

Voice of the CEO: Insights from a Mid-Market Premium Coaching Community

By Keith Cupp, Srikanth Seshadri and Ron Huntington / Q1 2020

Key Finding: The role of the CEO can be lonely, and their willingness to seek support can either enhance or limit their results. Many CEOs are operating with a Do It Yourself (DIY) approach and paying a very high price for it. They believe that they have to have all the answers, which can make them hesitant to ask for help when they are stuck. However, engaging a premium business coach for a sustained period of time has been shown to provide significant business value to their companies—and substantial personal value to CEOs themselves.

Background: This article highlights the insights generated by Gravitas Impact CEO Keith Cupp, Global Coach Srikanth Seshadri, and Emeritus Coach Ron Huntington. It is based on survey responses from 43 mid-market coaches across the globe who delivered 128 successful coaching engagements. The purpose of the survey was to identify the most common problems, solutions, and outcomes that occur when a CEO engages a well-trained, experienced business coach.

Overview: CEOs are often hesitant to ask for outside professional assistance. They believe that they must manage challenges that arise in their business, teams, and their own leadership abilities on their own. However, when they ask for support—in this case by engaging a seasoned coach—they experience measurable, positive outcomes in the following 5 areas:

- CEO confidence
- CEO productivity
- Employee engagement
- Top-line revenue growth
- Bottom-line profit growth.

Part I: CEO's World Before Coaching

Common Challenges

The survey, which gathered insights from well-trained, experienced mid-market coaches, highlighted 5 statistically significant areas of pain—or problems to be solved—at the outset of coaching engagements.

As shown in Figure 1, developing a successful strategy and executing that strategy were the top 2 pain points for companies. Other common areas with which CEOs struggled were creating a culture of accountability, achieving alignment on priorities, and scaling their operations.

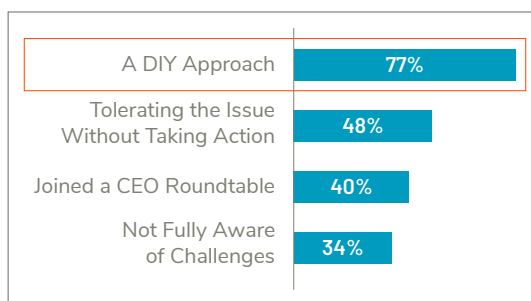
Figure 1: The Top 5 Problems to Solve in mid-market companies, based on the survey data and its quantitative and qualitative analysis.



Common Response to Challenges

Interestingly, the data shows that 77% of CEOs were relying upon a DIY approach to respond to the situations they were facing.

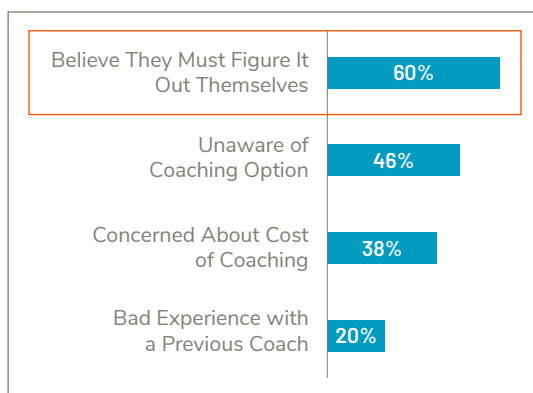
Figure 2: CEOs' most common responses to challenges prior to hiring a coach:



Behavior Is Guided by a Common Tendency

The tendency to rely upon a DIY approach is understandable, given that most entrepreneurial CEOs have achieved success due to their ingenuity—their ability to be resourceful, creative, and find solutions on their own. With those past successes in mind –along with the route they took to achieve them—CEOs frequently cling to the same approach when they face additional challenges in business..

Figure 3: The Factors Driving CEOs' DIY Mindset



The High Price of DIY

A DIY approach, fueled by the underlying belief that the leader must have all the answers, can be an asset to CEOs as they build and grow their business. However, at some point, the same approach can turn from an asset into a liability. As Marshall Goldsmith says, “What got you here won’t get you there.”

