

Gender and Executive Coaching: do traditional pricing models perpetuate inequality?

JAMES CHISHOLM

October 2021

Teachers College, Columbia University

This paper was prepared as coursework for Columbia University's Advanced Coaching Intensive.

ABSTRACT

This paper examines the traditional model of executive coaching and how aspects of this model have created restricted access for women. Four key premises with supporting primary and secondary research are presented, from which it is argued that traditional executive coaching is likely to widen the gender pay gap. Recommendations for innovative change to executive coaching to correct current gender inequity, as well as probable inequities in other minority groups in the workplace are discussed.

Keywords: 'Executive coaching', 'Gender pay gap', 'Executive coaching effectiveness', 'Executive coaching pricing', 'Executive coaching gender'.

INTRODUCTION

The topic of this paper became an interest of mine over the last two years as I gained increased exposure to the executive coaching profession. Having a direct interest in a coaching business with a mission of 'making coaching accessible', it became apparent that the traditional delivery model and pricing of executive coaching services is accessed far more by men than women. The target audience of this paper is the executive coaching industry in general, and specifically coaches who have an interest in accessibility and fairness in their chosen profession.

The paper is organised around four premises that lead to the conclusion that traditional executive coaching services and pricing likely serve to widen the gender pay and seniority gap. Primary and secondary research is referenced to support three of the four premises, with the other premise presented as a logical argument without any supportive research.

The findings of this paper have significance for executive coaches with an interest in equity across gender lines with respect to the services they provide to clients. It is also surmised that other subgroups of the population and certain minority groups are likely to experience similar inequity to women with respect to the lack of access to executive coaching services.

REVIEW OF SELECTED LITERATURE

Sources of research on this topic were located through searches on Google Scholar using key words including 'executive coaching', 'gender pay gap', 'executive coaching effectiveness', 'executive coaching pricing' and 'executive coaching gender'. Searches for key words 'gender access executive coaching' and 'gender executive coaching clients' failed to locate any research supporting the fourth premise of this paper, that 'executive coaching is accessed by men more than women'. As such, only primary research was used to support this premise. Similarly, searches for key words 'performance pay', 'leadership effectiveness pay' and 'performance promotions' did not locate any research supporting the second premise of this paper: that 'improved effectiveness leads to promotions and increased remuneration'. The research revealed by these searches was focused on the topic of 'performance-based pay' methods and practices.

DEFINITIONS

Table 1. Definitions of Executive Coaching

Author/Source	Definition
Kilburg, 2007, p. 28	'Executive coaching is defined as a helping relationship formed between a client who has managerial authority and responsibility in an organization and a consultant who uses a wide variety of behavioral techniques and methods to help the client achieve a mutually identified set of goals to improve his or her professional performance and personal satisfaction and, consequently, to improve the effectiveness of the client's organization within a formally defined coaching agreement'
ICF. coachingfederation.org	'partnering with clients in a thought-provoking and creative process that inspires them to maximize their personal and professional potential'
<u>Stanford Graduate School of Business</u>	'Executive Coaching is an inquiry-based approach to personal and professional development that is aimed at creating awareness, generating action, and facilitating learning and growth.'

Table 2. Definitions of Gender Equality

Author/Source	Definition
<u>Victorian Government, Australia.</u> https://www.vic.gov.au/gender-equality-what-it-and-why-do-we-need-it	Gender equality is when people of all genders have equal rights, responsibilities and opportunities
<u>European Institute for Gender Equality.</u> https://eige.europa.eu/thesaurus/terms/1168	Equal rights, responsibilities and opportunities of women and men and girls and boys
<u>Human Rights Careers</u> https://www.humanrightscareers.com/issues/what-does-gender-equality-mean/	Gender equality means that all genders are free to pursue whatever career, lifestyle choice, and abilities they want without discrimination.

Two of the three definitions are very similar with their emphasis on rights, responsibilities and opportunities. The third definition specifically mentions the absence of discrimination. This reference to discrimination and the other definitions' reference to opportunities are relevant to this research paper in the sense that coaching may be seen as an opportunity that is less accessible to women due to its pricing model and the gender pay and seniority gap.

Table 3. Definitions of Gender Pay Gap

Author/Source	Definition
<u>Workplace Gender Equality Agency.</u> https://www.wgea.gov.au/the-gender-pay-gap	The gender pay gap measures the difference between the average earnings of women and men in the workforce
<u>OECD</u> https://data.oecd.org/earnwage/gender-wage-gap.htm	The gender wage gap is defined as the difference between median earnings of men and women relative to median earnings of men.

