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Internal versus external executive coaching

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ABSTRACT

The purpose of this paper is to show the advantages and disadvantages of internal and external executive coaching. To this end, it offers a thorough review of the literature and an exploratory study based on the Delphi method with 40 selected experts, who gave answers based on their own experience. The results indicate that the decision on whether to opt for internal coaching (IC), external coaching (EC) or both depends on the objectives to be achieved, the capacity of the organisation and an awareness of the characteristics of the two types. IC is viable when there is a high level of trust in the confidentiality of the process; there are a large number of processes to be carried out; the hierarchical status of the executives is not greater than that of the coaches and the culture of the organisation views coaching as an executive responsibility. EC is the best option for small organisations, for one-off interventions, for top executives and for organisations whose culture does not promote this practice among its own executives. The findings could assist companies in deciding which type of coaching is best suited to their needs, coaches and coachees in achieving greater improvement and better outcomes and offer a clearer view of this segment. The study also sets out the reasoning offered by the experts and provides recommendations for future research.

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external executive coaching;
coaching effectiveness;
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Practice points

- This study falls within the field of executive coaching.
- The principal contribution of this article is to give contrasted information on the main advantages and disadvantages of internal and external executive coaching, taken from the literature and tested against the assessments and opinions of the main groups involved: internal coaches (ICOs), external coaches (ECOs) and executive coachees. For the organisation, this knowledge facilitates strategic and efficient use of executive coaching as a tool for developing and motivating its executive resources and even for managing the culture of the organisation.
- Implications for practitioners of the choice between internal coaching (IC) and EC:
 - For small companies, EC is practically the only affordable option.

- Large firms, however, have the choice of opting for ICOs, ECOs or a combination of the two, depending on the objectives of the coaching process and the characteristics and needs of management participants.
- In general, IC is suitable for large companies, which try to retain and develop this intervention in long-term conditions. It might be economic for them; it contributes to conscious management of the culture of the organisation and will facilitate retention of key staff. The ideal situation would be to teach leaders to coach others, thus helping to create sustainable leaders within the framework of a coaching culture.
- It may be advisable to complement IC services with some external ones, especially at the beginning of the process, in order to raise awareness among executives of the benefits of executive coaching, or sometime after the launch of the IC programme, in order to offer different perspectives and experiences.
- However, it may be more advisable to employ EC, even in large companies, when there is insufficient trust in the confidentiality of the process; when there is a desire to use executive coaching in isolation to reorient the behaviour or skills of some of the executives; when coaching is not accepted or is seen as not being an intrinsic activity of executives; when the coachees are very senior executives ranking above the ICO or when there is a desire to launch a coaching culture in the organisation.

Introduction

Developing and enhancing the skills and capabilities of responsible managers is now seen as an essential activity for the effectiveness of organisations. Organisations need executives whose capacities are aligned with their strategic needs. This requires knowing and diagnosing the executives' knowledge and capacities through, for example, 360° feedback, and taking action to reduce any shortfalls detected. Executive coaching is a training and a method for developing the leadership of managers. It is oriented towards achieving behavioural changes in the performance of their executive tasks.

Coaching has become one of the five most frequently used strategies for the development of leadership over the last decade (Bennett & Bush, 2009). In the last 10 years, there has been a massive increase in the number of coaching services and consultancy firms (Cameron & Ebrahimi, 2014). Increasing use of executive coaching means that companies more often need to decide whether to call on ECOs to conduct coaching processes, or alternatively, to turn to their own company staff to act as coaches to executives within the organisation. This is an important decision, since each alternative has its own different costs, conditions of application and consequences. The business decision-maker faces an important decision in economic and social terms, with a strong impact on business efficiency, yet has remarkably little in the way of rigorous academic research to fall back on for guidance. This article seeks to offer guidelines that will assist organisations in deciding between these two types of coaching.

To achieve these goals, the authors have conducted an extensive review of the literature. After defining the concept of executive coaching and showing its effectiveness, based on published works, the different characteristics of IC and EC coaching, and their

relative advantages and disadvantages, were drawn from various studies. As a result, several propositions are offered. An exploratory qualitative field study was conducted using a Delphi method. The propositions were contrasted through in-depth semi-structured interviews and questionnaires conducted with 40 selected experts (ICOs and ECOs and executive coachees). In an exercise of controlled interaction, the mean scores for each proposition, as well as an organised summary of their arguments was sent back to the experts, to obtain a final group review of higher quality.