We studied company performance prior to coaching engagements, and found exactly that: The DIY approach was negatively affecting CEOs' ability to drive their growth agenda.

Figure 4: Areas **NEGATIVELY** Affected by an Overreliance on a DIY Approach



Impact of DIY Approach on Top-Line Growth and Bottom-Line Profit Performance Indicators

An analysis of the 128 companies prior to their coaching engagements paints a gloomy picture in terms of revenue growth and profitability. The data showed that 85% of organizations had low, flat, or declining revenue growth, and that 53% of organizations were producing profits below benchmark average before their coaching engagements.

Figure 5: *Revenue Growth Trajectory Before Coaching Engagement*

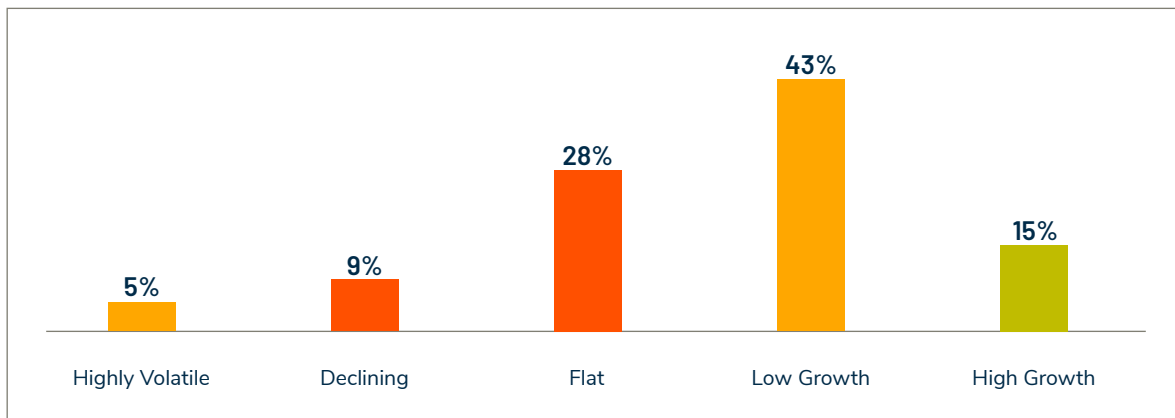
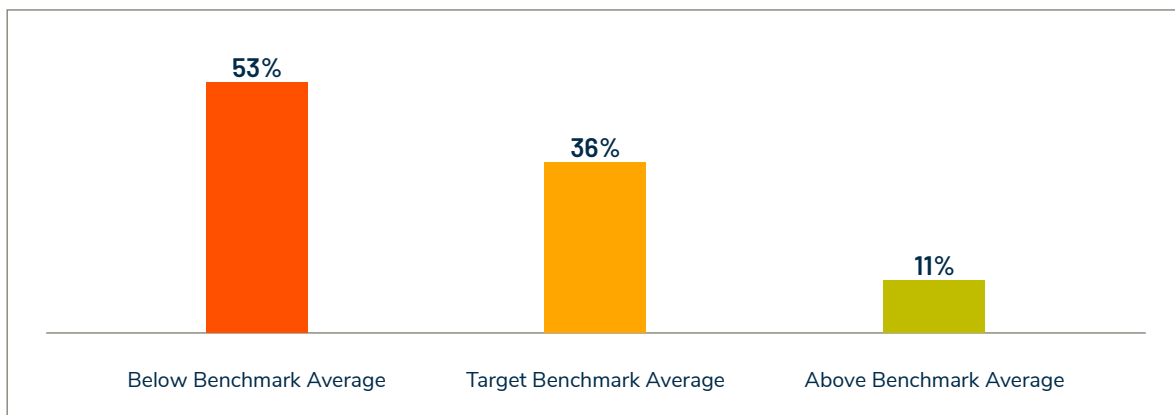


Figure 6: *Profit Margin Before Coaching Engagement*



Impact of DIY Approach on the CEO Mindset

In addition to the impact on revenue and profitability, the DIY approach was taking a significant toll on CEOs, affecting confidence, stress levels, and productivity.

