

## The Business of Coaching Agreements

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Did you know that the word “agreement” is referenced 10 times in the 2015 ICF coaching Code of Ethics? Are you aware that inappropriate contracting accounts for 50% of the issues brought to ICF for ethical review?

Professional coaches model clear communication with clients and one of the ways we do that is via a clear, concise written agreement. In the ICF 2015 Code of Ethics it says:

*Definition: A professional coaching relationship exists when coaching includes an agreement (including contracts) that defines the responsibilities of each party.* <sup>1</sup>ICF Code of Ethics, 2015

Do you have a written agreement with your clients? With sponsors of your clients?

*In all cases, coaching engagement agreements should clearly establish the rights, roles and responsibilities for both the client and sponsor if the client and sponsor are different people<sup>2</sup>; Have a clear agreement about how coaching information will be exchanged among coach, client and sponsor.<sup>3</sup>*

Do you have a written agreement with your virtual assistant or support personnel?

*Require all those who work with me in support of my clients to adhere to the ICF Code of Ethics, Number 26, Section 4, Confidentiality and Privacy Standards, and any other sections of the Code of Ethics that might be applicable.<sup>4</sup>*

What is a Coaching Agreement?

A coaching agreement as discussed in this article relates to the context of the coaching relationship between coach and client (and/or sponsor) and the specific agreements that are contained within it. We will focus on written agreements, (both life coaching and business/corporate) that describe the entire coaching engagement, not the agreement about a coachable result for a particular meeting. As in the Code, we shall use the terms agreement and contract interchangeably.

What This Article Covers

- 3 purposes for having written agreements
- 3 true scenarios revealing what can happen with and without an agreement
- 4 tools and tips
- 5 ways agreements support effective coaching partnerships

Why Have a Written Agreement?

1. An agreement educates clients and sponsors about what we do, what we commit to, our boundaries and flexibility, our intentions, what we offer and how we offer it, our role and responsibilities, and our fees. As coaches we know that the head brain can cleverly and easily forget, distort or enhance facts. A written agreement is a record of facts that all parties accept. It is more difficult to dispute something in writing than something floating in one's memory. Lawsuits and ethical challenges take time, money and are a significant energy drain. One way to decrease that is to have a clear agreement.
2. Agreements model effective relationships. by describing a clear and concise mutual understanding. The mutually agreed protocol creates a foundation of trust and predictability in the partnership from the beginning.
3. We are a profession! Coaching is a business (not a hobby). Agreements and contracts are commonplace in business.

What Can (and Does) Happen Without an Agreement?

When coach and client (and sponsor) recall elements of a verbal agreement, each may be attached to one's memory. When disagreements and arguments arise, emotions become intense and the mutual respect and solid foundation of understanding is undermined and eroded. The partnership crumbles and animosity, judgment and fear replace caring, respect and connection. With an aligned vision, clarity of purpose, method and outcome, an emotional battlefield can be averted.

## Three Examples

1. Juan pays in advance for 4 months of coaching. After 2 months he wants his money returned because he is not receiving the value he expected.

Without an agreement: The coach says he will refund that portion of the payment in excess of services already delivered, because he feels that is fair. The client continues to demand a full refund. Both have different positions; each feels his is right. Tempers flare, emotions soar, time passes and energy is spent in trying to resolve this situation.

With an agreement: The agreement says payment is only due for services rendered. The coach refunds that portion of the payment in excess of services already delivered, reminding Juan about their agreement. The Coach's reputation remains in tact. *Respect the client's right to terminate the coaching relationship at any point during the process, subject to the provisions of the agreement.*<sup>5</sup>

2. Maria has a goal to create a personal vision for her life, and pays for coaching services out of her personal savings, not family funds. She had not told her husband. Her husband learns of his wife's coaching and calls the coach wanting to know how Maria is paying for services.

Without an agreement: The coach speaks with the husband, telling him not to worry because Maria is using her own money. There had been no agreement about what can be said to whom and the coach behaved in a way she thought was truthful. Maria is furious with the coach and their partnership dissolves. The coach's reputation is harmed.