The experts' scores and most significant remarks are presented in the results section. The authors' own conclusions and implications for management are then offered and finally the limitations of this work and possible future lines of research are discussed.

Executive coaching

The literature contains a number of different perspectives on the concept of executive coaching. Some authors mention only the personal learning, growth and improvement of the coachee (Clutterbuck, 1998; Grant & Stober, 2006; Passmore & Fillery-Travis, 2011); however, most definitions of executive coaching also deal with improvements in the effectiveness of the organisation achieved through the coaching process (Bachkirova, Cox, & Clutterbuck, 2010; Kilburg, 2000; Peltier, 2001; Peterson & Hicks, 1996). According to The Executive Coaching Forum (TECF), the executive coaching process should involve three parties: the executive, the coach and the organisation. All three are key stakeholders in the process and this is the main difference between executive coaching and other similar interventions. Executive coaching focuses on the needs and goals of both the executive and the sponsoring organisation. According to Ennis et al. (2004),

Executive coaching is an experiential and individualized leader development process that builds a leader's capability to achieve short- and long-term organizational goals. It is conducted through one-on-one and/or group interactions, driven by data from multiple perspectives, and based on mutual trust and respect. The organization, an executive, and the executive coach work in partnership to achieve maximum impact.

Most studies of the effectiveness of executive coaching show positive results in a range of different areas (Blackman, Moscardo, & Gray, 2016; Ely et al., 2010; Grant, 2013; Jones, Woods, & Guillaume, 2016). These include increased sustained behaviour change (Bozer, Sarros, & Santora, 2014a; Hall, Otazo, & Hollenbeck, 1999; McDermott, Levenson, & Newton, 2007) and more effective leaders (Bozer, Sarros, & Santora, 2014b; CompassPoint, 2003; MacKie, 2014; Smither, London, Flautt, Vargas, & Kucine, 2003; Theebom, Beersma, & Van Viansen, 2014; Wasylyshyn, 2003).

Coaching helps develop new attitudes or perspectives such as self-confidence, self-awareness and sensitivity to others; adaptability and flexibility in relations with others; increased emotional maturity and efficiency; reduced work stress; reinforced beliefs and expectations on effectiveness and improved auto efficiency (Kampa-Kokesch & Anderson, 2001; MacKie, 2007). Kombarakaran, Yang, Baker, and Fernandes (2008) showed that the change in executive coaching occurs in five areas: people management, relationships with managers, goal-setting and prioritisation, commitment and productivity and communication.

Internal versus external executive coaching

Depending on the origin of the coach performing the coaching process, there are two types of executive coaching: external and internal.

EC is performed by professionals who do not belong to the organisation where the executive works. They generally have extensive managerial experience with management training and/or psychological skills, and are usually certified to work as executive coaches, and so are qualified experts in executive coaching. They work on their own and are usually hired by an organisation to coach its managers; it is therefore the organisation that pays them, not the coachee. Until recently executive coaches were always external to the organisation (Tyler, 2000).

IC is an offshoot from the longer history of EC, but, unlike it, ‘Internal coaching is one-on-one developmental intervention supported by the organisation and provided by a colleague of those coached who is trusted to shape and deliver a program yielding individual professional growth’ (Frisch, 2001). ICOs, therefore work in the same organisation as the coachee. They can be managers at the same or higher management hierarchical tiers as the coachee, specialised members of the HR department or specialists hired by the organisation exclusively for this purpose. Depending on the company’s needs, this ICO may focus exclusively on his or her function as coach or perform coaching as a part-time activity, in addition to other activities within the organisation.

A distinction needs to be drawn, however, between IC, as a system of executive coaching, and managerial coaching, also known as developmental coaching. Managerial coaching takes place in the everyday relations between superiors and subordinates, with the former facilitating, guiding and inspiring the latter in their work (Agarwal, Angst, & Magni, 2009; Elmadag, Ellinger, & Franke, 2008; Helsin, Vandewalle, & Latham, 2006). It is a desirable characteristic in any leaders whose obligations include the professional advancement of their direct subordinates (Ellinger, Ellinger, Bachrach, Wang, & Elmada, 2011; Stoker, 2008).

