

The Very Real Dangers of Executive Coaching

by Steven Berglas



Harvard Business Review

Reprint R0206E

Harvard Business Review



June 2002

HBR CASE STUDY R0206A
The Skeleton in the Corporate Closet
Julia Kirby

HBR AT LARGE R0206B
**My Week as a Room-Service
Waiter at the Ritz**
Paul Hemp

MANAGING YOURSELF R0206C
A Survival Guide for Leaders
Ronald A. Heifetz and Marty Linsky

Charting Your Company's Future R0206D
W. Chan Kim and Renée Mauborgne

**The Very Real Dangers
of Executive Coaching** R0206E
Steven Berglas

**Value Acceleration: Lessons
from Private-Equity Masters** R0206F
Paul Rogers, Tom Holland, and Dan Haas

**The People Who Make
Organizations Go—or Stop** R0206G
Rob Cross and Laurence Prusak

BEST PRACTICE R0206H
Spinning Out a Star
Michael D. Lord, Stanley W. Mandel,
and Jeffrey D. Wager

FRONTIERS R0206J
Have Your Objects Call My Objects
Glover T. Ferguson

The Very Real Dangers of Executive Coaching

OVER THE PAST 15 YEARS, it has become more and more popular to hire coaches for promising executives. Although some of these coaches hail from the world of psychology, a greater share are former athletes, lawyers, business academics, and consultants. No doubt these people help executives improve their performance in many areas. But I want to tell a different story. I believe that in an alarming number of situations, executive coaches who lack rigorous psychological training do more harm than good. By dint of their backgrounds and biases, they downplay or simply ignore deep-seated psychological problems they don't understand. Even more concerning, when an executive's problems stem from undetected or ignored psychological difficulties, coaching can actually make a bad situation worse. In my view, the solution most often lies in addressing unconscious conflict when the symptoms plaguing an executive are stubborn or severe.

Consider Rob Bernstein. (In the interest of confidentiality, I use pseudonyms throughout this article.) He was an executive vice president of sales at an automotive parts

In some companies, having an executive coach is a badge of honor. But many top managers are finding that the advisers hired to solve their performance problems only make matters worse.

by Steven Berglas

distributor. According to the CEO, Bernstein caused trouble inside the company but was worth his weight in gold with clients. The situation reached the breaking point when Bernstein publicly humiliated a mail clerk who had interrupted a meeting to get someone to sign for a parcel. After that incident, the CEO assigned Tom Davis to coach Bernstein. Davis, a dapper onetime corporate lawyer, worked with Bernstein for four years. But instead of exploring Bernstein's mistreatment of the support staff,

Many executive coaches, especially those who draw their inspiration from sports, sell themselves as purveyors of simple answers and quick results.

Davis taught him techniques for "managing the little people"—in the most Machiavellian sense. The problem was that, while the coaching appeared to score some impressive successes, whenever Bernstein overcame one difficulty, he inevitably found another to take its place.

Roughly six months after Bernstein and Davis finished working together, Bernstein's immediate boss left the business, and he was tapped to fill the position. True to his history, Bernstein was soon embroiled in controversy. This time, rather than alienating subordinates, Bernstein was suspected of embezzlement. When confronted, he asked to work with his coach again. Fortunately for Bernstein, the CEO suspected that something deeper was wrong, and instead of calling Davis, he turned to me for help.

After just a few weeks of working with Bernstein, I realized that he had a serious narcissistic personality disorder. His behavior was symptomatic of a sense of entitlement run amok. It is not at all uncommon to find narcissists at the top of workplace hierarchies; before their character flaws prove to be their undoing, they can be very productive. Narcissists are driven to achieve, yet because they are so grandiose, they often end up negating all the good they accomplish. Not only do narcissists devalue those they feel are beneath them, but such self-involved individuals also readily disregard rules they are contemptuous of.

No amount of executive coaching could have alleviated Bernstein's disorder. Narcissists rarely change their behavior unless they experience extraordinary psychological pain—typically a blow to their self-esteem. The paradox

Steven Berglas spent 25 years in the department of psychiatry at Harvard Medical School in Boston. Currently, he is a researcher and an adjunct instructor at UCLA's John E. Anderson School of Management. Berglas is the author of *Reclaiming the Fire: How Successful People Overcome Burnout* (Random House, 2001). He can be reached at dr.b@egodoc.com.

of Bernstein's circumstance was that working with his executive coach had only served to shield him from pain and enhance his sense of grandiosity, as reflected in the feeling, "I'm so important that the boss paid for a special coach to help me." Executive coaching further eroded Bernstein's performance, as often occurs when narcissists avoid the truth.