With an agreement: The coach committed to confidentiality in the written agreement. She refuses to speak with the husband and he is very angry. The coach immediately contacts Maria, and explains she refused to speak with the husband because she honored the written agreement regarding confidentiality. She asks Maria to handle the conversation with her husband. Maria is very grateful that the coach honored the agreement. *Have a clear coaching service agreement with my clients and sponsor(s) before beginning the coaching relationship and honor this agreement. The agreement shall include the roles, responsibilities and rights of all parties involved.* #19.<sup>6</sup>

3. You successfully complete a coaching assignment in a well-known company. On your website you add this company's name to the list of companies in which you have coached.

Without an agreement: You did not ask the company for permission to use their name. You are sued.

With an agreement: You had asked the company for permission to use their name and they told you exactly *how* they wanted you to refer to your work with them in order not to reveal their strategy for using coaching as a competitive advantage. Because of your written agreement, you created a win-win situation. *Have a clear agreement about how coaching information will be exchanged among coach, client and sponsor.*<sup>7</sup>

## Tools and Tips

1. Use your Brains when creating your agreement

- Heart Brain: How does this clause feel? Does it feel fair to me? To my client? To the sponsor? Is it congruent with my values? The values of my profession?

- Gut Brain: What does my gut say? Are the boundaries clear? Can I truly commit 100% to honoring this contract?

- Head Brain: How else might these words be interpreted? What assumptions am I making?

2. Include a copy of the ICF Code of Ethics with your agreement to clients, sponsors, virtual assistants, etc. and highlight

relevant clauses.

3. Have a lawyer review your agreement. Remember, the profession of coaching does not have client privilege, so if a court of law subpoenas your records or puts you on the stand to answer questions, you must provide the documents and abide by their protocol.

#### 4. Sample Clauses and templates

A few years ago an ICF Global Ethics Subcommittee (Meg Mann, MCC and Neil Scotton, PCC) created sample clauses for different scenarios including team coaching, sponsors, group coaching, and internal coaching. The templates were designed to offer you options. You use those clauses that will meet your needs. If you wish a copy of this 5 page chart with sample clauses, please email Teri-E coach@belf.org or Annie annie@radicalwisdom.com

#### Five Ways Coaching Agreements Support Effective Coaching Partnerships

- We create an atmosphere of trust where coach and client can rely on each other to continue authentic conversation even in difficult conversations.

- If coaching does not meet the expectations of client or the coach, the agreement outlines the parameters for ending the relationship with respect.

- The process of coaching is a model for clear communication that clients can use in their lives.

- Collaboration is one of the top trends in this decade and coaching can lead the way to support business transformation and evolution.<sup>8</sup>

- Clients come to coaching for results. An agreement can provide a starting place to detail specific goals and measured progress.

#### Summary

The ICF Code of Ethics includes the requirement to have a coaching agreement that defines and outlines the responsibilities of each party. It is our hope that we have given you useful information and the motivation to encourage all professional coaches to include a well-designed written agreement as a part of every coaching engagement.

Note: The authors are not representing ICF, although we are grateful to have the ICF Global Ethics CoP as a fabulous resource.<sup>9</sup> Also we are not lawyers.

<sup>1</sup>ICF Code of Ethics Definitions, v 2015

<sup>2,3</sup>Ibid #25

<sup>4</sup>Ibid #27

<sup>5</sup> ICF Code of Ethics, v.2015, #22

<sup>6</sup>Ibid #19

<sup>7</sup>Ibid #25

<sup>8</sup>Belf, T. Coaching and Collaboration: the Synchronistic Merging of Two Trends to Support Business Transformation and Evolution, July, 2013

<sup>9</sup> The Ethics CoP meets the 2<sup>nd</sup> Wednesday of each month and has 100+ members who participate in learning and exploring coaching ethics, in theory and practice.