Right or Wrong?

Applying ethical guidelines to real situations

By Tim Hallbom and Nick LeForce
Would you like to think through ethical problems that can arise in a coaching practice — before they come up in reality? In this article, we’ll give you a chance to test your ethical ideas by reviewing some potentially problematic scenarios and comparing your answers with those arrived at by a group of coaches who pondered the same questions. Deciding your answers for these sorts of issues is a great mental exercise and can save you from grief later on. Formulating answers for yourself will help you establish and keep good professional boundaries, and will enhance your success as a coach.

Two or three months ago, our Institute (The NLP and Coaching Institute of California) received a request from the Ethics Committee of the International Coach Federation (ICF). They were researching how ethics is being taught by the accredited coach institutes and were wondering how we were teaching ethics in our NLP Coach Certification Program. Beyond reviewing the ICF ethical guidelines we realized we were not really looking at ethics per se as a part of our curriculum. Yet we also realized how important it is for prospective and practising coaches to explore ethics.

One way to think about ethics is to break it down into two continuums: general to specific, and absolute to relative.

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**General** — Some behavioral rules are universal. In other words, you would want them to, generally, always apply. Some examples of general principles include: making certain that the work that you do with a client is genuinely appropriate for him or her; treating your client with respect; following the Golden Rule; being present and attentive to your client; holding the client’s agenda; not putting your map of the world on your client; and doing no harm, etc.

**Specific** — Specific rules apply only in certain situations. For instance, laws that may shift from state to state would be specific ethical rules. As an example, in the State of Texas you need to have certain licenses to call yourself a therapist. In Colorado, there’s a special category — psychotherapists who are not licensed, yet can legally practice psychotherapy. Respecting cultural mores is another example, but can be problematic. For instance, marijuana smoking is legal in Holland, but not in the United States. Female circumcision is practiced in certain countries, yet most Americans are aghast at such behavior, and think of it as tragic exploitation of women.

**Absolute** — These rules and ethics principles should never be violated. There is wide consensus on these rules. And they always apply. Some examples include: No dating clients! No sex either! Do not give medical or legal advice. Except for some extreme exceptions absolutes are true everywhere, all the time.

**Relative** — These rules change with context. What might be ethical in one situation is not in another. For instance, conducting business other than coaching with a coaching client, such as attending the art class that your client is teaching, or accepting your doctor as a coaching client. In these situations it might depend on the doctor and the kind of relationship that you have with him or her. There would not necessarily be an absolute rule.

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**What would you do?**

Every profession must adhere to certain ethical guidelines. For example, the International Coach Federation (ICF) has formulated a set of guidelines for coaching — see www.coachfederation.org. Guidelines, however, do not always tell us how to act ethically in specific situations. You must use your conscience to determine appropriate actions in
You must use your conscience to determine appropriate actions in real life situations. Moreover, you may be called upon to justify your actions.

The following scenarios are designed to help engage ethical decision-making and encourage you to apply ethical thinking when dealing with real life situations. For each one, consider how you would act.

Your goal is to identify the values and criteria that help you determine how to act as well as to determine a course of action. Consider the potential conflicts or problems that may arise, how the action may affect you, so, how do you justify it?

The questions above were all considered by a group of coaches in a coach training session. Do you agree with their answers?

1. A coaching client asks you to become a member of the Board of Directors of her company. Do you accept?

   a. Do you set up different rates? If you do not, how do you justify it?
   b. Imagine you charge different rates for business coaching ($200 per hour) and personal life coaching ($125 per hour). A business client completes the contracted cycle and now wants to continue working with you for life coaching. Do you lower the rate?

2. A client knows you are traveling in his hometown and invites you to dinner. Do you accept the invitation?

   a. Do you have a separate multi-level networking marketing business selling herbal vitamins? A new coaching client is a perfect match for this other business. Do you tell the client about it?
   b. Imagine you charge different rates for business coaching ($200 per hour) and personal life coaching ($125 per hour). A business client completes the contracted cycle and now wants to continue working with you for life coaching. Do you lower the rate?

3. A coaching client reveals that his ‘available,’ you run into a client that you have not worked with for a couple of years at a party. (S)he suggests that you go somewhere and have a drink together. What do you do?

