

# INSIDE TUCSON BUSINESS

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## The business fundamentals of business coaching

By Lee Allen  
Inside Tucson Business

There's both good news and bad news for small business owners operating in Southern Arizona. First, the bad news.

More than 800,000 new small businesses start up every year. Within two years, 80 percent of them fail and an additional 5 percent don't survive past the five-year mark. If that isn't scary enough, the National Federation of Independent Business Education Foundation reports that over the lifetime of any business, 30 percent will lose money, 30 percent will break even, and just under 40 percent will be profitable.

Now, the good news. There are ways to help ensure the longevity of the little guy (and gal) in the marketplace.

"Major corporations are fortunate to have lots of resources to help solve problems, but that's not the case with the small business owner," says Steve Douglass, a seasoned, former top executive of a national retailer. "To fill the void and provide an avenue for the business owner to flourish, the business of business coaching emerged."

It did so in a big way, with a growth spurt noticed worldwide in the mid-1990s.

"Today, the International Coaches Federation has over 17,000 coaches in more than 90 countries," says Louise Abbott, owner of Creative Resources Coaching and past president of the local chapter of the Tucson Professional Coaches Alliance.

"Although the business world does seem to prosper in spite of itself, the need for coaching has probably always been

### Biz Facts

**Creative Resources Coaching**  
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there and is now more focused on the fundamentals of running a business," adds Phill Manker, a franchisee of The Growth Coach. "Business coaching can be a valued addition to, or a substitute for, mentoring and tutoring."

While many marketing and consulting firms, therapists, trainers, and CPAs have added coaching to their service mix as a way to boost revenue, "Hiring an ICF coach trained in an approved coaching school is the best assurance you'll receive quality, ethical coaching. There are probably 50 to 60 trained and certified coaching businesses operating in our area," Abbott says.

When Douglass retired as chairman



Steve and Andraea Douglass of Action Coach Solutions.

and CEO of Payless ShoeSource, the largest specialty footwear retailer in North America, he had 33 years of business knowledge that could help others. He and wife, Andraea (with another 20 years experience guiding leaders of Fortune 100 companies) opted for an ActionCOACH Solutions franchise.

"Our goal is to apply our unique set of business skills to help business owners and executives and their companies reach previously unattainable goals," says Douglass. Improved profits are high on the list as are increased sales and better team performance, success measures achieved through a variety of methods, systems, and techniques.

"What you get out of coaching is like everything else in life—it's based on what you put into it," says Manker, who began his coaching business in March and continues ownership in an automotive business until he becomes more well known. "My main focus is not on an entrepreneur just starting a business. There's already enough adrenaline involved when the business bug hits you. I deal with people after the start-up honeymoon has ended and they realize they need to start thinking on a deeper level to handle things like human resource, policy, and process issues."

The coaching industry has been impacted by the current depressed economy because when times get hard, business owners start looking for places to cut. Business coach training isn't exactly at the top of items on the mandatory keeper list.

"Our industry has been impacted like everybody else," Abbott says. "Budgets for


coaching, consulting, and training have been cut and coaching businesses have felt those cuts. Compounding the situation is the aspect of effectiveness. Long-term studies have shown coaching can significantly increase revenues and productivity, but many of the benefits of coaching are not always immediately measurable."

The owners of the other two firms also have seen an impact by the recession.

"I think people who are getting the benefits of business coaching can see those benefits, not just today's positive feedback, but for the future. Business coaching puts in place the training, staffing, and readiness to rock and roll when the next market wave comes," says Manker.

"What we've seen happen in a recession is that people dig in and don't want to change much," add the Douglass duo. "You can hold on, but if you really want to grow the business, you should be testing and measuring different training and advertising methods; little things that can make a huge difference in the bottom line."

For business owners not yet ready to engage in one-on-one coaching, ActionCoach offers a variety of short seminars such as 6 Steps to a Better Business or the 7 Session Action Club. Says Andraea Douglass, these are for small businesses that could use coaching, "but aren't ready at the moment. If they have a hunger to learn things that will improve their business, these seminars will jump start the process of improving a company's overall performance."

 Lee Allen is a Tucson-based freelance writer.



Phil Manker of The Growth Coach advising a client.