

## Standard Issue

**The ever-expanding market for coaching services represents a bewildering choice for HR practitioners. How can they ensure that they pick the right provider in this unregulated industry?**

### Jessica Rolph

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Few can have failed to notice the explosion of the coaching market in recent years. As a tool that can help businesses to become more competitive and help staff to reach their potential, it seems to offer something for everyone. But there is also concern about the number of “coaching professionals” entering the market who may be inexperienced, have little training and lack appropriate knowledge and skills. Part of the problem lies in the fact that the industry is still highly fragmented, with no single professional body or standards and qualifications to guide buyers of coaching services. Little wonder, then, it is nicknamed “the Wild West of HR”.

Understandably, this situation makes many HR professionals wary and sceptical. How do you sort out the wheat from the chaff? If you don’t understand what’s on offer, you may not be able to judge what is right for your organisation. Making sense of the evolving coaching world, ensuring you are getting value for money and managing coaching relationships to gain a high quality service are all serious challenges.

Preliminary results from the CIPD’s 2004 training survey show that 80 per cent of respondents use coaching in their organisations. Yet doubts remain about its worth as a development tool. Coaching is slurred by descriptions such as “paid friendships,” the “latest executive accessory” and “pinstripe counselling,” to name but a few.

“There is energetic and often glossy self-promotion by individuals, training organisations and specialist companies wishing to jump on the perceived coaching gravy train,” says Eric Parsloe, founder of the Oxford School of Coaching and Mentoring. All of this leads to a perception of a largely supply led sector - hence the cynical digs.

But, as the market matures, coaching starts to look like more than a passing fashion. Many commentators argue that, although the term is relatively new, the idea of one-to-one consultation on development needs has been around for decades.

“I believe the reason for the massive increase in the use of coaching is that it’s a solution that suits our times argues Janice Caplan, author of the 2003 CIPD book *Coaching for the Future*. “It is an effective method for enabling an organisation to meet competitive pressures to plan for succession and to bring about change.”

The early findings of the CIPD survey indicate that HR professionals believe coaching is “an effective way of promoting learning,” can “affect the organisation’s bottom line” and “deliver tangible benefits to individuals and organisations.” They rarely report such positive findings from other so -called HR fads.

So who exactly makes up the coaching market? An article in *Harvard Business Review* in June 2002 suggested that at least 10,000 coaches were working for businesses in the US. This figure was expected to exceed 50,000 by 2007. Many commentators expect a similar trend to emerge in the UK over the next five years.

Coaching services are being delivered by a diverse group of individuals and organisations. Many coaches are self-employed or operate in small firms. There are also consultancies for whom coaching is a major part of their practice, while large HR/management/outplacement

consultancies are adding it to their portfolios in a bid to secure large multinational contracts. Many of these recruit people with a track record in business and train them as coaches in-house.

Other firms operate within a business psychology model of coaching, where all coaches are occupational or clinical psychologists. Others include performance coaches from the sporting world and practitioners from a range of other therapeutic backgrounds (counselling, psychology, psychotherapy). Naturally, these different types of providers all bring different attributes to the table. And this is where opinions on the skills and knowledge that coaches should possess start to diverge.

Quality can also vary hugely, and it is here that the buyers of coaching services - often HR practitioners - can face problems. A growing number of professionals have reinvented themselves as business coaches and, without any further training, now operate as full-time providers. Problems can arise when these people delve into issues that they have little understanding of and are not trained to handle.

Although the demand for coaching is growing steadily, companies are now realising that a more discriminating approach is needed to find the higher quality coaching professionals. The forthcoming CIPD training survey again provides insights into the concerns that HR practitioners have about seeking out suitable providers. They report that the lack of accreditation and regulation is “worrying,” that finding high-quality coaches is “a difficult task” and that the terminology can be confusing and off-putting. Little wonder that there is an increasing demand from clients for an authoritative and objective source of information on the credibility of all these different offerings.

Mirroring the fragmentation of the industry generally, there are several professional bodies and associations. Between them there is a plethora of codes of practice, ethics and guidelines. But four key bodies have now come to the fore:

- Association for Coaching (AC);
- Coaching Psychology Form (CPF), which is part of the British Psychological Society;
- European Mentoring and Coaching Council (EMCC);
- International Coach Federation (ICF);

All these organisations are involved in a number of initiatives (often in co-operation with each other) to improve coaching standards, practices and services.

They represent the many professional coaches who are pushing from the supply side for higher quality.

Even between these four bodies there has been a lot of vying for position. Many commentators think that some consolidation will occur among them as the industry matures. Almost all CIPD training survey respondents felt that “a single professional body” in the coaching industry would be useful.