   Answers from the field

   The questions above were all considered by a group of coaches in a coach training session. Do you agree with their answers?

   1. A coaching client asks you to become a member of the Board of Directors of her company. Do you accept?

      This might be flattering, and your client has good reason for asking—be or she knows you and trusts you. However, accepting the offer would certainly set you up for potential conflicts of interest. For example, the Board of Directors may be required to determine how much your client gets paid; you might have to vote about whether to fire your client; you might have to oppose your client on a policy decision. Furthermore, it may appear that you wiggled your way in to this board position because you’re cozy with your client. Your client may also have different expectations of you than of other board members, since you are his/her coach. Our group voted an absolute no on becoming a member of the Board of Directors.

   2. A client knows you are traveling in his hometown and invites you to dinner. Do you accept the invitation?

      This is more of a relative issue. The purpose of the dinner would determine whether or not joining your client is appropriate. Our group felt that if the meeting was for certain business purposes it could be appropriate. For example, one member of our group had a client who wanted to write a book about his coaching experience. The dinner was an informal way they could actually meet in person, rather than on the phone, to discuss the book. However, if the dinner is just for a social meeting it is inappropriate, and could create problems later. You know a lot about your client. Your client knows very little about you. This makes for an unbalanced relationship.
3. A coaching client tells you in confidence that she is about to launch a business that will directly compete with, and potentially negatively affect, a close personal friend of yours. For example, your client intends to open a store right next door to your best friend’s store. How do you respond to your client? Do you tell your friend? While this situation can put you on the spot as a coach, it is an absolute no-no to tell your friend. This would violate the confidentiality rule that is so important to your credibility as a coach. One member of our group did say that she would tell her client that she has a close friend with a store nearby.

4. A friend of yours whom you have known for a long time asks to be a coaching client. Do you accept? What factors would you consider in making your decision?

   Our group uniformly agreed that it’s not appropriate to work with friends as a coach. The obvious reason for this is that the coach-client relationship is a professional relationship, where one person, the client, is sharing lots of information with you as a coach that you do not reciprocate (at least if you are a competent ethical coach who is holding the client’s agenda). Everyone in our group did agree, however, that they might use certain coaching skills to help friends sort through specific problems using coaching tools and techniques, so this is a relative issue.

5. You are setting up your fees and know that business clients will pay more than personal clients.

   a. Do you set up different rates? If so, how do you justify it?

   b. Imagine you charge different rates for business coaching ($200 per hour) and personal life coaching ($125 per hour). A business client completes the contracted cycle and now wants to continue working with you for life coaching. Do you lower the rate?

   This scenario generated more conversation than any of the others. Our group agreed that if you set up different rates, you need to justify a different rate structure. For example, if you are charging more for business coaching you need to be able to justify that more service, more effort or more time is required. So this is a relative issue. One coach said that he did charge the same amounts for business and private clients, but had a sliding fee structure for private clients who could not typically afford his rates. This way he could include a wider range of clients.

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**Caught in a Trap**

By Julie Kassalow Norris

**Challenge**

One morning a client with whom I’d been working for almost a year ran in to the conference room for our coaching meeting late. He looked deadly serious and very stressed. At first he was tight lipped, sharing only that he was extremely busy and under a lot of pressure to meet deadlines. Suddenly he divulged that he was in trouble. There had been a significant error in quoting a price to a customer. He knew it would take hours of his time to get to the bottom of exactly how and why the error had occurred. Since he felt too time pressured to figure out why the mistake had occurred, he had simply assured the customer they would not be financially penalized in any way and that his company would absorb the financial costs of the error. The next day in a meeting with the executive leadership team, the highest level managers decided that the company would refuse to absorb any of the costs of the error and that the customer would be forced to absorb the loss. The executives did not know about the promise that my client had made to the customer.

My client was now feeling trapped and wanted my help in deciding on a course of action. He immediately settled on his solution. “I’m going to lie. I’m going to hide the numbers and somehow cover this thing up. It’s my only way out.”

**Action**

Suddenly the word ‘ethics’ began flashing in red before my eyes. The ICF Code of Ethics, Standard #22 states that, “I will respect the confidentiality of my client’s information except as otherwise authorized by my client, or as required by law.” Standard #25 states, “I will seek to avoid conflicts between my interests and the interests of my clients.” What were my responsibilities here? Should I try to talk him out of it? Should I report it to his manager? Should I report it to Human Resources? Should I say nothing, return to my office and go about my business?

