The Benefits of Executive Coaching

This document highlights the extensive benefits executive coaching has on business development and overall employee satisfaction.

The research focuses primarily on the return on investment (ROI) from coaching; the effect coaching has on employee/wellbeing, and how it can increase employee retention and engagement.

Evidence has been gathered from our clients, and from previous research that highlights the significant positive effect coaching can have on an organisation and its employees.

The previous research includes both qualitative and quantitative data, as well as individual case studies and support from articles produced by the Harvard Business School.
Return on Investment

Direct quotes from our clients

“"I think I measure my development and success on the performance of the company, so the numbers, figures and the balance sheets which have been really good combined with ensuring that we overachieve on those numbers.”

Rob O'Callaghan MD at ReThink Recruitment

“"I do know that everybody who has had executive coaching sees it as a real perk for working with this organisation, it is something that is very intangible but a business benefit and the very fact the feedback from the staff has been so good shows it is an investment.”

Andy Lord CEO of ReThink Recruitment

“"It is definitely safe to say that without executive coaching we wouldn't be as stable as a company as we are now and we probably wouldn't have grown so much.”

Paul Clapham MD of Dungarees Online
Return on Investment

*Research support that executive coaching is a valuable ROI*

**EMPIRICAL STUDY** (quantitative and qualitative) by Kombarakaran, Yang, Baker and Fernandes (2008)

Kombarakaran, Yang, Baker and Fernandes (2008) looked at the effect of executive coaching on 114 executives involving 42 coaches. They found executive coaching to have five key areas of change:

1. Increasing effective people management
2. Producing better relationships between managers
3. Improved goal setting and prioritisation
4. Increased engagement and productivity
5. Creating more effective dialogue and communication.

Moreover, **73% of the executives said that time spent on coaching was a good return on investment.**

However, it is difficult to determine the degree to which financial benefits are directly related to executive coaching. Despite this, executive coaching has been proven to have other psychological benefits on employees and directors.
Return on Investment

Case Study to support executive coaching as a valuable ROI

CASE STUDY MetrixGlobal LLC (Anderson & MetrixGlobal, 2001)

MetrixGlobal, LLC found that the introduction of executive coaching within their business produced a total 529% return on investment and significant intangible benefits to the business.

This included the financial benefits from employee retention, which boosted the overall return on investment to 788%.

From the 30 respondents, the most significant impact of coaching was on productivity (personal and group work productivity) - 60% favourable, and employee satisfaction (personal satisfaction and ability to increase team members satisfaction) - 53%.

Additionally, half of the respondents documented annualised financial benefits and both work output (30%) and work quality (40%) were significantly impacted.

“This included the financial benefits from employee retention, which boosted the overall return on investment to 788%.”
Employee Wellbeing

Direct quotes from our clients

“"I think coaching has given me the perspective that my overall success is not just defined by my work achievements, but is also defined by how much time I spend with my son and husband, and do stuff that I want to do as well.”

Hannah Harrison, Director at GTI Recruiting Solutions

“100%, I feel so much happier since doing it. Not just me, but I’ve got a lot of people in my team who were miserable and didn't want to do their job and since seeing Jaqui they’re happier and settled and performing really well.”

Christine Christoudoulou, Regional Sales Manager ReThink Recruitment
Employee Wellbeing

Research support that executive coaching benefits wellbeing

META-ANALYSIS by Theeboom, Beersma and van Vianen (2014)

Theeboom, Beersma and van Vianen conducted a meta-analysis of previous research into the potential benefits of executive coaching.

They focused on the effect coaching had on five key areas:

1. Performance/skills
2. **Wellbeing**
3. Coping
4. Work attitudes
5. Goal-directed self-regulation.

The following table demonstrates the effect that coaching had on all five of these aspects.

Coaching had a significant positive effect on all outcomes including wellbeing (+.46) thus suggesting that coaching is an effective intervention in organisations.
## Employee Wellbeing

<table>
<thead>
<tr>
<th>Category</th>
<th>N (participants)</th>
<th>g (correlation coefficient)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance/Skills</td>
<td>2007</td>
<td>0.60</td>
</tr>
<tr>
<td>Well-being</td>
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<td>0.46</td>
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<tr>
<td>Coping</td>
<td>1703</td>
<td>0.43</td>
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<tr>
<td>Attitudes</td>
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<td>0.54</td>
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<tr>
<td>Self-regulation</td>
<td>789</td>
<td>0.74</td>
</tr>
</tbody>
</table>

**Figure 1**: Weighted effect sizes of coaching interventions on all outcome categories. (Theeboom, Beersma & van Vianen, 2014)

- **N** – Number of participants in study analysing
- **g** - Correlation coefficient
**Employee Wellbeing**

*Analysis that executive coaching benefits wellbeing*

ANALYSIS OF ONLINE SURVEY developed by senior editors at the *Harvard Business Review* and Carol Kauffman of the Harvard Medical School (2009)

Researchers from the Harvard Business Review looked at responses from a sample of 140 executive coaches.

Not only did the coaches argue that the healthy growth of their industry was down to the fact that ‘executive coaching works’, they also argued that, as well as helping with employee wellbeing, executive coaching also helps an individuals' personal wellbeing.

They found that despite only 3% of coaches saying they were hired primarily to attend to non-work issues, more than 75% of coaches reported getting into personal territory.
Employee Wellbeing

Research support that executive coaching benefits wellbeing

QUALITATIVE AND QUANTITATIVE STUDY by Grant, Curtayne and Burton (2009)

Grant, Curtayne and Burton looked at 41 executives in the public health industry. They were given four individual coaching sessions and workshops over a 10-week period.

The results indicate that the coaching enhanced goal attainment, increased resilience to stress and depression, and increased workplace wellbeing.

Participants also indicated increased self-confidence and personal insight, and coaching helped participants with organisational change and management skills. Overall workplace wellbeing increased after executive coaching.

The graph shows the comparison between Group 1 (received executive coaching between time one and two), and Group 2 (received no coaching between time one and two, but did receive coaching between two and three).
Employee Retention & Engagement

Direct quotes from our clients

“My staff who have been through the coaching journey have gone and seen it as a really plus for this organization, it is something they tell their colleagues really proudly that it is something their company provides.”

Andy Lord, CEO of ReThink Recruitment

“I think executive coaching helps to retain staff and make them more committed to the job because it shows you are willing to invest in them and to develop them.”

Rob Bromilow, Operations Director at The E Word

“I think executive coaching is probably one of the vehicles, not in isolation but I think it is a really strong message from the business that they believe in leadership and actually what they want to do is focus on how to turn poor performance into good performance.”

Debbie Davenport, Client Services Director at ReThink Recruitment
Employee Retention & Engagement

Research support that executive coaching increases employee retention & engagement

DIRECT QUOTE FROM THE HARVARD BUSINESS REVIEW ARTICLE, JANUARY (2009)

“This kind of coaching became popular over the past five years because companies faced a shortage of talent and were concerned about turnover among key employees. Firms wanted to signal their commitment to developing their high-potential executives, so they hired coaches.”

About Veritas

Offering a range of executive coaching solutions designed around your unique needs and circumstances, when you work with us you’ll benefit from highly individualised service.

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"Integrity"
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References