My misgivings about executive coaching are not a clarification call for psychotherapy or psychoanalysis. Psychoanalysis, in particular, does not—and never will—suit everybody. Nor is it up to corporate leaders to ensure that all employees deal with their personal demons. My goal, as someone with a doctorate in psychology who also serves as an executive coach, is to heighten awareness of the difference between a "problem executive" who can be trained to function effectively and an "executive with a problem" who can best be helped by psychotherapy.

The issue is threefold. First, many executive coaches, especially those who draw their inspiration from sports, sell themselves as purveyors of simple answers and quick results. Second, even coaches who accept that an executive's problems may require time to address still tend to rely solely on behavioral solutions. Finally, executive coaches unschooled in the dynamics of psychotherapy often exploit the powerful hold they develop over their clients. Sadly, misguided coaching ignores—and even creates—deep-rooted psychological problems that often only psychotherapy can fix.

The Lure of Easy Answers

The popularity of executive coaching owes much to the modern craze for easy answers. Businesspeople in general—and American ones in particular—constantly look for new ways to change as quickly and painlessly as possible. Self-help manuals abound. Success is defined in 12 simple steps or seven effective habits. In this environment of quick fixes, psychotherapy has become marginalized. And executive coaches have stepped in to fill the gap, offering a kind of instant alternative. As management guru Warren Bennis observes, "A lot of executive coaching is really an acceptable form of psychotherapy. It's still tough to say, 'I'm going to see my therapist.' It's okay to say, 'I'm getting counseling from my coach.'"

To achieve fast results, many popular executive coaches model their interventions after those used by sports coaches, employing techniques that reject out of hand any introspective process that can take time and cause "paralysis by analysis." The idea that an executive coach can help employees improve performance quickly is a great selling point to CEOs, who put the bottom line first. Yet that approach tends to gloss over any unconscious conflict the employee might have. This can have disas-

trous consequences for the company in the long term and can exacerbate the psychological damage to the person targeted for help.

Consider Jim Mirabella, an executive earmarked for leadership at an electronic games manufacturer. Ever since the CEO had promoted him to head of marketing, Mirabella had become impossible to work with. Colleagues complained that he hoarded information about company strategy, market indicators, sales forecasts, and the like. The theory circulating through the grapevine was that Mirabella's aim was to weaken junior executives' ability to make informed contributions during interdivisional strategic-planning sessions. He was assigned an executive coach.

At first meeting, coach Sean McNulty was impressive. He had a bodybuilder's physique and a model's face. Although he had been cocaptain of the football team at the Big Ten university he had attended, McNulty always knew

that he was too small for professional sports and not studious enough for medicine or law. But realizing he had charisma to spare, McNulty decided, while an undergraduate business major minoring in sports psychology, that he would pursue a career in executive coaching. After earning an MBA from a leading university, McNulty soon became known in the local business community as a man who could polish the managerial skills of even the ugliest of ducklings.

McNulty's mandate was to shadow Mirabella 24/7 for as long as needed to ensure that he would grow into his position. From the start of their relationship, McNulty and Mirabella had two private meetings a day during which McNulty analyzed Mirabella's behavior and roleplayed effective styles for mastering interpersonal situations that Mirabella did not handle well. True to his jock background, McNulty reacted to Mirabella's avowals of ineptitude and anxiety with exhortations. "Quitters never win, and winners never quit" was a favorite comment of his, but at times McNulty would also chide Mirabella for being a "weakling" who needed to "act like a man" to deal with the demands of his preordained role within the company.

By dint of McNulty's force of personality or indefatigability, Mirabella stopped fighting his coach's efforts to toughen him up. To all outward appearances, Mirabella began acting like the assertive executive he wasn't. Once McNulty saw Mirabella's behavior change, he told the CEO that Mirabella was now up to the job. But within a week of ending his meetings with McNulty, Mirabella became severely depressed. At that point, he turned to me for help.

