

RESOURCE-BASED MANAGEMENT COACHING METHODOLOGY

A new narrative for leadership and innovation and for supporting capability, business operations and growth

Experience of a resource-based management coaching methodology has suggested that a new narrative on the nature of leadership may be an advantage to both managerial leaders and to management coaching. The writer's development and operation of this approach in both individual and group coaching programmes and relationships have indicated that leaders have been well placed to focus on critical areas of their job, enjoy some personal development and support the operation and growth of their businesses.

In recent times, questions have invariably arisen as to how best can leaders manage change whether dealing with the 'flux' that is involved in the constant adjustment and adaptation of the business or where an innovative major change is required such as responding to new market and economic conditions that prevail in current times?

The resource-based perspective also brings into play the cognitive perspective of an organisation as well as critical factors including the knowledge base of an enterprise, firm size, learning and innovation and also business growth.

The resource-based perspective of a firm was given sharp relief by Edith Penrose in her book, 'Theory of the Growth of the Firm,' revised in 1995. Others have followed up with related research and analysis including the economists, Brian Loasby and Nicolai Foss. Some of Penrose's themes have still not been fully appreciated. In particular Penrose's distinction between resources and services, the notions of 'image' and 'productive opportunity' and the attention she pays to managerial processes and how these are connected to the accumulation and leverage of resources and services. Interestingly, Penrose also relates these to the need for flexibility in an uncertain world, organisational learning as an evolutionary discovery process, and the vision of the management team along with entrepreneurship.

A received view of managerial leadership expressed as traits and enabling skills

It is interesting, that, in isolation, academics, writers on leadership, and business trainers have in general created a myriad of assertions and paradigms about 'inspirational leadership,' have enumerated traits and characteristics of what might make a good leader and more frequently focused on what may be characterised and 'enabling skills.'

The function of the managerial leader

Equally striking, is that very few of the established references can identify what is a successful business and managerial leader; very little emphasis appears to focus on the paramount critical activity of a leader of 'doing' – that is execution. Enabling skills and aptitudes, for example, involvement in financial planning or in the effective conduct of meetings, can support critical activities, but possessing traits, characteristics and having a range of skills in particular does not necessarily result in effective managerial leadership as represented by 'doing.'

A new narrative for leadership: a resource-based management coaching methodology

So perhaps a new narrative of leadership would be helpful – especially in linking in with a refreshing management coaching methodology. A resource-based perspective of the firm can inform management coaching relationships. It has been found, in practice, to be effectual in supporting managerial leaders in large and small businesses, in leading charities, and also owner managers and leaders.

The resource based perspective views a firm as a collection of resources - non-human assets and human resources. Services are obtained from these resources which are deployed in specific functions. Key to these functions is the services providing management and leadership to an enterprise: people who are competent, entrepreneurial with ethical values, who support the purpose and meaning of a business - to maximise owner value over the long term by selling goods or services.

Innovation and adaptation in a business to respond to challenging environment

Management jobs within a firm may be defined by zone of competence that consists of two domains: the firm specific domain and the managerial domain. Management effectiveness will also involve the exercise of leadership and innovation. This will hold well whether a managerial leader operating in a large business or in small enterprise led by an owner manager. Leadership in challenging economic times will require the management of balance between deployment of existing resources in current operations with determining where to make use of under-utilised assets and resources to improve productivity or provide new goods or services to the market place. The need here will be to ensure recognition of tangible and intangible resources to take stock of unused potential.

The features of the resource-based coaching methodology

The resource-based approach to coaching enables a constructive framework and a process for development and progressing of real time plans in the business of the managerial leader. A coaching programme can operate for an individual or a team. It can also benefit line managers in general and specialist disciplines such as human resource directors.

Managerial functions and business priorities can be confronted in harmony with the leadership enabling skills including communicative action which precedes all other action, whether individual action or strategic action at any time through other people or in gaining acceptance to the operation of good business routines.

The Methodology in action

An example is taken of a director of a company with an annual turnover in excess of £3m. The director was responsible for the design, operation and distribution of services through a central staff capability and via a geographical network in a business that produced a range of publications, electronic media and associated services.

The nine month's coaching relationship initially established programme goals and success

measures. It focused on the progress towards achieving the goals and related business and personal requirements that the individual wished to achieve overall and sometimes in a particular session. Coaching was combined with some mentoring, some guidance and addressed issues of performance including the leverage of cognitive abilities in relation to the resource based perspective. It involved at an early stage the clarification of role and functions of the individual in terms of the scope, structure and practices of the firm and in working with the individual to confront development needs in the context of making progress of real-time activities represented by the 'performance action goals' and also in developing and strengthening personal and managerial skills.

Specific results of the coaching programme were manifested by the finessing of personal effectiveness in planning and organising own workload, in the conduct of various internal and external relationships; in addressing financial management with the resource-based perspective; and in planning the growth of the business through increased exposure of services and development of the distribution network. Overall, the strengthening of managerial leadership and approaches to innovation in the context of the resource-based perspective improved clarity of proposals to be made in the business and in better communication of intentions concerning the new product ideas and in the deployment of available resources to contribute to the growth in the value of the company.

The opportunity that a new narrative offers

A new narrative for leadership will promote some enhancement in business management learning and in developing organisational capabilities appropriate to leadership roles and business success in and all connected to the real purpose of a business. The focus on 'doing' and the related cognitive focus will contribute to the ability of leaders to engender mutual understanding, collaboration and utilise opportunities for combining different competencies and resources in running businesses – especially to survive, adapt and create a business that sustains long-term value creation.

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