Few studies have been conducted to compare internal and external executive coaching, reflecting the relatively new emergence of IC. One can, however, draw the main advantages and disadvantages from the works of Frisch (2001, 2005), Levinson (2005), McDermott et al. (2007), McNally and Lukens (2006), Rock and Donde (2008a, 2008b), Wasylyshyn (2003) and Tobias (1990) (see Table 1).

Table 1. IC vs. EC characteristics.

IC: advantages	EC: advantages
Cost effective. Faster initial progress. More likely to be able to observe the coachee. Knowledge of the company, of its culture. Accessibility. Credibility. Better logistics for a wide-scale initiative. Retention of the executives. Application of coaching skills. Better impact. Continuity.	Does not require any in-house resources or additional staff. More credibility, because of experience ECOs’ relationship with coaches is ‘cleaner’ . Trust. Confidentiality. Objectivity. Breadth of experience (from other companies). Better trained. Coaching is often their only job, so more focused. Fewer conflicts of interest. Valid for executives at any hierarchical level.

Thus, from an analysis of the literature and a synthesis of the advantages and disadvantages detected, the following propositions regarding the comparison between EC and IC are formulated:

- P1. ICOs know the organisation and its culture much better than the ECOs (McDermott et al., 2007; McNally & Lukens, 2006; Wasylyshyn, 2003).
- P2. IC is more accessible and flexible (McNally & Lukens, 2006; Wasylyshyn, 2003).
- P3. IC is more convenient the greater the size of the company (Rock & Donde, 2008a).
- P4. For multiple coaching processes, IC cost less than EC (Frisch, 2001; McNally & Lukens, 2006; Rock & Donde, 2008a; Wasylyshyn, 2003).
- P5. In IC, initial progress is faster (knowledge of the company, the environment, initial establishment of trust, etc.) (Frisch, 2001).
- P6. IC facilitates the retention of important executives (Rock & Donde, 2008a).
- P7. EC facilitates the retention of important executives.
- P8. IC has more impact across the organisation than EC (Rock & Donde, 2008a).
- P9. Teaching leaders to coach others helps build sustainable leaders (Rock & Donde, 2008a).
- P10. EC relationships are 'cleaner' because coaches have no other contact with coachees (Frisch, 2001; Tobias, 1990).
- P11. ECOs are normally more experienced and certified, unlike ICOs (Wasylyshyn, 2003).
- P12. In EC there is more trust than in IC (McNally & Lukens, 2006; Wasylyshyn, 2003).
- P13. Coaching is often the ECOs' only job, so they are more focused on it (McNally & Lukens, 2006).
- P14. IC and EC should be seen as complementary. A combination of the two could be the most efficient solution (Frisch, 2001; McNally & Lukens, 2006).
- P15. EC is preferred for senior management (McDermott et al., 2007; Rock & Donde, 2008b).

Empirical study – objective and methodology

In order to achieve the objectives of the study a modified Delphi methodology was applied. The Delphi method is a widely used and recognised instrument to help decision-making and might be defined as a social research technique, whose aim is to obtain a reliable group opinion using a group of experts. It was employed for the first time at the headquarters of RAND Corporation (Santa Monica, California) as part of a military defence project (Dalkey & Helmer, 1963) from which the first documented non-military application of the Delphi technique also came (Helmer & Quade, 1963). It is a method of structuring communication between groups of people who can provide valuable contributions in order to resolve a complex problem (Linstone & Turoff, 1975). The experts, defined broadly as people who can contribute valuable information or opinions for the purpose of the study, have to answer the same questions at least twice; on the second occasion they receive the anonymous opinions of the other experts from the first round of the questionnaire to allow them to consider their answers. A group coordinator is in charge of ensuring non-exchange of information between the experts and for eliminating any irrelevant information. The questions are prepared in such a way that the answers can be processed quantitatively and statistically. The Delphi method is therefore a repetitive

process that maintains the anonymity of the participant's answers; it has controlled feedback and group statistical response (Landeta, 2006).

The propositions obtained from the literature review were contrasted through in-depth semi-structured interviews with 20 selected specialists in executive coaching – 10 ICOs and 10 ECOs from Spain. Using a 7-point Likert scale, the experts scored their level of agreement with the different propositions, with a score of 1 indicating *complete disagreement* with the proposition and 7 *full agreement*. They were also asked to give reasons for their score and their opinion on the propositions and to add some contribution of their own. The 20 interviews were conducted in the period from August 2013 to January 2014 and the average duration was about 46 minutes.

