

What kind of Return on Investment (ROI) Do Companies Get from Coaching?

THE ICF GLOBAL COACHING CLIENT STUDY REPORTS THE MEDIAN COACHING ROI TO BE 700%

The International Coach Federation conducted a qualitative and quantitative global client survey and interview research project between May to December 2008. The full research report was made available to the public on June 11, 2009. Highlights related to the return on investment from coaching are reported here. This is a crucial research topic -- what do coaching clients say is the value of coaching?

The design phase of the research consisted of three components: First, fourteen in-depth interviews were conducted with an international sample of coaches to assist with the design of the questions to be utilized in the qualitative and quantitative study. Second, the qualitative research phase consisted of five focus groups with a total of 41 clients participating. The focus groups allowed for in-depth probing of qualitative issues. Third, the quantitative research component consisted of 2,165 coaching clients from 64 countries participating in a 20 minute online survey.

What do clients say motivates them to begin coaching? The clients cited career opportunities and business management as their most important reasons for seeking coaching services.

Both coaches and consumers of coaching services are interested in Return on Investment (ROI) studies on coaching. An often cited ROI study of executive coaching, *Coaching for Increased Profitability: How to Deliver and Demonstrate Tangible Results to the Bottom Line* by Merrill C. Anderson, Ph.D. MetrixGlobal (2003) had reported an ROI from coaching of 788%.

In an apparent confirmation of that finding, the ICF Global Coaching Client Study Executive Summary (April 2009) reports:

- The vast majority (86%) of those able to provide figures to calculate company ROI indicated that their company had at least made their investment back.
- Almost one fifth (19%) indicated an ROI of at least 50 (5000%) times the initial investment
- A further 28% saw an ROI of 10 to 49 times the investment.
- The median company return is 700% indicating that typically a company can expect a return of seven times the initial investment.

Source: ICF Global Coaching Client Study, Executive Summary, April 2009, in consultation with PricewaterhouseCoopers LLP, and Association Resource Centre, Inc.