



UNDERSTANDING COACHING IN THE AREA OF WEALTH MANAGEMENT

The coaching profession has gained increased recognition in the past five years. It is now used in many areas – in business, management style and investment decisions, as well as in our personal lives. Organisations such as Credit Swiss, Microsoft, IBM, GMH, Reebok and Dun & Bradstreet and many others hire personal coaches for their senior employees. Private individuals hire a personal coach to help them achieve a variety of goals.

The term “coaching” is borrowed from sport, in which a personal coach is hired to work closely with sportsmen and women to help them perform to the best of their ability. This requires close and intense training, and the results speak for themselves. It is not surprising, therefore, that people have recognised the need for a similar approach outside the sports environment. In a rapidly changing world and in increasingly unpredictable financial markets, there is much focus on generating ongoing improvements in both our professional and personal lives.

Who can benefit?

Coaching is particularly valuable when an individual is facing new challenges. These challenges may be external, such as wealth transfer, succession decision, major projects or new businesses.

Often, however, challenges may appear as internal, either prompted by external circumstances or by personal factors. Such challenges may appear as stress, underperformance, motivation issues, confidence or self-doubt.

In many cases, it may not be possible or appropriate at first for the individual to discuss such issues within the company, with their advisor, family members or friends. Some examples to consider include the following:

- Two brothers work together in the family business. One feels that his brother pulls his weight too much

and exercises too much control. He has been afraid of saying anything, but now feels that he cannot cope. He hires a coach to focus on his communication with his brother and to help him identify and define his desirable working relationship.

- A wealth creator is looking at ways to transfer his wealth. He has received advice about the legal aspects and structures available. His dilemma is how to divide the shares. The younger son has his own career, while his other children are involved in the business. Does he split the shares equally? And how does he break the news about his decision?
- A couple have built up a successful business and have reached a critical stage. There are too many decisions to make and goals to achieve. The stress is unbearable. They have employed coaches to work with them and their senior executives to support them in moving to “put things in place” and move to the next stage.
- A private banker was experiencing communication difficulties with some of his clients. They seemed to be talking a different language. He worked with his coach to identify the source of the problem and managed to change the communication style.
- A young man in his early twenties has been working in the family business since he left school. His parents always assumed that he would carry on in the business and take over from his father. This is not the career path the young man has chosen. He wants to leave, but does not feel confident enough to tell his parents, particularly his father. He has worked with a personal coach to develop the confidence required to break the news to his father.
- A young inheritor in his early thirties wants his family to have control over

Coaching is the art of facilitating people to manifest their intentions. The new evolving concept of personal and business coaching can have benefits for those who make wealth management



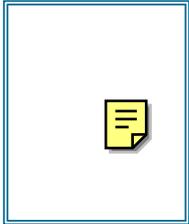
decisions

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their financial affairs. His challenge is to involve the family in developing a shared mission and to assist each family member in identifying his or her personal financial goals. For five months he has worked with his coach on achieving these goals.

What advice can the coach give? In working with a coach no advice is given. The aim of the work is to provide the client with the necessary tools that enable him or her to take the actions required to achieve the desired outcome.

The way it works

Coaching adopts a tailored approach, whereby two individuals agree to work together to achieve a desired outcome. It is not confined to a single track, and can take the most appropriate route to the desired destination. It focuses on the individual's needs and requirements, aiming to create the most flexible and tailored programme possible.

Personal and business coaching rely primarily on a talking model of impacting change. Focused questioning is used to get to the underlying issues of the individual's goals, motivation and performance. Assessment tools such as self-rating questionnaires and "360-Degree Feedback" are often used, particularly when coaching family business owners and their management team.

A typical example of contact would be weekly telephone or personal sessions of between 45 minutes and one hour over a period of at least three months. However, the involvement usually lasts six months to a year. Indeed, the coach may be retained as a resource for years, with contact re-established as required.

The coach's traditional role is as a personal advisor to clients, helping them achieve their goals. The role is founded on trust and expertise. The coach lends his or her experience, expertise and encouragement to clients and so helps them meet their challenges.

The standard coaching model works on the basis of establishing a relationship. The client dictates the aim of each coaching session. The coach will drive

the client to achieve the agreed goals. Regular sessions are essential so that progress can be monitored. The sessions require preparation by the clients to take stock of their current position, successes, setbacks and new challenges.

Another model of coaching is centred on "Performance Enhancement". This model was developed because many performance issues arise not from lack of knowledge or ability, but from personal and often hidden barriers, which hinder the achievement of goals. Such personal issues usually cannot be solved by advice alone.

The Performance Enhancement Model works well with clients who have come up against personal barriers to achievement. In many cases they have the abilities, but lack the motivation, confidence or other resources to succeed. The coach helps the client develop the necessary personal resources, using simple but powerful accelerated learning techniques. These, unlike advice, work at the level of beliefs, attitudes and values, and can make profound and lasting changes, both quickly and easily. Typically, a coaching module focusing on one major aspect of change will take only a few meetings.

Some final comments

Before a coach becomes involved, clients need to identify what they are looking for in a coach.

Potential clients must be personally committed and open to the processes involved in working with a coach.

The coach does not provide the expertise, but works to draw that ability out of the person being coached by uncovering barriers to facilitate achievement of goals. This type of relationship becomes much deeper and more exposed than consulting and most other business relationships. The focus is on the ability and wisdom within the person being coached.

Coaching is neither counselling/therapy nor consulting/advising. It is the art of facilitating people to manifest their intentions. ♦