In accordance with Delphi methodology, over the following three months the same questionnaire was sent for a second time to the same people but with the results from the interviews (statistics of central tendency and dispersion of the group response for each proposition, as well as the arguments given by the experts, sorted into reasons that justified positions in favour or against). The questionnaire was also sent to 20 additional experts: 3 new ECOs, and 17 executives –most of whom were in charge of human resources– who had taken part as coachees in a coaching process, in order to contrast and enrich the contributions of the initial panel of experts.

Five of the initial interviewees did not answer the second questionnaire, and their responses from the initial interview were therefore used in the final aggregate results.

Quality indicators of the Delphi application developed (Landeta, 2006): participants in the process were all experts with a knowledge of executive coaching, from their respective perspectives. The number (13 ECOs, 10 ICOs and 17 executive coachees) is considered suitable for the exploratory purposes of the study, given that the recommendation is that there should be no fewer than 7 for each type of expert (Dalkey, 1969; Dalkey, Brown, & Cochran, 1970). They had a high degree of commitment, as shown by their collaboration with the initial one-on-one interviews, the duration of the interviews, the quality and quantity of qualitative information provided and the fact that the great majority of the experts participating in the interviews answered the second questionnaire (75%). The qualitative and quantitative feedback to the second questionnaire fostered greater reflection and a change in the answers of the experts, who generally achieved greater consensus in the answers in the second round (among ICOs, standard deviation in the distribution of their responses was reduced in 12 of the 15 propositions and among ECOs it was reduced in 13 of the 15). As hoped, the second round achieved greater quality in the final group response, which is the aim of the Delphi methodology used.

To put the empirical study in context, it should be noted that executive coaching was only introduced into Spain in the last decade, but it has grown fast since then (to give an idea, in 2013 Spain ranked third in Europe after the UK and France in number of International Coach Federation (ICF) members, with a 13.2% increase in the number of members compared to 2012 and a 56.6% increase in the number of certifications (ICF, 2013). In 2016, it continued to hold third place in Europe (5th in the world) in number of members, with a 41% increase since 2013. It now has the highest number of ICF-certified professional coaches of any country in Europe (ICF, 2016). IC has developed out of EC, and a small but growing number of large organisations are now applying it. The Spanish coaching market needs to test its effectiveness and to get used to applying it as a common tool of executive development, aware of its strengths and weaknesses.

In order to normalise its use, they need to learn from the experience of countries with a long history of executive coaching, such as the US, the UK and Australia, and from academic studies such as this one.

Results

Table 2 shows the results of the aggregated responses from ICos and ECos and the coachees (Cees) surveyed in each of the 2 rounds, for each of the 15 propositions analysed, ranked in order of the experts' degree of overall agreement with each one.

1. *ICOs know the organisation and its culture much better than the ECos* (P1) is the one that met with the greatest agreement among the three groups surveyed. Nonetheless, this greater knowledge of the organisation is not always beneficial.

Correct, the Internal Coach forms part of the system and culture of the firm, but this can mean that their perception is biased and that they do not cover options that would be of interest for the coachee, but might involve changes in the current culture or system. (Cee No. 2)

ICOs can bring strength to the coaching process if they have recognised authority in the organisation and are exemplary in it; otherwise, they may be a hindrance.

2. *Teaching leaders to coach others helps build sustainable leaders* (P9). The experts argue that coaching makes the person grow and develops more effective and well-prepared leaders; if they interiorise the coaching, they will become examples, and will apply it and go on to build sustainable leaders. Some ECos even think that all staff who manage other people should be coaches, that it should be a competency of any leader in the organisation.

I think that people with the profile of a leader within their firm should have this competency as a coach and facilitator of the professional development of executives or employees. I feel it should be natural to share experience and knowledge and should be encouraged from within the organisation. (ICo No. 3)

3. *EC relationships are 'cleaner' because coaches have no other contact with coachees* (P10). Many of the ECos define it as the principal difference between an ICo and an external one and the principal advantage of EC, since it better guarantees the confidentiality of the process and there is no interference from other types of professional or personal relations between coach and coachee,

To be impartial, it is simpler if the coach and executive do not previously know each other. (ECo No. 4)

although some ICos also argue that if the work of the coach is professional, it does not matter whether it is internal or external.