The 'gender pay gap' appears to be defined in a specific manner, which is commonly accepted globally. The two definitions in Table 3 are indicative of this consistent approach.

ORIGINS / HISTORY

Executive Coaching

The term 'executive coaching' has been used since the 1980s, however, as pointed out by Joo (2005), similar approaches to supporting executives likely took place in organisations earlier through the work of consultants, organisational development experts and organisational psychologists. The early use of executive coaching was often one of targeting executives with particular problems that posed a risk to disrupting their success within their workplace.

Gender Pay Gap

While there are historical accounts of gender-based wage inequality in certain industries dating back to the 19th century, consistent measurement of male and female earnings in the United States dates back to the 1950s. Blau and Kahn (2000) highlight that 'the data indicate that the gender ratio was roughly constant at about 60 percent from the late 1950s to about 1980', meaning that throughout this period, women, on average, earned approximately 60 percent of what men earned for paid labour. Similar gender pay gaps existed throughout this period in other capitalist economies. While the 1980s saw a narrowing of this gap, significant disparity remains today as covered in this research paper.

SUMMARY OF MAJOR FINDINGS

The research carried out on the subject of 'access to executive coaching along gender lines' found strong evidence supporting two of the four premises on which this paper is based.

- Coaching is effective in improving the performance of leaders in the workplace.
 - Secondary research was used to support this premise.
 - The common themes emerging from this research were as follows:
 - Many variables are present in the workplace, therefore, definitive and empirical conclusions were unable to be drawn by researchers on this topic.
 - Studies consistently indicate that executive coaching is likely to be effective in improving workplace performance under well-prepared conditions with appropriately skilled practitioners.
 - Some studies raise specific concerns regarding executive coaching and determine that it is ineffective as a method to resolve behavioural problems that are underpinned by a significant psychological disorder.
- A significant gender pay and seniority gap exists in favour of men.
 - Secondary research was used to support this premise.
 - All research referenced in this paper supported this premise, with consistent findings across global studies.

There was a lack of evidence to support the premise that 'improved effectiveness leads to promotions and increased remuneration', however, this researcher contends that this premise is a logical argument that is not the subject of research studies. The common use of performance assessments to determine pay increases and promotions in workplaces around the world is an example of the logic supporting this premise.

The final premise of this paper was not supported by secondary research due to a failure of searches to locate studies specifically on the subject of whether 'executive coaching is accessed by men more than women'. As such, limited primary research was conducted within one coaching practice comprising 358 current coaching clients, which indicated that men accessed traditional models of executive coaching (the more expensive coaching services offered) more than women. While this limited existing primary research is supportive of the final premise of the current paper, further research is required to draw more definitive conclusions in this area.

First premise: Coaching is effective in improving the performance of leaders in the workplace

Existing studies have found executive coaching to be effective in improving the skills and workplace outcomes of clients.

As outlined in their study on the effectiveness of executive coaching, De Meuse and Dai (2009) explain that 'there are two categories of studies in the literature that have examined coaching effectiveness'; empirical studies and retrospective studies. Empirical studies are conducted using research design to determine the amount of gain or improvement observed as a result of the executive coaching program for the client. Retrospective studies determine the effectiveness of coaching by surveying participants, their managers and, in some cases, coaches as to their perceptions of the effectiveness of the coaching program.

Kombarakaran et al. (2008) report on a study conducted with a global pharmaceutical company, where using empirical data supported the effectiveness of executive coaching. A key finding in this study was that coaches, in addition to any direct impact they may have on a coachee, are also facilitators of professional development. In other words, a coachee will likely be prompted through the coaching process to carry out other activities in the interest of their professional development. This study concluded that executive coaching effected positive executive change in five key areas for performance: people management, relationship with managers, goal setting and prioritization, engagement and productivity, and dialogue and communication.

Levenson (2009) examined the business impact of executive coaching. A number of factors other than the provision of coaching were found to be of relevance to business impact. These include the complexity of the role of the executive being coached and the design of the organisation in which the executive works. He concludes that executive coaching, when combined with other developmental interventions is likely to positively impact business results, however, with only limited case study research, a definitive conclusion was not reached. Levenson also raises an important question as to whether executive coaching is the appropriate intervention for the performance issues and behaviours of an executive. As an example, a training program may in fact be the appropriate intervention for certain performance problems.

