate business coach would like to conduct a research to provide further understanding of the topic to the field. Or maybe I will come back to these in my doctoral studies later on in life.

It seems that business coaching is used a lot for managerial positions: executives, leaders and newly appointed managers. These are the ones who can influence the organization to high performance but is there another reason as well? I started to think about this during this research when talking to the HR professionals who said that they are in desperate need for coaching. It is often said that it is lonely at the top and I wonder if this can also be one of the reasons why leaders and HR professionals are the ones mostly engaged to business coaching; HRs because they feel alone and leaders because of their HRs. This may be a long shot but in case there is a connection, it might help think about the future approach to business coaching in companies.

There has been some discussion in literature – in connection to subordinate skills - about whether leadership skills should be taught to everyone in the organization to really materialize the benefits of it. This topic came to my mind when writing this thesis: why are companies mostly using coaching for leaders? I do not ask because I do not know the answer, I ask to provoke discussion. If we coach our leaders to manage change in an efficient way, do we risk that the gap between the leader and the

organization gets deeper? According to my experience, the leader has more time to get used to the idea of change but the adaptation of the rest of the organization comes much later: turning big ships does not happen overnight, is often said. Through coaching, the leader gets to have this eye-opening experience and tools for managing change in his organization and is even further on his change curve than his organization. Is he even speaking the same language with his organization after the coaching experience? To me, there is only one correct answer to this: of course it is beneficial to coach the leaders but could we get the ships turning faster if we also took the habit of coaching the leader's organization? This is often a question of money and resources and I suppose the solution needs to be figured out by us business coaches so that we can best serve the organizations also in the future. There is some food for thought to keep us fresh and on the edge of time.

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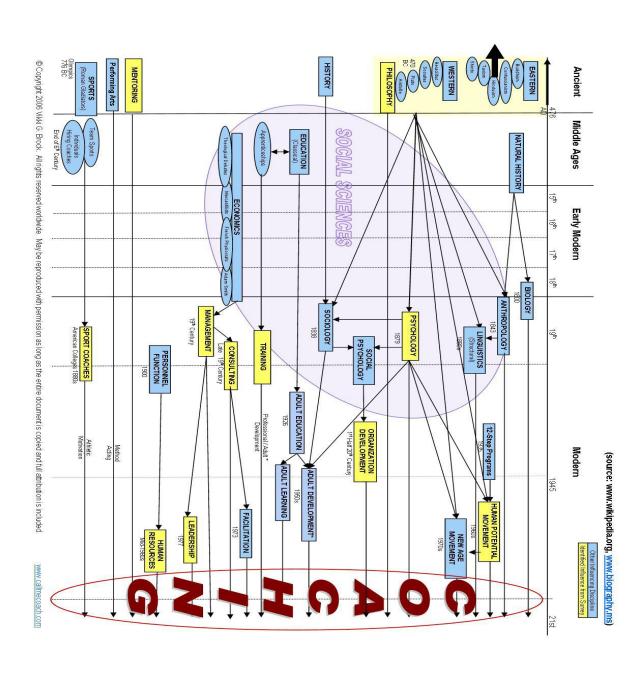
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## **APPENDICES**

Appendix 1. History and evolution of coaching.



# Appendix 2. List of interviewees.

Human Resources professionals interviewed					
Bunge Finland Oy	Kirsi Vienonen	HR Manager			
Diversey Finland	Petra Saviniemi	HR Manager			
Fläkt Woods AB	Marja Salenius-Ranki	HR Director			
ISS Facility Services A/S	Sabina Ågren-Hellman	Head of HRD			
Nokia Oyj	Tuula Sulkumäki	Senior HR Manager			
Metso Pulp, Paper & Power	Julia Macharey	SVP Human Resources			
Valmet Automotive	Tuija Lehesvirta	VP Human Resources			