4. *EC is preferred for senior management* (P15). Logically, the proposition was most favoured by ECos. They based this argument on reasons of cost and above all, on the difficulty of an internal professional or executive of an equal or lower rank exercising as a coach to a superior. Nonetheless, some ICos say that this is the current situation, but feel it should not be: each type of coaching has its advantages and disadvantages and should be used in accordance with the aims sought and the culture of the company, more than to whom it is applied.

Table 2. Results of the field study.

Or.	Internal coaching (IC) vs. external coaching (EC) Propositions	First round (interviews)				Second round (final survey)						Overall	
		Average		Std. Dev.		Average			Std. Dev.			Av.	SD
		ICos	ECos	ICos	ECos	ICos	ECos	Cees	ICos	ECos	Cees		
1	ICos know the organisation and its culture better ... (P1)	6.9	6.5	0.3	0.7	6.6	6.5	6.2	0.7	0.5	1.0	6.4	0.8
2	Teaching leaders to coach others helps build ... (P9)	6.6	6.5	0.7	0.7	6.6	6.2	6.1	0.7	1.3	1.0	6.3	1.1
3	EC relationships are 'cleaner' ... (P10)	5.5	6.2	1.8	0.7	5.3	6.3	6.1	1.6	0.5	0.9	6.0	1.1
4	EC is preferred for senior management (P15)	5.0	5.9	2.1	1.5	5.4	5.9	5.5	1.6	1.3	1.8	5.6	1.6
5	For multiple coaching processes, IC cost less (P4)	6.7	5.4	0.6	1.6	6.4	5.3	5.2	1.0	1.3	1.4	5.5	1.4
6	IC and EC should be seen as complementary ... (P14)	5.5	5.4	1.9	1.5	5.6	5.2	5.5	1.2	1.2	1.7	5.5	1.4
7	In EC there is more trust than in IC (P12)	3.9	5.6	1.9	1.4	4.3	5.8	5.3	1.7	1.1	1.4	5.2	1.5
8	EC facilitates the retention of important executives (P7)	5.5	5.3	1.4	1.9	5.5	4.8	4.8	0.7	1.6	1.5	5.0	1.4
9	ECos are more focused on coaching (P13)	5.5	4.7	2.0	1.0	4.9	4.8	4.9	1.1	1.2	1.6	4.9	1.4
10	IC facilitates the retention of important executives (P6)	6.3	4.7	0.5	2.5	5.6	4.3	4.4	0.8	1.8	1.5	4.7	1.6
11	IC is more convenient the greater the size of the co. (P3)	5.5	4.8	1.4	2.2	5.1	4.3	4.4	1.3	1.5	1.6	4.6	1.6
12	ECos are normally more experienced ... (P11)	4.6	4.0	1.3	1.7	4.7	4.3	4.6	0.8	1.4	1.8	4.5	1.5
13	IC is more accessible and flexible (P2)	4.5	4.1	1.7	1.5	4.7	4.2	3.8	1.6	1.5	1.4	4.2	1.5
14	In IC, initial progress is faster (P5)	4.8	3.4	2.1	1.4	4.5	3.5	4.2	1.9	0.7	1.5	4.0	1.5
15	IC has more impact across the organisation ... (P8)	5.2	2.4	1.9	2.1	5.4	2.3	3.6	1.4	1.2	1.3	3.6	1.8
Av.		5.5	4.9	1.4	1.5	5.4	4.8	4.9	1.2	1.2	1.4	5.0	1.4
N		10	10	10	10	10	13	17	10	13	17	40	40

Notes: Italics: standard deviation; bold: main results.

5. For multiple coaching processes, IC cost less than EC (P5)

ICOs agree strongly with the proposition (6.4), but ECOs and executive coachees agree less (5.3 and 5.2). They suggest it depends on the salary costs of the executives acting as ICOs. Moreover, ICOs have to undergo a continuous process of training, which also involves a cost.

IC is more economic when there are multiple coaching processes, but it is not necessarily more profitable. (ECo No. 10)

6. *IC and EC should be seen as complementary. A combination of the two could be the most efficient solution* (P14). The consensus on this proposition among the three groups is high: interviews agree quite strongly on the complementary nature of the two types of coaching. Most experts consider that it may be very beneficial, since both systems have their pros and cons. IC and EC are different tools for achieving different aims. IC is best suited to creating a different culture of communication in the organisation, whereas EC is more suitable for personal improvement. They argue that where resources and money are available, such a combination would be ideal, and that their choice depends on the conditions, culture and aims of the company.