As such, it is suggested that a systematic assessment of the performance issues of an executive and the possible appropriate interventions may lead to more positive business impact when coaching is selected for an individual executive.

While there are several studies cited in this paper that support the effectiveness of executive coaching, there are also a range of articles which question this point. Berglas (2002) not only questions the effectiveness of coaching, but also highlights the potential harm that can be caused to a client and their colleagues if coaching is selected to address problems that result from an underlying psychological disorder, which a coach does not understand.

Second premise: Improved effectiveness leads to promotions and increased remuneration

There is a lack of research addressing the question of whether effective results from executive coaching lead to benefits such as promotions and increased remuneration for clients. A search for such supporting research did not yield any papers. However, it could be considered logical to surmise that with research supporting the first premise in this paper (that coaching is effective in improving the performance of leaders in the workplace), the improved performance of leaders with access to executive coaching would, in general, lead to increases in job promotions and remuneration. The prevalence of performance assessment tools and processes used to determine the scale of salary increases and promotions in organisations and workplaces is supportive of this premise being factual.

In the search for supporting research for this second premise, a large volume of research was found to be available on the subject of performance-based pay and incentive programs. The widespread use of performance-based pay systems across corporations worldwide for decades would suggest at least a strong intent to reward performance with increased remuneration. Booth and Frank (1999) report on examples of performance-based pay systems and the positive impact on remuneration compared to employees with no such mechanism in place. In linking the first premise with this second premise, if executive coaching is found to be effective in improving performance and corporations are commonly leveraging performance-based pay systems, it could be argued that, on average, executive coaching leads to higher remuneration.

Third premise: A significant gender pay and seniority gap exists in favour of men

There is a large amount of research which indicates that women are, on average, paid less than men in the workforce and that women are represented at significantly lower rates in senior executive roles. Graf (2018) outlines clear findings regarding trends in the gender pay gap over recent decades. 'The gender gap in pay has narrowed since 1980, but it has remained relatively stable over the past 15 years or so. In 2017, women earned 82% of what men earned, according to a Pew Research Center analysis of median hourly earnings of both full- and part-time workers in the United States. Based on this estimate, it would take an extra 47 days of work for women to earn what men did in 2017. By comparison, the Census Bureau (<https://www.census.gov/library/publications/2017/demo/p60-259.html>) found that full-time, year-round working women earned 80% of what their male counterparts earned in 2016.'

In addition to the overall gender pay gap trends that find women earning less than men, on average, for the same or similar work, Graf (2018) outlines the under-representation of women in more senior roles in organisations. As the following comments explain, this is likely to be a significant contributing factor in the overall gender pay gap. 'Even though women have increased their presence in higher-paying jobs traditionally dominated by men, such as professional and managerial positions, women as a whole continue to be overrepresented in lower-paying occupations. This may also contribute to gender differences in pay.'

In summary, there seem to be two causal factors when considering the gender pay gap:

1. Seniority and job type differences between genders;
2. Underpayment of women for work.

Beyond the gender pay and seniority gap at the most fundamental level, Amore and Garofalo (2021) examine a more complex set of dynamics in the relationship between gender and remuneration. This research concludes that the rate at which women exit the most senior executive team in an organisation is positively correlated to the extent of the gender pay gap. Whilst executive turnover and pay inequality is seen across both genders, it is more pronounced for women. This highlights 'the presence of gender differences in the relationship between pay inequality and executives' exit:

The positive association between executives' exit rates and executive pay inequality is significantly larger for female executives, even after controlling for individual pay, executive rank, and other individual- and firm-level characteristics." Amore and Garofalo suggest that this relationship between high levels of executive exits from organisations and pay inequality could be explained by managers feeling frustrated with an organisation with a culture of inequity.

It is clear from a range of research that there is a gender pay and seniority gap in workplaces globally. While there are many factors and complex dynamics which may explain this situation, for the purposes of this research paper, it is important to simply acknowledge that this gap is significant and has been narrowing only at a very marginal rate over recent years.