Business coaching pioneers interviewed as experts						
Business	Coaching	Center	Tiina Harmaja	Co-Founder, Chief Strategy Officer		
Оу						
Business	Coaching	Center	Diane Brennan	Dean of Certified Business Coach		
Oy				Master, Executive Coach, Master		
				Certified Coach		
The One I	Leadership F	roject	Neil Scotton	Co-Founder		

Business coaches interviewed about their experiences as a coach				
INTOHRM	Riitta Rinne	Entrepreneur, Certified Business Coach		
Basium Oy	Marita Malinen	CEO, Business Coach ACC		

Coachees interviewed about their experiences as a coachee				
Coachee #1	Wants to stay anonymous			
Helsinki Region Transport	Arttu Kuukankorpi	Group Manager		

### Appendix 3: Interview questions for the HR professionals

Please describe your organization and its' needs for development.

For what type of situation do you mostly need help with in your organization?

What type of methods do you normally use for executive and leader development?

What type of methods do you normally use for organization development?

What type of methods do you normally use for individual development?

What type of methods do you normally use for change management?

What type of methods do you normally use for increasing wellbeing in the organization?

What type of methods do you normally use for managing performance problems?

What type of methods do you normally use for resolving conflicts?

What type of methods do you normally use for outplacement (organization or individual)?

Which development method is the most important one for you?

Which development methods would you want to learn more about?

What type of support do you need yourself as a manager or human resource professional?

Have you heard or read about business coaching? How? Where?

How much do you know about business coaching?

What is business coaching in your opinion?

Are you using business coaching as a development method in your company? For what purpose?

If you are not using business coaching in your company, why?

Are you interested in purchasing business coaching services? Why? Why not?

What would need to happen for you to purchase business coaching services?

How would you like to be informed about business coaching by a potential service provider?

If you have experience in business coaching, what were the benefits of it for you individually?

If you have experience in business coaching, what were the benefits of it for your organization?

Would you recommend business coaching to your colleague? Why? Why not?

Appendix 4. Interview questions for the coaches

How long have you been a professional business coach?

What inspired you to become a business coach?

How many coachees have you worked with?

How has the coaching environment developed in Finland since you started as a business coach?

Tell me about the best coaching experience you have had a coach?

What made it so special?

What have been the benefits of business coaching to you as a coach?

What has been the most difficult thing about starting as a new business coach in the Finnish market?

What should the new business coaches do to attain their own clientele in the market?

# Appendix 5. Interview questions for the coachees

What is your occupation?

How long have you been working with a professional business coach?

What inspired you to start working with a business coach?

Tell me about the best experience you have had as a coachee?

What made it so special?

What have been the benefits of business coaching to you?

What have been the benefits of business coaching to your organization?

What are the negative things of business coaching?

Would you recommend business coaching to other people?

Who is paying for the coaching? Would you pay for it yourself?

Appendix 6. Interview questions for the coaching pioneers / Tiina Harmaja

How long have you been a professional business coach?

Why did you decide to become a business coach?

How many coachees have you worked with?

How has the coaching environment developed in Finland since you started as a business coach?

Why has business coaching become more popular over the years?

Who makes most of the initiatives to start business coaching?

What type of coaching clients are the most typical ones?

What did you do to enter the Finnish market as a business coach?

What are the most common goals in individual business coaching sessions?

What is the success rate of business coaching process? How do you measure it?

Who do you recommend business coaching to?

How do you see the future of business coaching in Finland? What are the trends of business coaching in Finland?

What should the new business coaches do to attain their own clientele in the market?

Appendix 7. Interview questions for the coaching pioneers / Diane Brennan & Neil Scotton

How long have you been a professional business coach?

Why did you decide to become a business coach?

How many coachees have you worked with?

How has the coaching environment developed since you started as a business coach?

Why has business coaching become more popular over the years?

What is the most rewarding experience for you working as a business coach?

Who do you recommend business coaching to?

How do you see the future of business coaching globally? What are the trends of business coaching globally?

What should the new business coaches do to attain their own clientele in the market?