I soon realized that Mirabella wasn't trying to sabotage his colleagues in order to get ahead. In fact, he felt he was moving ahead too fast. Mirabella was convinced that he had only been promoted because, like the company's CEO, he was an Italian-American. Mirabella believed that he hadn't earned his success but had it imposed on him because of the CEO's wish for an appropriate heir to the throne. As a result, Mirabella felt enormously anxious and angry. "Why should I be forced to overachieve just so I can fulfill my boss's dream to keep the company in the hands of Italians?" he demanded.

An even more important component of Mirabella's emotional struggle, though, was his morbid fear of failure. He obsessed that the leadership style he had developed belonged to his coach – not to him – and he dreaded being exposed as a fake.

The Economics of Executive Coaching

Executive coaching is a major growth industry. At least 10,000 coaches work for businesses today, up from 2,000 in 1996. And that figure is expected to exceed 50,000 in the next five years. Executive coaching is also highly profitable; employers are now willing to pay fees ranging from \$1,500 to \$15,000 a day. That's a lot more than any psychotherapist could even dream of charging. Why are companies willing to pay so much more for their coaches?

The answer is simple: Executive coaches offer seemingly quick and easy solutions. CEOs tell me that what they fear most about psychotherapy is not the cost in dollars but the cost in time. A coaching engagement typically lasts no more than six months. Psychotherapy, by contrast, is seen as a long-term treatment; people joke that it takes six months for therapist and patient just to say hello. What's more, therapy requires a greater time commitment than the standard 50-minute sessions; it also involves travel to and from the therapist's office, taking even more time away from work.

If coaching fails to cure a problem in six months, it can become very expensive indeed. Take the case of Tom Davis, the coach who worked with Rob Bernstein, the executive VP of sales at an automotive parts distributor. Let's assume Davis charged a relatively low per diem of \$1,500. Over the four years of his engagement—which ultimately did not solve Bernstein's problems—he would have picked up at least \$45,000 in fees. That sum would have purchased 450 hours with a competent therapist—about ten years' worth of weekly sessions.

Had Mirabella's coach been less sports driven—or better versed in interpersonal psychology—he could have anticipated that all the learned bravado in the world could never prepare Mirabella for the role he was assigned to fill. Mirabella needed someone who would listen to his fears and analyze their origins. In the end, Mirabella could function effectively only if his advancement was predicated on his own desires and leadership style—not on someone else's. Once he was able to deal with his inner conflicts related to those issues, Mirabella's career proceeded without incident.

The Snare of Behaviorism

Even when coaches adopt a more empirically validated approach than McNulty did, they still tend to fall into the trap of treating the symptoms rather than the disorder. That's because they typically derive their treatments from behavioral psychology. Of course, behaviorism has been a great boon to psychiatry in recent years. Findings from this discipline have helped people enormously in controlling specific behaviors and learning to cope in particular situations. But treatments derived from behavioral psychology are sometimes too limited to address the problems that disrupt executives' ability to function.

One of the most popular behaviorist solutions is assertiveness training. This technique is most often used to help individuals cope with situations that evoke intense negative feelings—for example, helping drug addicts to “just say no” to temptation. Executive coaches use assertiveness training in a number of contexts. For instance, many coaches working with executives who appear to be lacking confidence employ the technique in an effort to get them to perform better. Unfortunately, learning effective responses to stressors often fails to help corporate executives deal with their intrapsychic pressures.

Take Jennifer Mansfield, vice president of training and development at a large software manufacturer. An acknowledged workaholic, Mansfield had followed a traditional path within her corporation, rising through the ranks by fulfilling every assignment with stellar results. When she was promoted to a managerial position, however, Mansfield's self-confidence began to slip. As a boss, she found it hard to delegate. Accustomed to delivering 110%, she was loath to cede control to her direct reports. She also found it impossible to give negative feedback. As a consequence, her work and that of her subordinates started to suffer, and she was missing deadlines.

Her boss presumed Mansfield was having an assertiveness problem, so he hired a coach from a consulting firm that specialized in behavioral treatments to work with her. The coach assumed that Mansfield needed to learn to

set limits, to constructively criticize her subordinates, and to avoid the trap of doing other people's work for them. Within two months of what her coach deemed successful training, Mansfield began to lose weight, grow irritable, and display signs of exhaustion. At the time, I happened to be coaching the software company's COO, and he asked me to talk to her. It didn't take long to see how assertiveness training had unearthed a problem Mansfield had managed to keep under wraps for years.

