

## RETURN ON INVESTMENT WITH COACHING

Return on Investment with coaching initiatives is extremely difficult to prove. As much as both coaches and their clients would like to point to the various ROI studies conducted on coaching, the unfortunate yet truthful message is that it is difficult to determine the scientific validity of these research efforts.

Nevertheless many researchers have attempted to provide conclusions on the financial value of coaching in organizations. Here is a sample of these results:

- 144% ROI as reported in a 2008 national study by SHERPA, a leading coaching firm in Cincinnati, Ohio
- 529% ROI as reported in the 2001 *Executive Briefing on the ROI of Executive Coaching* by MetrixGlobal, LLC
- 10:1 ROI as a key finding in the 2001 *Impact Report on the Coaching.com Intervention*
- 6:1 ROI as reported in a 2004 survey by Right Management

More helpful are studies which provide findings on the "non-financial" returns on coaching. Research studies of these types evaluate the impact of coaching on business goals, organizational development and individual performance. Sample findings point to these non-financial returns on coaching.

- 60% increase in leadership effectiveness (1)
- 88% increase in productivity (2)
- 77% reported improved relationships with direct reports (3)
- 67% reported improved teamwork (3)
- 48% reported increased work quality (3)
- 100% reported they believe that coaching can improve a leader's effectiveness (4)
- 93% gained greater insight into how their own actions impacted others (5)
- 81% had better relationships with their cohorts (5)
- 70% achieved a better balance in their lives (5)

### Sources

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(3) McGovern, J. et al. adapted from *The Effectiveness of Executive Coaching: What We know from the Literature and Experience, and Where We Should Go From Here. The Manchester Review, 2001, Vol. 6.Number 1.*

(4) Hay Group, 2002, *The Future of Executive Coaching*,  
([http://www.haygroup.ca/pdf/knowledge\\_exec\\_coaching.pdf](http://www.haygroup.ca/pdf/knowledge_exec_coaching.pdf))

(5) Gegner, Carol. *Summary of Executive Coaching Research Project, Executive Coaching and Consulting Systems in the UK.*