As the word cloud below indicates, most CEOs' inner worlds were fairly unpleasant prior to their coaching engagements. Many described feeling stuck and unsure of how best to achieve their goals.

Figure 7: CEOs' State of Mind Prior to the Coaching Engagement

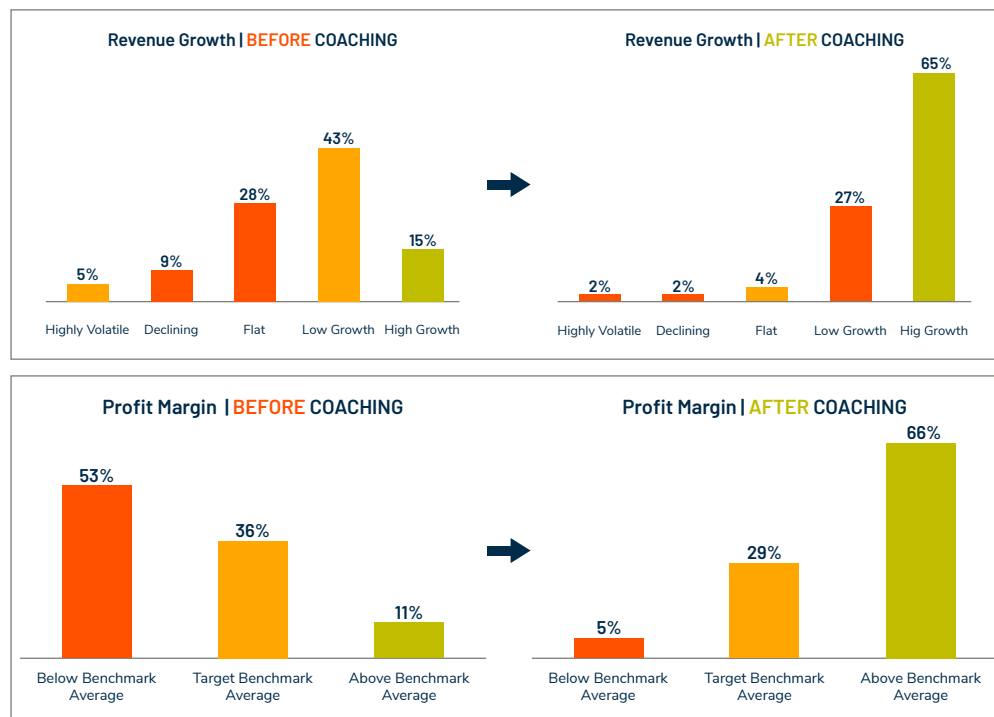


Part II: The CEO's World After Coaching

Impact of Coaching on Top-Line Growth and Bottom-Line Profit Performance Indicators

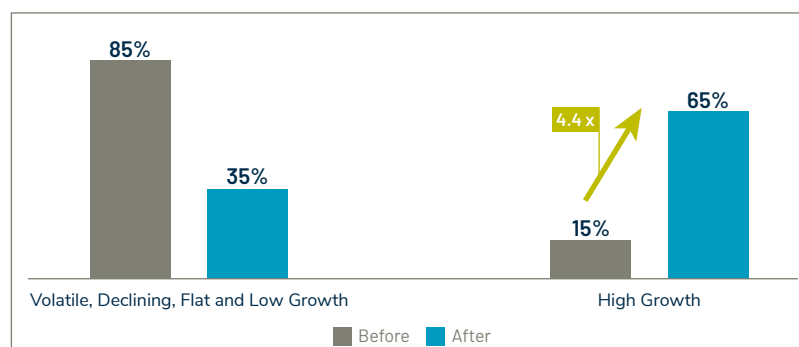
The most notable benefits of coaching were its impact on revenue growth and profitability. As seen in figure 8, CEOs who engaged a coach saw a tremendous improvement in top- and bottom-line performance.