I looked long and hard at him. And I started asking questions. What would the cover-up look like? What would your lie sound like? How would this affect your ability to do your daily work? How would this affect your daily life? What would be the likely consequences of those actions? What is the best that could happen? What is the worst that could happen? And finally, what do you plan to do?

**Result**

He relaxed and smiled faintly. He said, “I can now understand how good people make bad decisions at work and end up in serious trouble, ethically and legally. I’m going to need to put in some extra hours tonight to dig in and discover how the original error occurred. When I know that, I’ll be clearer about what the honestly sound solution will be.” He stood, gave me a little wave and said, “Thanks, see you next time.”

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6. A client feels that she has been mistreated on her job and quit. She reveals that she stole about $500 worth of company equipment. How do you respond?

One of our group responded by saying, “I would hang up the phone and immediately call the police.” Then, of course, the issue of confidentiality came up. Under these circumstances, do you maintain confidentiality? Do you coach around the issue of her behavior? Our group agreed that this was a relative issue.

(Note: Coaches have no legal rights to confidentiality, as do clinical social workers or psychiatrists. However, it is important to know which kinds of issues we need to contact the police about. This may vary from state to state, but virtually all states and provinces in Canada require that we would report child abuse, elder abuse, or the selling of narcotic drugs.)

Let us make this a little more complicated. What if your client told you that she had not been paid for over a month, and that her boss had made inappropriate and coercive sexual advances. Also, she lent him money to help him out, which he never repaid. Does that change how you might deal with this issue? It certainly doesn’t make her theft right, but it may change how you respond to her. There is certainly no absolute right way to deal with this as a coach. Our group decided they would help coach around this issue in terms of her own character and ethics. One of our group members said they still wouldn’t keep her as a client, however, because the client’s values would not be compatible with her own.

7. A coaching client reveals that his doctor had prescribed Prozac to him some time ago. He reports that he is feeling much better as a result of the medication gives him. Your sense of him is that he is a high functioning person. It doesn’t make any sense to you why he would have been on medication in the first place. How do you respond?

This scenario has a simple and absolute answer. Refer him back to his doctor. Advising him on his medication would mean that you are practicing medicine without a license. You could coach him, however, around the issue of how to communicate more effectively with his doctor.

8. In addition to your coaching practice, you have a separate multi-level networking marketing business selling herbal vitamins. Your new coaching client is a perfect match for this other business. Do you tell the client about it?

Our group uniformly agreed that it would be a conflict of interest to include your client as a part of your multi-level marketing business, that this is an absolute issue. One person suggested that you could refer him to the vitamin business, to check it out for himself, but in a way where there’s no economic tie back to you at all.

9. You have a contract with a large company to provide coach services to a group of employees. The manager who hired you requests your assessment of the company loyalty of one of the employees that you coach. He says that he has a right to know since he’s paying the bill, and that your job is to help the company.

Our group uniformly agreed that this is a confidentiality issue, and thus a coach should absolutely not respond to this specific question. They felt that the coach’s job would be to help the manager understand the importance of confidentiality in the coach-client relationship— that should it be breached, the coaching would not be effective, nor would the practice be ethical.

10. Assuming that you are single and ‘available,’ you run into a client that you have not worked with for a couple of years at a party. (S)he suggests that you go somewhere and have a drink together. What do you do?

We had a 100% absolute agreement that it is unwise and unethical to date someone who has been a client. Many clients return for coaching as needs arise, so in a sense, you might think of clients as ‘permanent.’ Beyond that, there’s the issue of the unbalanced relationship where you know much more about the client than he or she knows about you. Finally, it could be perceived that you somehow set your client up for a romantic relationship.

Coaching with integrity and ethics often includes making hard decisions. Sometimes the decision that you make to stay in integrity may not be immediately intuitive. Thinking through these kinds of issues ahead of time can help you serve your clients and yourself in your coaching practice. This will contribute both to your success and your own sense of well-being.

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Conclusion

Coaching with integrity and ethics often includes making hard decisions.