The combination can be very beneficial. After an EC process, there could be a follow-up by the internal coach. (ECo No. 2)

7. *In EC there is more trust than in IC* (P12). The rate of agreement with this proposition was higher amongst ECOs (5.8) and executives (5.3) than among ICOs (4.3). ECOs and coachees consider that it is the greatest advantage of EC, giving similar reasons to those argued in Proposition 10. ICOs find it more difficult to gain the coachees' trust. In IC, they may even have prejudices about their coachees. Moreover, during coaching, people speak about situations and emotions, and it is easier to discuss emotions with someone who is not from the immediate environment. In this regard, EC may be more beneficial.

The executive is afraid to open up to an internal coach, because they are worried that they might pass the information on to their superiors. (Cee No. 2)

Nonetheless, some ICOs state that, although it is complicated for them to gain trust in the first session, subsequently it is all down to the professionalism shown by the coach. The essential key is ethics and credibility.

8. and 10. *IC/EC facilitates the retention of important executives* (P6 and P7). Most experts consider that coaching, in general, can help retain talent. ICOs are somewhat more optimistic in this regard. The reasons they give are that coaching may be interpreted as a perquisite, an emotional salary and recognition of the executives' work, commitment or potential. Nonetheless, some ECOs see the coaching process as something personal and professional, which is not linked to retention; they thus do not see a relationship between coaching and retention, but do see one between coaching and satisfaction. Other ECOs even remark that it can add a lot of value to the company, but can also make the coachee aware of new challenges and areas for personal development; if these are not satisfied within their present organisation, it may lead them to want to seek new career opportunities elsewhere. The key lies in how the coaching is communicated and supported in the company and the purpose for which it is begun.

9. *Coaching is often the ECOs only job, so they are more focused on it* (P13). The three groups consulted all expressed a medium degree of agreement with this proposition (overall average 4.9), since in Spain most coaches, internal and external, are not exclusively devoted to coaching. ECOs confirm that they tend to perform other activities as well, although these are generally related, such as training in coaching, team coaching, people management, strategic consultancy, etc. However, they say they are more up to date and go into greater depth in coaching. ICOs, for their part, tend to have many other obligations within the organisation.

11. *IC is more convenient the greater the size of the company* (P3). ICOs agree quite strongly (5.1) with this statement, whereas ECOs and executive coachees agree to a lesser extent (4.3 and 4.4). The main reason given is economic: large companies have a considerable number of potential executives for coaching processes, which can make investment in training and freeing up ICOs cost effective. At the same time, several ECOs insist that the distance in employment terms between coach and coachee is important for a 'clean' coaching relationship, which is impossible in smaller companies. However, some ICOs consider that it has nothing to do with the size of the company, but with its interest, policy and business culture.

12. *ECOs are normally more experienced and certified, unlike ICOs* (P11) This proposition is shared to a similar degree by the three groups involved, albeit not enthusiastically (overall average 4.5). Most of the experts argue that the external coach sees more different environments and has experience of different companies and fields, whereas ICOs normally only have experience of their own firm. However, some ICOs also argue that this does not depend so much on whether coaching is external or internal, but on the individual coaches themselves and their concern for their own training, and on the backing they receive from the company in their coaching activity, including the obligation to seek certification.

13. *IC is more accessible and flexible* (P2). The experts, especially the executive coachees (average 3.8) and ECOs (4.2), do not agree that IC is necessarily more accessible and flexible (in the sense of speed of contact, access, selection, ease of schedule, etc.). Both systems can be sufficiently flexible, they argue; it depends on the number of coachees the coaches have to attend to and the pressure of their other additional obligations. Moreover, some coachees and ICOs state that in IC there may be an excess of familiarity, which can more easily result in changes in the days of sessions, delays, suspensions; they argue that with an external coach there is normally greater reliability in terms of meeting the schedule.

14. *In IC, initial progress is faster* (P5). There is a medium degree of agreement (4.0) with this proposition; agreement is higher among ICOs (4.5) than ECOs (3.5) and executive coachees (4.2). ICOs speak the same language as the coachee; they already have knowledge of the organisation and the people, and thus understand them better.

