

CRITICAL FIRST STEPS IN BUILDING A COACHING BUSINESS!



Ignore the basics at your peril!

My purpose in writing this paper is to share with coaches the absolutely critical first steps that must be followed in establishing a successful coaching business. Not addressing these essential basics practically guarantees failure, as many potentially great coaches have unfortunately experienced.

Career background

By way of background my career has consisted mainly of setting up a number of consultancies in different cities and countries. My consulting career started in South Africa and evolved to the Middle East, New Zealand, India and finally back to New Zealand. I've undertaken exciting assignments in over 10 countries including Russia, Tanzania and Hong Kong. I've had a massive range of experiences, including enormous successes and serious failures. The common theme in my career has been improving business performance through profound leadership and organisation development, largely based on Action Learning foundations.

This time will be easier!

I'm now delighted to be back in New Zealand after 10 great years in India. And no surprise that I'm building another leadership coaching business!! This time will be much easier than before. I'm using all the learning, experience and advice I've gathered over decades. In addition there is great work being done and published on developing coaching practices. I'd like to share a few *critical initial steps* for establishing and / or growing a successful coaching business and also acknowledge the contribution of Sai Blackbyrn of the Couch Foundation in formulating the steps.

The non-negotiable critical steps

1. Establish Credibility and Trust

The world has moved beyond the hype of instant solutions, unrealistic promises, and inauthentic gimmicks. I believe implicitly that clients are looking to work with authentic coaches that are highly credible and who they can trust.

Please note that the brands you associate with, if they are strong and positive, can undoubtedly be a huge benefit - through your association with them. I set up a successful consulting business in India having never been to the country and knowing nobody. The massive advantage I had was the WIAL India affiliateship as a business foundation and being a Master Action Learning Coach myself (MALC). Make no mistake WIAL enjoys massive and growing international credibility. ICF is the same. In summary take your certifications and certification bodies very seriously. And most of all be your authentic, credible, and trustworthy self. I have honestly won over 90% of all my new business through referrals from people who have experienced me as being a highly professional, credible and trustworthy person.

2. Know & decide your Niche

Failure to identify the right very specific niche is undoubtedly the reason that many aspiring coaches fail miserably from the start. We cannot, with absolute certainty, be all things to all people and it is essential you identify your ideal niche.

Your niche is your playing field! The following are useful guidelines in deciding your niche:

- a. It must be abundant in number. There must be lots of people who are good candidates for your service.
- b. It must be easy to reach. If you cannot easily reach your desired market, you're dead before you start.
- c. Determine the very specific needs or "pain points" of your niche. What are the challenges they are facing, what outcomes are they seeking and not achieving, what do they have sleepless nights about?
- d. It must be prepared to pay you what you want. In India I developed a fantastic program for university leavers to make them immediately employable, which was a massive national crisis. Students couldn't afford it and nobody was willing to pay, hence it failed completely.
- e. Be passionate about your niche. You cannot be credible and trustworthy unless you're passionate about what you do and who you serve. My life purpose is helping people be successful and I choose to do it in the business arena

My New Zealand niche is business owners with over \$ 750,000pa turnover committed to revenue growth of 25 to 100% and profit growth of 30%+ over the next 12 months.

3. Design a great value adding and high ticket coaching programme

Your next challenge is to design a great programme that resonates with your target market and generates the revenue stream for a successful and sustainable business. Remember at this stage I am referring only to programme design and not actual programme development of all programme collateral like content, videos, slides, workbooks etc.. That comes only when you have sold the programme and have paying participants.

Over the years I've had to overcome some mindset challenges in designing and pricing programmes. Once I understood and embraced the following points, positive changes followed:

- a. Clients do not buy what you do, they buy the outcomes or results you deliver. It's critical that you have a programme that will deliver tangible results that your clients aspire to, over a realistic time period. Do not under any circumstances make programme content your key selling point.
- b. Design and sell a powerful programme and not time based, content sessions. It's simply not effective to sell time, as you have no leverage. For example, \$ 150 per coaching session. Sell a great programme consisting of a number of sessions / modules that deliver business critical results and you immediately put yourself in a completely different and highly desirable professional and price league.
- c. Overcome the fallacious belief that the lower we charge the more competitive we'll be. It simply puts us in the 'bottom feeder' league! Invariably good clients know intrinsically that they get what they pay for. In my early consulting days, I nearly didn't make it, until my mentor gave the advice to double my prices, and I never looked back.
- d. Seriously consider designing group coaching programmes, I believe it's the smart way to go and has numerous benefits. That's how I made it in India with a nine month leadership programme that I ran with groups of 8 people to achieve specific business outcomes. I worked with 24 people who generated far greater revenue and required far less selling, than the approximately 60 individual coaching clients I'd have needed.
- e. Ensure absolutely robust design that will guarantee delivery of desired programme outcomes. This demands a great and very effective approach to learning methodology. While this can be a complex area, all my programmes involve a strong action learning foundation, supported by individual & team coaching as well as relevant on-line content.



4. Validate and revalidate your niche and programme.

The most critical point once you have identified your target market niche and designed the ideal programme to serve the specific niche, is to validate it all. You have to be 100% confident on all the niche and design decisions you have made so far. In summary you absolutely must:

- a. Further research and confirm all the attributes of your niche. Are you 100% confident that you fully understand their desired outcomes, their detailed requirements, and the problems they face? Do you know their aspirations and goals? Do you know the criteria they use to decide on investing in development programmes? Have you got an accurate snapshot on what they perceive their strengths and limitations to be?
- b. Review and confirm or adjust every component of your programme design to ensure that it delivers on the desired business and development outcomes clients require. Assess whether your learning methodology is optimal and ensures rapid results.

The process of validation ensures that all the assumptions, decisions, projections, and other fundamentals remanded for a potentially strong client base and a product / service that is required by and aligned with clients, is actually in place.

So, what's next?

The above steps lay an essential and solid foundation for your business. They ensure that you have a strong target market and the right product/s to serve that market. This is a huge achievement! However, that is obviously only a great starting point.

Next comes all the planning and execution to transform your inspirational and realistic vision of your target market and product offerings into a highly successful and sustainable business. This is all about your leadership and entrepreneurial drive – the topic of another article.

The fundamental message & conclusion

The fundamental message and conclusion of this paper is that establishing or growing a coaching business is all about one thing. And that is FOCUS, FOCUS and FOCUS. Remember the wisdom of the old Confucius saying 'man who chases two rabbits, catches no rabbits'

Action Learning has numerous immensely powerful potential applications. My challenge to Action Learning coaches, with the greatest love and respect, is to very clearly identify one highly desirable target market, have one great product to serve that market and simply focus, focus, focus. It undoubtedly gives you the greatest shot at huge success. Good luck!



Ron Mcluckie
Master Action Learning Coach, The Netherlands
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