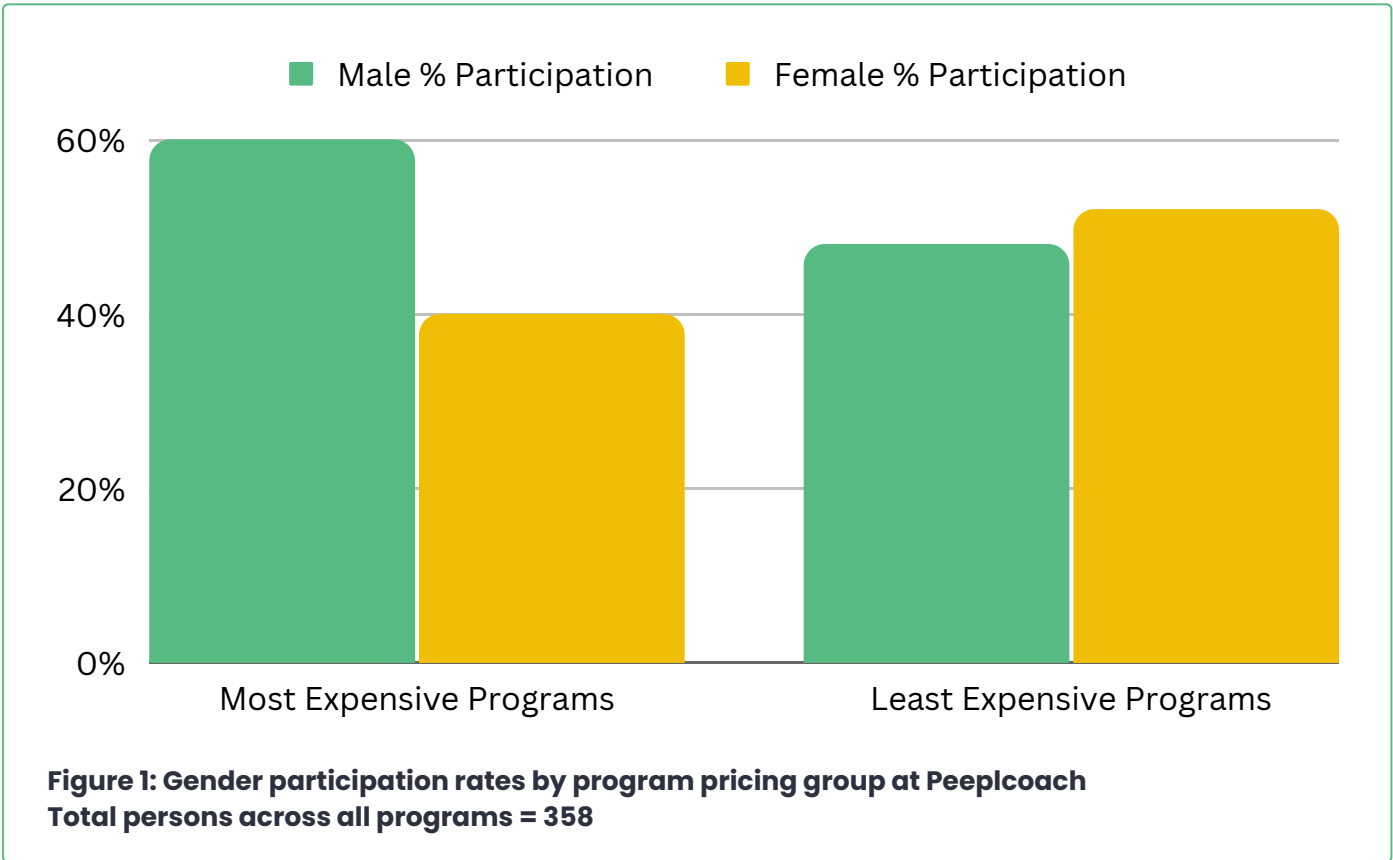
Fourth premise: Executive Coaching is accessed by men more than women

Secondary research indicating the gender breakdown of executive coaching clients could not be located, however, the researcher has conducted some limited primary research which indicates an under-representation of women in the executive coaching client population. This research is referenced in Figure 1 and indicates a gender bias, whereby men access traditional executive coaching services at a significantly higher rate than women.

This primary research is not sufficiently robust or of an adequate scale to draw firm conclusions. Further research is required to provide confidence and clarity around the premise that 'Executive Coaching is accessed by men more than women'. The current primary research does, however, provide some data suggesting that a significant gender imbalance is at play in the field of executive coaching.

There are a number of leadership development and coaching providers around the globe with a stated mission of providing more gender-balanced access to coaching services. Peepcoach is a woman-led, majority women-owned career and leadership coaching business with a specific mission to make coaching more accessible to groups that are typically excluded from coaching due to price.

