

# COMPETENCES OF BUSINESS COACHES AS A QUALITY FACTOR OF PRACTICAL MANAGEMENT TRAINING

Olga Notman

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## Abstract

This article analyzes professional competences of business coaches. Our research was based on the survey results of business coaches and managers who took advanced training in educational centres of the Urals (Russia). The study found that managers' perception of business coach professional tasks is largely utilitarian and practical – “profound expertise of a problem”, “assistance in handling specific business tasks”. Business coaches perceive their tasks in a broader context – “transform mind for success”, “motivate for development”, “inspire positive changes”. Requirements for business coach activity include a set of subject-related, methodological, practical and communicative competences. The most important competencies are “profound knowledge of the topic, problem, business area”; “skills of a moderator, facilitator, and an ability to 'shake up' the audience”; “successful management experience”; “ability to hear the audience and promptly adjust the plan and content of training to specific requests of the clients”. Managers assess the significance of such competencies higher than business coaches themselves. Revealed differences in assessments indicate a disparity between managers' expectations and business coaches' vision of their primary objectives. Coordination of participants' views will promote to improve the quality of training and development (T&D) programs and maximize their practical benefits for customers.

**Key words:** competences of business coaches, practical management training, advanced training, managers

**JEL Code:** I 21, I 25, I 26

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## Introduction

Business coaches are the key strategic resource securing the quality of the training process. Efficiency of their activity contributes to achievement of the final objective of practical management training – career, professional growth of managers and strengthening of companies' competitiveness.

Business coaching as a separate field of staff development was officially recognized in Europe and America in the 1980s (Olesen, 1996; Hudson, 1999). In Russia, various kinds of business education and staff development appeared later – in the late 1990s (Guleykov, 2017). In 2012, in Russia, the Federal Standard of Additional Business Education was abolished and instead were established the “National Accreditation Board of Business and Managerial Education in Russia” and the “Consortium for the Development of Business Education in Russia”. Since that moment, business and education communities have been working together to regulate this market and to develop standards of quality of such services. In other words, the “rules of the game” are now established by consumers and service providers themselves.

Many companies consider human resource development (HRD) programs as a source of competitive advantage in the future and are, therefore, ready to invest considerable funds in personnel training and coaching (Fulmer, Gibbs, & Goldsmith, 2000; Kim, 2014; Dobrea & Maiorescu, 2015). An increasing demand for training and development (T&D) services contributed to the growth in the number of professional organizations providing such services but also created a need for standardization of these services and inspired considerable scholarly interest in this topic.

A. Blackman, G. Moscardo and D. Gray published a systematic review of 111 studies on the theory and practice of business coaching. They pointed out the problem of efficiency of business coaching as the main focus of interest for empirical researches in this sphere. The efficiency of business coaching, both on the level of individual managers and on the level of their organizations, was found to be determined by the following factors: professionalism of business coaches, characteristics of the coachees, the coach-coachee relationship, elements of the training process and the organizational context (Blackman, Moscardo, & Gray, 2016). The aim of our study is to analyze the specific features of business coaching activity and to build a competency profile of an efficient business coach.

## **1 Theoretical background**

Business coaching<sup>1</sup> can be considered as a key HRD-related activity (Beattie et al., 2014) including targeted and focused interaction of participants, involving special methods and technologies to ensure the desired change both on the individual and organizational level

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<sup>1</sup>In research literature the term 'executive coaching' is widely used. Following the definition proposed by A. Blackman, G. Moscardo, & D. Gray, we are going to use the concept 'business coaching' as a broader notion comprising all forms of coaching in business - executive, managerial, team and leadership coaching (Blackman, Moscardo, & Gray, 2016).

(Bachirova, Cox, & Clutterbuck, 2014). The activity of a business coach depends on the following factors:

1. Characteristics of the coachees

Business training programs are usually targeted at people who have professional experience, leadership skills and career ambitions. Students who are competent in the subject matter of the course form a demanding audience that sets a high bar for business coaches' professional qualities but also the professional level of other participants in the group. Furthermore, managers are oriented towards getting the best and fastest payoff from the money and effort they invest in training (Gosling & Mintzberg, 2004). Training is thus seen by managers as a way of solving professional tasks and achieving success in business (Gioia & Herman, 2005).

2. Characteristics of the product (service) and organization of communicative space.

An education service for a business audience is not a “ready-made product” – on the contrary, training is a process when the new knowledge and skills are acquired through close interaction between business coaches and manager coachees (Athanasopoulou & Dopson, 2018). Moreover, the coachees' motivation and pro-active attitude are crucial for achieving the planned result. Training goals are achieved through active work, collaboration and co-creation involving all the participants. The process of advanced training means not only learning from the business coach but also sharing practical experience with other managers and entrepreneurs involved in training as well as professional bonding and networking. V.A. Mau and A.G. Seferyan believe that these aspects of training are equally important. Business always means contacts and networking; training should be useful in this respect (Mau & Seferyan, 2007).

