



COACH: Lloyd Denton coaches top managers and leaders of companies in the region. He says this is his life's calling.
TDN photo: Husein ALTINBIR

Turkey's top executives find their coach at Praesta

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ISTANBUL- Turkish Daily News



Lloyd Denton, a US native is co-founder of the first international exclusive executive coaching firm. With his unique experience in history, theological studies and extensive business experience he aims to build relationships that challenge business people to push forward

Through a heavy metal door of a building in Istanbul's Nişantaşı neighborhood, there's a floor full of soft-lit rooms. Each one has pale wall-to-wall carpeting, a couple of armchairs and a couch. On one of the two coffee tables there is a box of tissues and a stack of pliable cards with slots for future appointments. Just when you wonder if you are in a psychological clinic, U.S. native and executive coach Lloyd Denton walks through the door. With a rare mixture of hard-nosed executive professionalism and attentive pastor-like care he greets the Turkish Daily News as he does his clients. Behind the door an easel pad betrays his aim. There will be no psychobabble. This is Praesta, the Turkish branch of the only international dedicated executive coaching company, where the top dogs of leading multinationals such as Pfizer, PepsiCo and Microsoft go over their challenges and aspirations and find ways to improve themselves and their businesses. "It's a rapidly growing business and it is replacing training for executive leaders," says Denton, also one of the company's co-founders. The industry he refers to is executive coaching which has come to take the place of training, defunct in top-tier management where leaders are better trained and experienced than their staff. These leaders have turned to the coaching sector to help them find solutions to tough challenges, evaluate and assess themselves and bring about change. Denton, with a background in history, pastoral care and mentoring has been working with his partner Hande Yaşargil since 2002 when they founded the Praesta's predecessor, Mentor. In 2006 along with other coaching firms around the world they founded Praesta, the first international exclusive executive coaching firm. It operates in 14 economies and boasts 60 coaches.

Denton, says that through co-founding Praesta in Turkey, he is on his own exploration. "I'm on a journey... and I find that what I'm doing now allows me to be creative, it allows me to be in constant learning relationships with people and allows me to be helpful," he says. With studies in history, a stint at Oxford University and a Masters of Divinity from Princeton Theological Seminary, Denton worked with churches before he founded his own technology consulting and mentoring firm in Washington, D.C. After he sold his business in 2001, his current business partner, also a Praesta coach, Yaşargil "convinced" him to bring ex-

ecutive coaching to Turkey. "Initially I thought, 'Let's try it,' and I've never looked back," says Denton. "It's a creative act to build any business from nothing. In our work we try to encourage resilience, creativity and courage. Those are the primary leadership competencies." Denton explains that leaders are courageous enough to do what others aren't doing and creative enough to find ways to do it. "And when they have obstacles they find ways around them." He picks up a large framed photo of a boy in a blue sweater on a makeshift sled on wheels laughing as someone pulls him through the street. The photo is one that Denton took on the largest of the Princes Islands, Büyük Ada. The word "Courage" is printed on the photo. "To have a good life you have to risk some adventures," he says.

A Socratic method

Looking back at how it all tied together he remembers his early fascination with the British tutelage system and how he chose a U.S. school that would offer him that. "So all my education work in history was done in a one-to-one fashion." Once a week he would meet with his professors who asked him what he wanted to study or scrutinized his papers. "It's a very Socratic style," he says and draws a parallel with his history education and the coaching he does now. "It's linked more in the method than the content." Apart from living in a country and city that's "rich with history" he doesn't use his history degree, and apart from the fact that he lives in Constantine's city in the part of the world

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where Paul went on his missionary journeys he doesn't use his theology either. "But the method I learned as a young man at Oxford is something that I'm still using very much today in my dialogue with senior executives that I coach. Not that I'm a tutor, but there is something very powerful in a dialogue where both people are interested in learning from each other and moving forward." Every time Denton sits down with a CEO or a manager for the first time he asks them what they want to accomplish. For him the facilitation is not about education, but about changes people want to make. "Many people have a positive change in mind they want to make in their business, in their style of management, in the way they balance their work with the rest of their life. And my work is to facilitate that change." The people Praesta works with "are really good and extremely successful," he explains. "Because they are good they pick up more challenges or maybe they are asked to take on new responsibilities. They might have a challenge to face that requires an adaptation."

When Denton and Yaşargil started out with Mentor they knew there were executives in Turkey who needed them, but weren't sure how many would actually seek this type of service. "We knew there was a need, but we weren't sure if there was a demand. When PepsiCo and Pfizer became our clients, then we knew it would grow," he says explaining how Praesta emerged later. "We then wanted to be the best at doing it... we wanted it to not only be locally successful, but globally competent." Coaching sessions usually take place over the



course of a year, once or twice a month, and last two hours. "It's not a training seminar or training for creative leadership," says Denton. "It's a month after month dialogue and that's powerful because change happens over time and when you are accountable to someone else." The coaching starts with a snapshot of where the executives are, with a collection of evaluations and assessments from bosses, colleagues and staff. A barometer is put to the culture of the organization and various psychometric tools are used to create the client's profile. "We identify top priorities - usually two or three things we have to focus on." Denton explained that while executives or their companies are going through transitions it could be the case that they have to learn finance skills or how to communicate in different ways; things that "require concentration and focus." From helping say the CEO of a bank, to a divisional manager of a drinks company, to a law firm partner or even a surgeon trying to start up surgeries in different countries Denton has gained valuable vicarious experience but most importantly learned skills and perspective that he can pass along to other clients. "I've learned just in the last year how to do Islamic banking and beer manufacturing," says Denton. "Of course I learn a lot and the perspective I learn helps my clients."