Even with an overt mission and pricing model to increase women’s access to coaching, the data in Figure 1 demonstrates that the gender split with access to Peepcoach’s coaching services is only just at parity, with almost exactly even numbers of men and women accessing the range of coaching programs offered. However, when higher-priced programs (traditional executive coaching programs) are separated from lower-priced programs aimed at more junior employees, gender imbalance becomes significant, with 60% men and 40% women enrolled in the higher-priced programs.



CONCLUSION

Based on the above-mentioned research findings, this study contends that executive coaching in its ‘industry-standard’ form is likely to be working to widen the ‘gender pay and seniority gap’. At a summary level, studies indicate that the ‘gender pay and seniority gap’ is narrowing due to many initiatives around the world aimed at improving gender equality in this regard. However, a significant over-representation of males in executive coaching programs will likely disproportionately benefit males in terms of seniority and pay, thereby working to partially counter gender equality initiatives.

This study refers to limited primary research on ‘non-traditional’ coaching programs which aim to be more accessible to less senior leaders and employees through lower pricing. The gender representation on these programs compared to traditional executive coaching programs was found to be significantly more balanced between female and male participants.

It is concluded that the current limited primary research, together with the secondary research reviewed, indicates that further innovations and changes are required to ensure that executive coaching programs lead to more equitable outcomes regarding gender. Further research is warranted to strengthen this conclusion and to consider potentially similar relationships between executive coaching and inequality regarding various minority groups. Therefore, new models of executive coaching focused on effectiveness and greater accessibility are needed to mitigate the negative impact of executive coaching on the gender pay and role seniority gap.

RELATED CONCEPTS

As noted, gender is only one grouping category within the population which been the subject of this paper. The way other demographic groups are impacted by the traditional model and pricing of executive coaching could be the subject of further research. Examples beyond gender may include: ethnicity, race, LGBTI+, religious minorities, and socio-economic groupings. It should also be noted that the definitions used for 'gender pay gap' have limited this research paper to a binary perspective of gender (females and males) and do not examine the issues around access to coaching for non-binary clients.

In addition to the subject of gender-based access by clients to executive coaching, further research may also be useful to examine the role of diversity in the coaching profession itself and how that may impact access to executive coaching from a more diverse client base. While the researcher has noted in this paper that there appears to be a lack of data on the gender breakdown of coaching clients and relies on limited primary research, there is data available on the gender breakdown of coaches. The International Coaching Federation (2020) notes that 70% of global coaches are female and that 'between 2015 and 2019, the female share of coach practitioners rose across all regions except the Middle East and Africa. The largest increase was in Asia, up by seven percentage points from 52% in 2015 to 59% in 2019.' If data were to be produced indicating the gender breakdown within coaching clients, it would of interest to determine whether the increase and high representation of women as coaches has any bearing on women's representation as clients.

Another topic related to this research paper is the origins of this gender inequity which is referred to in the third premise of this paper and any opportunities for coaching to help mitigate this inequity. The primary and secondary research conducted within this paper could lead to a hypothesis that coaching must utilise new methods, business models and technology to provide more affordable (lower priced) offerings in order to break the pattern of inequity in this regard. Further research would be required to validate or invalidate this hypothesis. Additionally, the research referred to within this paper on the gender breakdown of coaches, and specifically the increase in female coaches, may have a bearing on the potential to address gender inequity within coaching client populations.

APPLICATION AND IMPLICATION FOR COACHING PRACTICE

Executive coaching is a profession which is focused on supporting people grow and achieve fulfilment in their careers and in life more broadly. This paper is not suggesting that the coaching profession is deliberately, or even consciously, promoting an inequitable outcome for people and organisations. Rather, it is suggested that historical social dynamics manifest in gender and other group inequities in our workplaces and this results in some groups of employees having far less access to coaching than other groups of employees. Gender is just one example. If we believe that the executive coaching profession assists clients achieve greater career outcomes and rewards, then this is logically furthering the inequity already present in these organisations.

The implication of the present research for coaching practice is that efforts must be made to change the model of coaching services to disrupt the momentum of this inequity. In the absence of such efforts, the trend of male-dominance in the client base of executive coaches will continue. Pricing is the key factor that is examined in the primary research of this paper. Albeit limited in scale and robustness, the findings of this primary research indicate that price variation has a direct and positive impact on gender equity with respect to access to coaching services.

For executive coaches with an interest in equity across gender lines with respect to the services they provide to clients, further thought and research is important to determine a range of changes to standard practice that will lead to a more equitable outcome from services provided. Similar thought and research is required by the coaching profession to examine issues around access to services and associated inequity for other groups such as ethnic minorities and the LGBTQIA community.

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