“It is possible that in the future only one coaching body will exist,” says Gladeana McMahon, senior coaching consultant at Penna Consulting. “However, coaching is such a broad field that one body may not be able to fulfil the needs of such a diverse group.”

Buyers of coaching services should certainly consider membership of professional bodies as part of their selection criteria. Professor Stephen Palmer, a past chairman of the Coaching Psychology Forum, says that “the good people are likely to be members of coaching related professional bodies, have relevant qualifications and take part in regular continuing professional development.”

But this is not a watertight guarantee, since the entry criteria to these bodies are relatively minimal. A more worrying issue is revealed by research conducted last year by the i-coach academy. Nearly three-quarters of the coaches it surveyed did not belong to any professional body: buyer beware.

Courses and qualifications in coaching vary widely from short introductory programmes to doctorate level qualifications. In between these extremes there are certificate or diploma programmes, modules of business programmes, masters programmes and coach training for professionals (eg HR/managers). Some example courses are shown in the table below,

<b>TRAINING AND QUALIFICATIONS FOR COURSES</b>	
<b>Level of qualification</b>	<b>Examples of institutions offering this level of coaching qualification</b>
Masters-level coaching programme	Middlesex University/i-coach academy Oxford Brookes University Portsmouth Business School/Performance Consultants Sheffield Hallam University
Postgraduate diplomas and certificate-level programmes	CIPD/Oxford School of Coaching and Mentoring Academy of Executive Coaching City University Centre for Coaching
Shorter coaching programmes	Coach U UK college of life coaching AAA coaching partners

In the past the reputation of the coaching industry has been weakened by training providers who claim to produce professional coaches from five-day courses. Coach training needs to be fit for purpose. Although there is definitely a place for short introductory courses, as with any discipline, expertise will vary depending on the length of the course, level of qualification, depth of study, practical experience and extent of student supervision.

The drive for greater professionalism is now coming from both suppliers and buyers of coaching. On the demand side, organisations are trying to be far more discerning about their use of coaching services. Evidence of the effectiveness of coaching interventions is being sought and more questions are being asked about costs and returns. From the supply side, high-quality coaches are keen to raise the reputation of the coaching industry and weed out the unethical operators.

This process is not new. Other professions such as counselling and psychotherapy have been through “professionalisation” over the past decade or so. HR has a key role to play in making this happen. By exerting pressure in terms of minimum expected standards, qualifications and results, they can raise standards across the industry. Suppliers will have no option but to conform.

New research from the University of Central England and Origin Consulting shows that large organisations which use coaching extensively are already setting more stringent requirements. Apart from seeking the right cultural fit and personal style, they are also keen to establish credentials such as evidence of a good track record, a structured approach, relevant qualifications, adherence to professional standards and evidence of supervision of coaches.

This more rigorous approach is illustrated by KPMG. John Bailey, its director of coaching says: “We have used our experiences over many years to clarify the qualities we need in our coaches, whether internal or external.”

All the leading coaching bodies are also working on a range of initiatives to improve clarity, quality of service and ethical standards.

The industry is at a critical stage. Its future success is likely to hinge on the professionalism of coaches and their ability to delivery demonstrable value. If coaching is to become a true profession, further research into effectiveness, business benefits and the value of different methodologies is crucial. Neil Offley, programme director at the NHS Leadership Centre says: “We hope that evaluation and research will help to show how coaching can deliver real benefits and overcome the perception that it is the latest fad.”

As the coaching market continues to mature, a number of likely trends may occur. “I believe there will be a consolidation of coaching providers and increased regulation and standardisation across the marker,” says Jerry Arnott, managing director of Origin Consulting. “This is long overdue and there are already signs of this evolution as the coaching profession starts to address the fundamental issues of ethics, standards, accreditation and quality.”

Peter Bluckert, chairman of the standards and ethics group at the EMCC, predicts that opportunities for different types of coaches will continue to arise. “Middle and upper-market coaching consultancies that have the capacity to win larger contracts will carry on doing well while highly regarded practitioners will always be in demand,” he says. “New niche markets will open up not only in the UK but further afield and many top coaching firms will plan with international markets in mind.”

The coaching industry is still in its infancy. If, as with other HR trends, the UK follows the US’s lead, we can expect to see an increase in both supply and demand for services here and, the evidence suggests, an increase in professionalisation. The HR community should continue to watch developments with interest.

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### **Further information**

The CIPD’s HR buyer’s guide to coaching and its 2004 training and development survey will both be published in April. They will be available to download from the CIPD web site ([www.cipd.co.uk/guides](http://www.cipd.co.uk/guides)) free of charge.