Figure 8: Comparison of Top-Line Growth and Bottom-Line Profit Performance Before and After Coaching



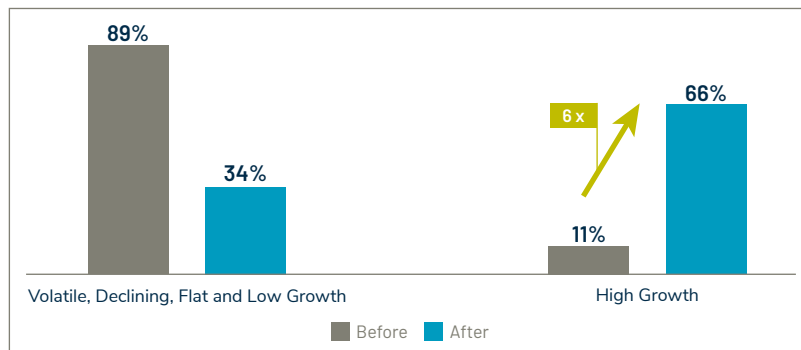
There was a dramatic increase in the number of companies who moved into a high-growth trajectory after coaching. As you see in the figure below, before coaching, only 15% of the 128 companies were in high-growth mode. After coaching, that number grew to 65%, representing a 4.4x improvement.

Figure 9: Shift in Revenue Growth Before and After Coaching



Additionally, we see a very impressive shift in companies' profitability after coaching. As you can see in the figure below, before coaching, only 11% of the companies were above benchmark in terms of profitability. After coaching, 66% of the companies had achieved above benchmark profitability, representing a 6x improvement.

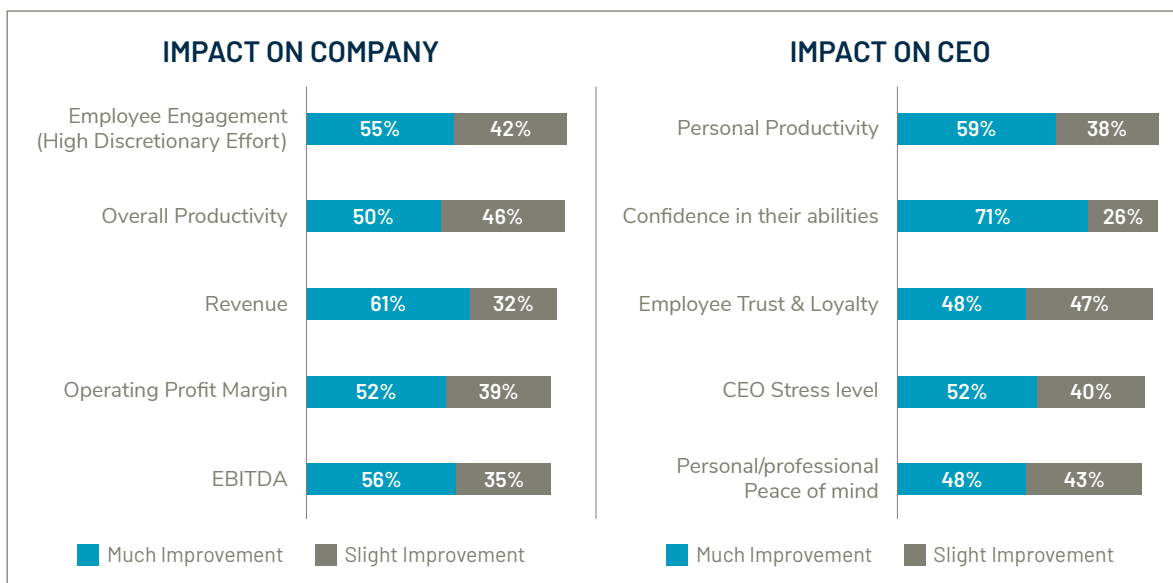
Figure 10: *Shift in Profitability Before and After Coaching*



Broader Impact of Coaching on Companies and their CEOs

The study highlighted that, while there was a significant impact on top-line and bottom-line results, coaching also positively affected companies' employee engagement and overall productivity. CEOs also reported significant improvement in their confidence, productivity, and employee trust, as well as a reduction in stress levels.