Companies have a very tough time dealing with workaholics like Mansfield. Such individuals tend to sacrifice social and avocational pursuits in favor of work, and businesses value their productivity. It's hard to realize that these people have struck a Faustian bargain: trading success for “a life.” Mansfield became a workaholic because she harbored a tremendous fear of intimacy. Although she was young, attractive, and likable, her parents' divorce and her mother's subsequent emotional suffering (communicated to Mansfield as “all men are bastards”) left her fearful of forming intimate relationships with men. Those were easy for her to avoid when she managed discrete projects by putting in 80-hour workweeks. But Mansfield could no longer do so when she

Many coaches gain a Svengali-like hold over both the executives they train and the CEOs they report to, sometimes with disastrous consequences.

became the manager of 11 professionals, seven of whom were men. For the first time in her career, males were showering her with attention, and the consequences were extremely disruptive.

Mansfield could neither comprehend nor cope with the attention she received once promoted to the role of boss. While most managers would view the schmoozing and lobbying for attention that her reports engaged in as office politics, Mansfield saw these attempts at currying favor as trial balloons that might lead to dating. She was not being sexually harassed; Mansfield was merely experiencing interpersonal advances that threatened the protective fortress she had erected against feelings of intimacy. The better Mansfield managed the men in her division—and the more her constructive feedback improved their work—the more intimate they appeared to become as a natural outcome of their appreciation.

I passed this diagnosis along to the executive vice president of human resources, and he concurred. Mansfield's coaching ceased, and after her boss and I conducted a carefully crafted intervention, she agreed to seek outpatient psychotherapy. Several years later, Mansfield was thriving as a manager, and she had developed a more fulfilling personal life.

Not all executive coaches are as indifferent as Mansfield's was to underlying psychological disturbances. But those oversights are common when coaches focus on problems rather than people. Such coaches tend to define the problems plaguing an executive in the terms they understand best. If all you have is a hammer, everything looks like a nail.

The Trap of Influence

Executive coaches are at their most dangerous when they win the CEO's ear. This puts them in a position to wield great power over an entire organization, a scenario that occurs with disturbing frequency. Since many executive coaches were corporate types in prior lives, they connect with CEOs far more readily than most psychotherapists do. They are fluent in business patois, and they move easily from discussions of improving an individual's performance to conducting interventions that can help entire business units capture or retain market share. Unless these executive coaches have been trained in the dynamics of interpersonal relations, however, they may abuse their power – often without meaning to. Indeed, many coaches gain a Svengali-like hold over both the executives they train and the CEOs they report to, sometimes with disastrous consequences.

Take Rich Garvin, the CEO of an athletic shoe manufacturing company with sales in excess of \$100 million a year. Despite his company's size, Garvin had never hired a coach for any of his direct reports. He knew that his HR director used trainers and coaches, but Garvin was a finance guy first and foremost. And since the athletic shoe industry was flying high, he left personnel matters to those who were paid to worry about them. But in the late 1990s, the market for athletic shoes collapsed. In Garvin's world, the most immediate casualty was his COO, who snapped under the strain of failing to meet sales estimates for three consecutive quarters. The COO began venting his frustration on store managers, buyers, and suppliers.

Garvin was under the gun during this difficult time, so he skipped the usual steps and sought the services of an executive coach on his own. He picked someone he knew well: Karl Nelson, whom Garvin had worked with at a major consulting firm when they were both starting their careers as freshly minted MBAs. Garvin thought he could trust Nelson to help manage his COO's anger and to mentor him through the storm. He also liked the sound of Nelson's coaching approach. It was based on a profiling system that diagnosed managers' strengths and weaknesses and charted career tracks that would optimize individual managers' productivity. This system was similar to the Myers-Briggs inventory, with many of psychologist Abraham Maslow's self-actualization principles thrown in. Garvin believed that Nelson and his system could help the COO.

Within six months of taking the assignment, Nelson claimed that the once-raging COO was calm and capable of fulfilling his duties. While this successful outcome was aided in large part by the athletic shoe industry's recovery, Garvin was nevertheless impressed with his friend's accomplishments. When Nelson suggested that he apply the profiling system to all the company's key executives, Garvin didn't give it a second thought.