3. Interaction role models

In training, the roles of participants are distributed and redistributed at every stage of the process, in other words, they are dynamic. The roles are distributed depending on the problem discussed or the task solved (Gosling & Mintzberg, 2006). The business coach does not always enjoy an absolute priority: he or she constructs or organizes systems of interactions, acting as a moderator who structures the process in order to maximize its productivity. Thus, the set of functions a business coach performs is expanded while the significance of his or her academic qualifications as a lecturer/teacher is reduced. The roles that come to the fore are the roles of an expert, consultant, moderator, facilitator and even provocateur (Notman, 2014).

## 2 Data and methods

Our study used the results of a survey which covered business coaches and managers who took advanced training in various education centres of the Ural region<sup>2</sup>. We used targeted sampling to select respondents for our survey. Business coaches were selected according to the following criteria: not less than 2 years of experience in the sphere of business training; experience of individual and group coaching activity; specialization in the sphere of management programs. The criteria applied to select managers (coachees) were as follows: experience of taking advanced training in the last two years; intention to use this experience for career advancement and professional growth; intention to continue advanced training in the future. Such criteria helped us to ensure the achievement of the main aim of our survey – building a competency profile of an efficient business coach from the perspective of the most “advanced” participants of the T&D market.

Our survey was conducted in 2018 and involved 24 business coaches and 119 managers. The business coaches were from 27 to 58 years old, their experience on the market of business training ranged from 2 to 20 years. This group included 5 women and 19 men. All business coaches combine coaching with other types of activity: a half of the respondents combine coaching with consulting (management consulting), and the other half occupy managerial positions in different companies (management). 68.9 % of the managers we surveyed were men and 31.1 %, women; 16.8 % were top business executives, 34.5 %, middle managers and 48.7 %, line managers. They were from 25 to 61 years old.

We used the same questionnaire for business coaches and managers. The questionnaire contained three indicators:

1. Evaluation of how important the business coach's personality is for the efficiency of the training in comparison with other factors. We asked our respondents to assess the role of the coach's personality by using a 5-point scale.

2. Evaluation of the priority tasks pursued by a business coach. This was an open question: we asked the respondents to complete the sentence “A good business coach is...” by identifying the main goal a coach should pursue in his or her activity.

3. Evaluation of the significance of different competencies of a business coach. Respondents were asked to assess four groups of competencies by using a 5-point scale. The

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<sup>2</sup> Corporate University of UMMC– Ural Mining and Metallurgical Company, Centre of Business Education, Centre of Advanced Professional Training “Potential”.

competency groups included subject-related, methodological, practical and communicative ones.

We used SPSS 22.0 to analyze the survey data. To identify differences in the evaluations made by managers and business coaches, we applied tests for the equality of means, medians, and distributions. To ensure a better understanding of the results of the questionnaire survey, we also conducted in-depth interviews with the most experienced business coaches and the managers who have extensive experience of participating in T&D programs. We interviewed 3 business coaches and 8 managers.

### 3 Results

Our research results are as follows:

1. The hierarchy of factors of efficient training according to the two groups of respondents shows considerable similarities in business coaches' and managers' opinions. The professionalism of business coaches is considered to be the key factor which determines the efficiency of training by both groups of respondents (Table 1).

**Tab. 1: Significance of factors of effective training (mean)**

Factors of efficient training	Managers	Business coaches
Professionalism of a business coach	5.0	5.0
Relevance of the program's content to the tasks solved by coachees in their work	4.53	4.50
Well-organized training process	4.42	4.25
High motivation of the coachees	4.05	4.75
High-quality methodological materials used for training (handouts, interactive services)	3.21	3.0

Source: survey data

We found significant differences in the evaluation of the factor “high motivation of the coachees”. Business coaches tend to consider this factor as more significant than managers. However, if we compare the evaluations given by managers with different amount of experience, we shall see that the more experience in training they have, the more importance they attach to their own motivation. For instance, the mean score in coachees' assessment of their own motivation is 3.5 for first-timers and 4.46, for those with considerable previous

experience of advanced training. Apparently, continuous professional development as a part of a lifestyle makes managers more aware of their personal responsibility for the end result.

2. Respondents' opinions about the priority roles of a good business coach reflect the main goals of this activity (Table 2).