Turks 'comfortable with chaos'

Denton says one of the reasons he came to Turkey in the first place was to broaden his "local" perspective and take on a broader one. "Now more and more we have a challenge to think of how our local choices have global impact," he says. What has impressed him the most being here is how many Turkish executives are having this global impact in a wealth of sectors. "There are many talented people in Turkey. In some of the multinational companies, in many sectors, if you look at the top leadership you find Turkish leaders." When he first came to Turkey he said he couldn't have guessed or known that so many talented people came out of Turkey. He told the TDN that he attributes their success to the fact that they are talented and educated, "but have a level of comfort with chaos." Living in Turkey, he says this is something he has embraced more and more. "I've always kind of liked chaos. I used to call it ambiguity: you don't know what's going to happen tomorrow." Now he says he is amused when foreign partners ask for, say, a budget for 2009. And how befitting for a traveler not to know the future. "I'm not a trainer or consultant that brings a specialized knowledge. Instead I'm involved in a process," he says.



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Hong Kong: A Turkish business destination

Recently visiting Hong Kong to attend the Annual Meeting of Invest Hong Kong, I once again had the chance to explore this part of the world. Due to the increasing importance of China in the world economy, business relations between Turkey and China have been revived remarkably in the last couple of years. Following this trend, TUSIAD, the Turkish Industrialist' and Businessmen's Association has recently opened an office in Beijing. There are also a number of prominent investments worth \$150 million by Turkish enterprises in this territory; however, it is interesting to note that throughout history Hong Kong has always been used as the main entry point to trade with China. Following the "handover" to China in 1997, all the evidence still points to Hong Kong being the main entry for trade - and this is likely to continue.

Currently, there are more than 40 Turkish companies with offices in Hong Kong; e.g. Ram Pacific and Vestel are some of the well-known names. These offices concentrate mainly on sourcing cheap products or raw materials from mainland China. Some aim to take advantage of the transfer pricing issues, others use the Hong Kong company as a parent company, which will invest in mainland China. It is acknowledged that Hong Kong is the leading foreign direct investor in China and companies originating from Hong Kong had invested around \$17 billion on the mainland, according to economic indicators published in 2005. No doubt, the legal system in Hong Kong, which has its roots in the old British system is less daunting for Turkish companies than making a direct investment in mainland China.

In addition to its proximity to the Chinese market, there are other reasons why Turkish businesses are considering investing in Hong Kong. It is Asia's most international city and for a long time has been used by many international companies to secure a foothold in the Asian marketplace. The main highlights of Hong Kong, referred as the world's freest economy, are the availability of service sector professionals, low taxation, convertible currency, free flow of information, fair and transparent government as well as long established rule of law. Moreover, the region has become particularly attractive after China entered the WTO in 2001, and after the Closer Economic Partnership Arrangement (CEPA) between China and Hong Kong became effective in the beginning of 2004. This opens up new and exciting opportunities for companies with at least three to five years history in Hong Kong which are specialized in the areas of trade in goods, services and investment facilitation.

Taxation

Hong Kong taxes are among the lowest in the world and its regime is simple and predictable. The corporate profits tax rate is 17.5 percent and personal tax is amongst the lowest, at about 16 percent. Additionally, no tax is paid by firms or individuals on foreign sourced income. There is no tax on dividends or bank interest; no capital gains tax, no VAT or sales tax. Basically, only company profits, salaries and property rental income are taxable. This limited tax base combined with exceptionally low tax rates makes Hong Kong's tax burden much lower than in virtually all other developed economies.

Invest Hong Kong

Whilst the outlook for the American economy and that of many other developed countries looks disappointing, the future of the Chinese economy looks much rosier. Given its geographic advantage and highly developed infrastructure, Hong Kong is an ideal hub for countries like Japan, Korea, Thailand, Philippines or Vietnam. It makes considerable sense for Turkish companies to consider the opportunities for establishing operations in Hong Kong. From this perspective, a governmental investment promotion institution - Invest Hong Kong www.investhk.gov.hk, which was established 10 years ago helps companies and individuals in their investment decisions in the region. It promotes advantages of Hong Kong as a base to locate a business. Besides the fact that its services are free and confidential, the Agency partners with clients on a long-term basis and assists them in all stages of business development. It provides latest information on business legislation, taxes and costs as well as immigration and employment requirements. It can clarify sector-specific issues, arrange meetings with professional associations and appropriate companies or organizations and provide PR support during the launch of a new company. It also gives advice on settling in Hong Kong, in particular on issues such as housing, healthcare, schooling and social networking.

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