During the next year, Nelson suggested a number of personnel changes. Since those came with the CEO's backing, the HR director accepted them, no questions asked. Because she was afraid to buck the CEO's handpicked adviser, the personnel director also said nothing about the problems that ensued. These stemmed from Nelson's exclusive reliance on his profiling system. For example, in recommending the promotion of one East Coast store manager to regional director of West Coast sales, Nelson ignored the man's unfamiliarity with the region and the people he was appointed to manage. Not surprisingly, that move – and many of Nelson's other ill-conceived selections – bombed. To compound the problem, word of Nelson's status and his often horrific recommendations circulated through the company like wildfire, leading many people to both fear and resent his undue influence over Garvin. The negative emotions Nelson generated were so intense that underperforming, newly promoted managers became the targets of an undeclared, but uniformly embraced, pattern of passive-aggressive behavior by the rank and file. Such behaviors ranged from not attending meetings to botching orders to failing to stock goods in a timely manner.

Psychiatrists who've studied the Vietnam War are all too familiar with this type of hostile reaction to ineffectual leaders. Lieutenants fresh from ROTC training were hazed, sometimes even killed, by veteran troops who resented what they perceived to be an illegitimate attempt by the "F—ing New Guy" (FNG) to exercise authority. Military psychiatrists soon realized that these FNG lieutenants, clueless about the laws that governed life on the front lines, had been pulling rank in an effort to assert authority. The troopers did not take this well. In their view, the new lieutenants did not stack up to their predecessors, who had learned to let their hair down. To address the FNG syndrome, the military cautioned lieutenants to take it easy until the troopers accepted that they had developed field credentials.

When Garvin was confronted by a second decline in sales, this one precipitated by the FNG syndrome, he had no idea that Nelson's activities had caused the problem. In fact, because he believed that Nelson was expert in all matters of personnel functioning and efficiency, Garvin *increased* his reliance on his friend's counsel. He had become a victim of what, in the language of psychiatry, is called "transference" – a dynamic that gave Nelson extraordinary psychological power over Garvin.

Most people understand transference as “falling in love” with one’s therapist. While this can be a manifestation, it paints an incomplete picture of the phenomenon. Transference can be positive or negative. Essentially, it is a powerful feeling for someone whose traits mirror those of a significant person – typically a parent – from one’s past. Garvin formed a positive transference toward Nelson (who “saved” his COO). That placed Garvin in the role of an information-dependent child vis-à-vis an expert parent. Garvin relied on his coach to come up with best practices for handling problem executives. CEOs often form these sorts of relationships with their coaches.

Not all CEOs experience transference. Even so, coaches can easily expand their influence – from training to all-purpose advising – because CEOs don’t like to lose face. Company leaders understand what coaches do and often feel personally responsible for selecting them. As a result, they feel more accountable for their coaches’ successes or failures than they would if a psychotherapist were assigned to the case. In the same vein, when the CEO personally endorses a business plan, a number of psychological factors conspire to make it difficult to abandon that plan. Garvin was confronted with that situation when he authorized systemwide use of Nelson’s personnel development procedures.

Garvin’s story had a happy ending. Eventually he was persuaded to bring in a consulting firm to address the problems besetting his company. On the consultants’ recommendation, he terminated Nelson’s contract, and the FNG syndrome ceased. Not all CEOs are that lucky.

The Importance of Expertise

To best help their executives, companies need to draw on the expertise of both psychotherapists and executive coaches with legitimate skills. At a minimum, every executive slated to receive coaching should first receive a psychological evaluation. By screening out employees not psychologically prepared or predisposed to benefit from the process, companies avoid putting executives in deeply uncomfortable – even damaging – positions. Equally important, companies should hire independent mental health professionals to review coaching outcomes. This helps to ensure that coaches are not ignoring underlying problems or creating new ones, as Nelson did.

Psychological assessment and treatment are no silver bullet – and can in fact be gratuitous. For instance, a coach who trains executives to enhance their strategic-planning abilities need not be a psychiatrist. But don’t assume that all executives who have planning problems lack the necessary skills. Can a psychological disorder interfere with developing a business plan? Absolutely, if the client suffers from clinical depression, which is known to block one’s ability to engage in constructive, goal-oriented behavior. Without safeguards to prevent coaches from training those whose problems stem not from a lack of skills but from psychological problems, the executives being coached and the companies they work for will suffer. 

Reprint R0206E

To place an order, call 1-800-988-0886.