**Tab. 2: Respondents' opinions about the priority roles of a good business coach (% of respondents)**

"A good business coach is..."	Managers	Business coaches
1. Expert, specialist, professional in a certain sphere	34.4	33.3
2. Consultant, mentor, instructor able to assist in addressing a specific business task or problem	31.1	12.5
3. Charismatic leader, "magician" able to "reprogram" your mind for success	15.1	25.0
4. Inspirational figure, motivating you to achieve personal and professional development	12.6	25.0
5. Guru, authority figure, teacher ready to share his/her ample life experience	3.4	4.2
6. Other responses	3.4	-
Total	100.0	100.0

Source: survey data

Table 2 shows that both groups believe that role of an expert should be a priority for a good business coach. In general, managers mostly view the key goals of a business coach from a utilitarian, practical perspective. Almost every third manager expects a business coach to provide them with specific assistance in handling their business tasks (31.1 %). The share of business coaches oriented towards performing this role is significantly lower – only 12.5 %. Business coaches see their professional tasks in a somewhat broader context – they aim to “transform people's minds for success” and to “motivate them for development”. These are the priority tasks for every fourth business coach.

3. We asked our respondents to assess the significance of different competencies of a business coach in order to get a more detailed picture of the latter's competency profile, that is, which competencies constitute the core and which competencies are seen as more peripheral. Table 3 shows the competencies that scored the highest (overall, there were 24 competencies in the list, divided into 4 groups 6 competencies each).

According to the estimates of both managers and business coaches themselves, the leading position among the subject-related competencies belongs to “profound knowledge of

**Tab. 3: Key competencies of a business coach (mean)**

Groups of competencies	Managers	Business coaches
<b>Group 1. Subject-related competencies</b>		
Profound knowledge of the topic / problem / business area	4.84	4.75
Author's content, own solutions, instruments, and technologies	4.63	4.25
Erudition in related fields	4.53	3.75
<b>Group 2. Methodological competencies</b>		
Skills of a moderator, facilitator, and an ability to “shake up” the audience	4.68	4.50
Ability to systematize knowledge and approaches	4.58	4.25
Original, creative thinking, ability to break stereotypes	4.58	4.25
<b>Group 3. Practical competencies (linked to business practice)</b>		
Experience in management	4.89	4.0
Experience of management and expert consulting	4.78	4.25
Realization of personal business projects	4.61	4.50
<b>Group 4. Personal, communicative competencies</b>		
Ability to hear the audience	4.79	4.25
Benevolence and a sense of humour	4.74	4.75
Charisma, ability to win the audience over with your idea	4.68	4.50
Eloquence	4.63	4.25

Source: survey data

the topic, problem, business area”. The significance of this competency is supported by the data of our in-depth interviews. Business coach, 45 years old: “A coach should know their client's business. The time of the 'social psychologist' type coaches is past.”

“Skills of a moderator, facilitator, and the ability to 'shake up' the audience” dominate the list of methodological competences. Managers rate significance of such skills slightly higher than business coaches themselves. The data of the in-depth interviews confirm that moderating skills are crucial for a business coach since they “enable him or her to ensure the creative know-how which is born here and now and does not have a déjà vu effect” (Top manager of a large company, 45 years old).

In comparison to business coaches, among practical competences managers give a much higher priority to “managerial experience”. As our in-depth interviews have shown, what only counts on the T&D market is successful experience in business. Owner of a small business, 39 years old: “Choosing a business coach, I need to be sure that he or she actually has an experience of successful company management. Only in this case I can expect to gain

*some real benefit from training.” Business coach, 47 years old: “Nowadays clients are no longer interested in whether you have managerial or entrepreneurial experience in your professional portfolio. What they are interested in is whether you have the experience of efficient realization of profitable business projects.”*

For managers the “ability to hear the audience” is of prime importance while for coaches “benevolence and sense of humor” is at the top of the list of communicative competencies. The data of our in-depth interviews showed that inaptitude or reluctance of a business coach to promptly adjust the plan or the educational content to a specific client's requests is the main hindrance to obtaining high quality training results.

## **Conclusion**

The research results have shown that the set of competencies considered necessary for a good business coach include subject-related, methodological, practical and communicative competencies. The need to simultaneously handle a whole complex of tasks in the process of training makes the job of a business coach quite challenging. An efficient business coach is thus expected to meet the following criteria: 1) have a profound expertise in a certain field; 2) have successful managerial experience; 3) have a mastery of effective methodologies for personnel training and motivating and 4) be able to “hear” the audience and promptly adjust the content of the training in accordance with the audience's needs. The resulting list of competencies is by no means exhaustive since activity of a business coach is a highly dynamic sphere, which constantly adapts to the changing business environment and the changing needs of organizations. The differences we found in the evaluations show the dissonance between the requirements of managers and the ways business coaches perceive this profession and its key tasks. It is obvious that agreeing the positions of the parties involved will contribute to the professional growth of business coaches, enhance the quality of training and increase the practical benefits gained by managers and their organizations. Collaborative approach towards development of quality standards of T&D-services will eventually allow for working out of “living”, mobile system of market needs response.

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## Contact

Olga Notman

Ural Federal University

620002, 19 Mira street, Yekaterinburg, Russia

o.v.notman@urfu.ru