

SMART ANSWERS

By Karen E. Klein

“Constructively Confrontational”

Dattner Consulting's Ben Dattner says a business coach can be invaluable to entrepreneurs -- if they're open to examining their practices

Executive coaching is often recommended as a method for improving a small-business owner's effectiveness and bottom line. But what does coaching really do? How valuable is it, and how does it differ from hiring a traditional business consultant?

Because the coaching field is relatively new, not a lot of research exists on which methods and approaches are most effective, says Ben Dattner, an organizational psychologist, business coach, and founder of New York-based Dattner Consulting.

Smart Answers columnist Karen E. Klein recently spoke with Dattner about the nature of the coaching process and why entrepreneurs are sometimes afraid to look in the mirror. Edited excerpts of their conversation follow.

Q: Why would a small-business owner want to hire a business coach?

A: Many small-business owners find it difficult to get an objective perspective on their business challenges. Although they might have one or more trusted advisers, those advisers might have a specific kind of expertise -- for example, legal or financial. They also may have a vested interest in certain kinds of outcomes.

Some business owners realize that the challenges they face as their company grows are about upgrading their own capabilities. Good coaches help their clients build on their strengths and remedy their weaknesses.

Q: How does a business coach differ from a traditional consultant?

A: A traditional business consultant may offer expert advice based on experience in a particular industry or familiarity with a specific kind of business challenge. A coach, on the other hand, provides more general support and helps a business owner consider alternatives.

Q: How long does a coach typically work with a business owner, and how much does it cost?

A: I'd say that most coaching engagements last between three and nine months, although they may get extended or restarted.

The cost varies from a few hundred dollars to over \$50,000. It depends on the credentials and experience of the coach as well as the geographic region involved. Some coaches charge by the day or by the hour, some work on retainer, and some charge a single fee for the whole engagement.

Q: What should a business owner expect to gain from the coaching process?

A: Most coaches work with clients to create and implement a development plan that comes with specific learning and performance goals. For example, the business owner might want to delegate more, to gain confidence in contentious negotiations or to come across as more of a senior leader.

The development plan might specify what the client wants to achieve in these areas, and how progress will be measured. Coaches can also help clients gain insight about blind spots in decision-making, or counterproductive tendencies.

Q: Should a business owner who's hiring a coach expect a contract or other formal agreement?

A: Some coaches issue formal contracts and others don't. If a business owner has concerns about confidentiality, she may want to ask the coach to sign a nondisclosure agreement.

Even if a formal contract isn't signed, it's important that the coach, the client, and any other interested parties share a clear, common understanding of goals, timing, logistics, fees, and confidentiality.

Q: Would a coaching contract agree to deliver tangible results, or is coaching more about intangible business improvements?

A: One difficulty in agreeing to achieve certain benchmarks at the outset of coaching is that the coach may help the client reframe both the challenges and the goals during the process. In fact, if the business owner has an extremely clear idea of what he or she wants to accomplish, they might not even need a coach -- some other kind of business advisor may be more helpful.

The flexibility of coaching and the coaching process allows the coach and the client to work together to ask new questions and then explore them together.

Q: How do business owners find coaches and what should they look for when evaluating candidates?

A: Coaches can be found through personal referrals, through coaching organizations and associations, and sometimes through universities. Regardless of how you find a coach, he or she should have appropriate credentials and a track record of helping clients with challenges similar to yours.

It's always helpful to have an initial meeting with a coach, in person, to ensure that good personal chemistry is there. (Be aware that some coaches charge for initial consultations.) In that initial meeting, ask the coach about the clients they've helped the most, clients they were unable to help and why, and what kinds of clients the coach most enjoys working with.

Q: Does a business coach work exclusively with the company's owner/CEO, or with the entire staff?

A: It depends. Coaches often start working with a business owner, and then also work with the rest of the organization, ensuring that the changes that the leader is making are accompanied by corresponding and complementary changes in the rest of the organization.

Q: Are there downsides or risks to coaching, other than dissatisfaction with the outcome?

A: Clients may be hesitant or resistant to change, which is typically why they sought the assistance of a coach (rather than another kind of adviser) in the first place. Although the coach needs to be empathic and supportive, sooner or later, the coach needs to call the business owner on continuing to work in old ways. Some clients might not like having a mirror held up like that, though that kind of candor is among the most valuable benefits a coach can provide.

Other risks are that coaching to some extent involves taking a step back in order to take two steps forward. One must invest time, effort, and money in coaching, and there's no guarantee of success. There's also the risk that the coach will not take the risk of being candid and constructively confrontational. In this case, the coaching relationship may be smoother and more enjoyable, but ultimately less helpful.

Karen E. Klein is a Los Angeles-based writer who covers entrepreneurship and small-business issues