Figure 11: *Impact of Coaching on Companies and CEOs*

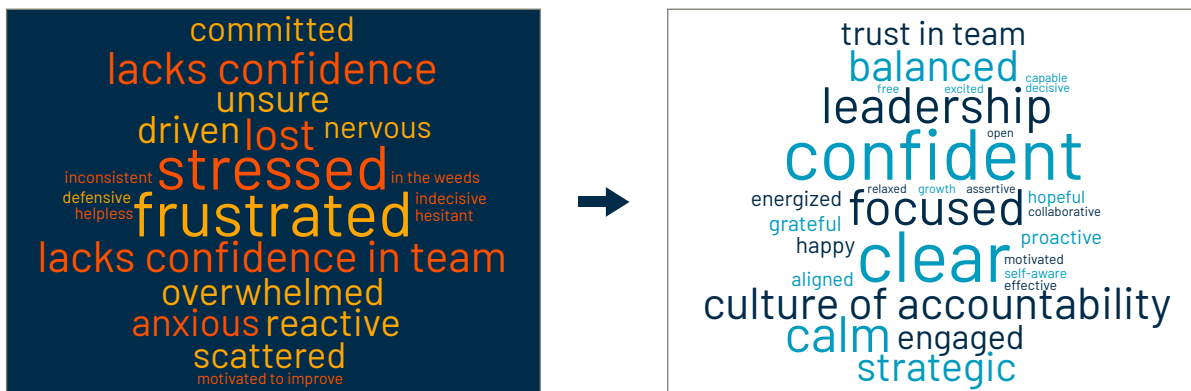


Impact on CEO Mindset and Outcomes

The data demonstrates that the age-old saying, “The loneliest place in a company is at the top” rings true: Often CEOs do not have a confidant who can listen and help them with some of the most difficult issues in leadership, resulting in low self-confidence—which can hinder their leadership journey.

When they began working with a coach, CEOs experienced several quantifiable personal benefits, including growth and development—in addition to the business outcomes they were accountable to deliver. The two most common areas of growth were in CEOs’ confidence and personal productivity.

Figure 12: *Transformation of CEOs’ State of Mind After Coaching*



Part III: A Better Way Forward

When the CEOs took the bold step of engaging a Gravitas Impact Premium Coach, they found that they had access to a highly valuable resource, characterized by 7 key traits.

- **Strong character and core values** driven by personal purpose (their why)
- **Verifiable business leadership experience** with at least a decade of seasoning as a CEO, senior consultant, or successful coach.
- **Certified in a recognizable Business “Framework for Growth”** that uses simple, practical, actionable tools and assessments for measurable progress.
- **Participates in a high functioning community** of like-minded, experienced, highly trained peers.
- **Invests in at least 90 hours of continuous education per year**—a commitment on par with surgeons,
- **Trained in “the art & science of coaching”** through the study of content, mentoring, and learning directly from globally recognized experts.
- **Hungry, Humble and Smart** as described by Patrick Lencioni. Gravitas coaches have a consistent desire to learn, serve others’ interests proactively; and are intellectually sharp.

Part IV: Conclusion and Call to Action

The following conclusions—observed in working with coaches and clients in the mid-market for three decades—were supported by the Voice of the CEO survey data:

- CEOs tend to use a DIY approach to solve leadership and business growth problems, and may become stuck as a result. When stuck, they rarely reach out for help.
- Engaging an experienced, well-trained business coach with a recognized framework for business growth can help them get unstuck and accelerate personal and organizational growth.
- Consistent application of the framework for growth with an experienced coach for at least two years yields quantifiable, sustainable growth in CEOs' leadership capabilities and in their businesses at large—which presents as improvements in
 - o business revenue
 - o profit
 - o employee engagement
 - o CEO confidence
 - o productivity

Not all coaches are equal. With their unique traits and training, Gravitas Impact Premium Coaches are best equipped to help CEOs achieve outstanding results.