There are cultural aspects of the organisation which an external coach not only does not know, but does not share either. (ICo No. 9)

ECOs, on the contrary, consider that an ICO takes more time to gain the coachee's confidence and assure the coachee that the process will be confidential. Some ICOs argue that IC requires a lot of time for focusing, clearly separating the roles, giving explanations on

the purpose of the process and tuning expectations. An outside coach does not have to explain anything apart from focusing directly on the coaching process.

15. *IC has more impact across the organisation than EC* (P8).

ICOs agree to quite a large extent with this proposition (5.4), whereas executive coachees (3.6) and, above all, ECOs (2.3) express clear disagreement. Those in favour consider that IC reaches more executives and is capable of transmitting the company's values and that knowledge on these executives remains in the company. When properly conducted, it helps reinforce the coachee's ties with and commitment to the company. They add that EC has an impact on the individual coachees, but less on the organisation. For their part, ECOs consider that EC has a greater impact because it is capable of showing and seeing everything from a perspective that stands outside the organisation.

It depends on the organisation's goals. Internal coaching can generate a 'coaching culture' in the organisation, which is very powerful. However external coaching can be more disruptive. (Cee No. 2)

Based on the difference of criteria between ECOs and ICOs, the propositions where their opinions were most opposed were as follows, ranked in order of the size of the difference in their scores:

- (1) *IC has more impact across the organisation than EC* (P8).
- (2) *In EC there is more trust than in IC* (P12).
- (3) *IC facilitates the retention of important executives* (P6).
- (4) *For multiple coaching processes, IC cost less than EC* (P5).
- (5) *In IC initial progress is faster* (P5).
- (6) *EC relationships are 'cleaner' ...* (P10).
- (7) *IC is more convenient the greater the size of the company* (P3).
- (8) *EC facilitates the retention of important executives* (P7).
- (9) *IC is more accessible and flexible* (P2).

In general, the three groups of experts are more in agreement than in disagreement with the propositions evaluated (average of over 4), with the exception of P8, with which neither the ECOs (average 2.3) nor the executive coachees (3.6) agree; P5, which is not supported by the ECOs (3.6); and P2, which is not supported by the executive coachees (3.8).

Discussion

In general, Spanish experts showed a high level of agreement with the propositions taken from the scant literature that exists on a comparison between IC and EC. The highest score, accompanied by the greatest consensus among the experts, came in propositions that indicate the potential of IC as a reinforcer of the firm's organisational culture (P1), and as an instrument for building sustainable leaders (P9). There is also a noticeable degree of consensus among all the experts that the two types of coaching should be seen as complementary (P14). These three propositions appear to support the advisability of opting for a coaching culture (Clutterbuck & Megginson, 2005; Gormley & van Nieuwerburgh, 2014; Hawkins, 2012; McComb, 2012a, 2012b, 2012c; Passmore & Fillery-Travis,

2011; Wilson, 2011), in which the two types of coaching should provide mutual support to ensure introduction (McNally & Lukens, 2006) and in which each leader assumes that coaching is part of executive activity, which helps them to improve themselves and other leaders, in such a way that the firm attains a gradual improvement in the quality of its leadership, adaptation of the knowledge, skills and attitudes (KSA) of its executives to its strategic needs and the building of a favourable organisational culture.

However, in some of the propositions, a certain degree of disagreement can be seen between some of the groups consulted. Each type of coach tends to see their own action and its repercussions for the firm as being more significant, possibly because they know it better and also because it justifies their professional activity. This is particularly obvious in P8, *IC has more impact across the organisation*, with which the ICOs do agree, whereas the ECOs completely disagree, each one citing different reasons. Among the rest, the coaches agree with the proposition but to different degrees, with a bias in all cases towards rating their professional roles higher. For example, propositions P12 *In EC there is more trust ...*, P10 *EC relationships are cleaner ...*, P7 and P15, are scored lower by ICOs than by ECOs. In the P2–P6, the opposite occurs.

It is to be noted that executive coachees generally have an intermediary opinion between those of the ICOs and those of the ECOs, although they tend to agree more with the latter.

Coachees and ECOs appear to be more aware of the drawbacks that can reduce the effectiveness of IC in the company: the risk that the pressure of coachees' and ICOs' other tasks in the organisation means that they pay less attention and dedicate less effort to the IC process than it requires (in P2 *IC is more accessible ...* they show even greater disagreement than the ECOs themselves), and less trust in the confidentiality of the process when it is conducted with ICOs, an aspect which is vital for the success of executive coaching, as Jones et al. (2016) and Rekalde, Landeta, and Albizu (2015) show.

Nonetheless, it is important to mention that the level of development of IC in Spain remains low and for that reason the mistrust shown by ECOs and executive coachees might originate in a lack of well-founded experiences of IC, although it might also relate to problems that are intrinsic to IC, which will not be resolved by wider use of the process.

Conclusions and implications for the management

The main contribution of this article is to give contrasted information on the main advantages and disadvantages of internal and external executive coaching, taken from the literature and tested against the opinions of the main groups involved: ICOs, ECOs and executive coachees. Given the qualitative methodology used, it has been possible to discover and provide the reasoning and justification behind each opinion, all of which should help decision-makers to choose between one type of coaching and another. This is important because within the organisational system, coaching is as a key factor in organisational effectiveness alongside leadership and strategy.

The main advantages of the IC are cost-effectiveness, the knowledge of the company and its culture and its potential capacity to transmit that culture. EC, for its part, appears to better ensure the generation of trust in the coachee, the confidentiality of the process and its more rigorous execution.

For small companies, EC is practically the only affordable option. Large firms, however, have the choice of opting for ICOs, ECOs or a combination of the two, depending on the objectives of the coaching process and the characteristics and needs of management participants and the organisational objectives.

In general, with regard to IC

- It is suitable for large companies, which try to retain and develop this intervention in long-term conditions. It could be economic for them; it contributes to conscious management of the culture of the organisation and of organisational change, to the alignment of executives' KSA with the strategy of the company, and it will facilitate the retention of key staff and to establishing a coaching culture in the organisation.
- The organisation (HR) and the ICOs must place great emphasis on guaranteeing the confidentiality of the process (voluntary participation for coachees, coachees select the ICO, etc.) and ensuring that it is carried out rigorously and seriously, respecting their schedule and not making it conditional on the coaches' and coachees' other tasks in the organisation.
- It may be advisable to complement IC with some EC, especially at the beginning of the process, in order to raise awareness among executives of the benefits of executive coaching, or sometime after the launch of the IC programme, in order to offer different perspectives and experiences.

EC, for its part, is the best alternative when:

- There is insufficient trust in the confidentiality of the process.
- There is a desire to use executive coaching in isolation to reorient the behaviour or skills of some of the executives.
- Coaching is not accepted or is seen as not being an intrinsic activity of executives.
- The coachees are very senior executives ranking above the ICO.
- There is a desire to launch the introduction of a coaching culture throughout the organisation.

In all cases, ECOs must gain coachees' trust, guarantee the confidentiality of the process and offer them, from their generally greater and more varied experience guidance in resolving their problems, while being aware of and consequent with the needs of the firm and its organisational culture. In this regard, the RH head must pay especial attention to selecting qualified coaches and to conveying the overall objectives of the process and the cultural and organisational context in which they are going to have to perform their work.

In any case, having IC in the company or using ECOs is in general an indication of the importance given to the development of executives.

Each organisation can choose between one or other type of executive coaching, based on their relative advantages and disadvantages. The important thing, however, is that coaching can contribute to the effectiveness of any company's most important asset – its employees. It engages with people in customised ways that acknowledge and honour their individuality. Executive coaching interventions help leaders and managers gain personal self-awareness that may enable them to further develop their skill and improve their value as leaders. Coaching is most effective when the organisation begins to have a coaching mentality and a coaching culture.

The most important point to bear in mind should be what the company wants to achieve through a coaching process.

Limitations and future researches

The main limitations of this work are firstly, that very little information and studies were available comparing IC and EC, and secondly, that the interviews and questionnaires used to contrast the propositions obtained were conducted with a convenience sample of 40 experts (ICOs, ECOs and coaches) from Spain, who responded based on their opinions taken from their own experience, presumably biased by their own perspective and interests. Therefore, although this provided abundant and in-depth qualitative information, it does not enable the results to be generalised. For this reason, the conclusions of this work should be contrasted against statistically significant and random samples of coaches, executives and HR managers in different geographical and cultural contexts. We also agree with Cameron and Ebrahimi (2014) on the need for future research dealing more specifically with IC and EC, especially on ways of developing a coaching culture in the organisation, how to make IC an internal capacity and a dynamic relationship between external and internal provision and coaching for different workforces.

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No potential conflict of interest was reported by the authors.

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