The Statistics of Coaching!

By Francois Coetzee

Introduction

“80-90% of management and leadership jobs require the ability to coach. Can you coach?”

We all love facts and figures. Especially when facts and figures support what we want to sell to prospective clients. Whenever I talk to prospective clients about investing in coaching training, inevitably the first question that comes up is how coaching benefits the organization, or the individuals in the organization and in life.

As coaches, and coaching trainers we all have the intuitive feeling that coaching benefits individuals and organizations immensely. Unfortunately, intuition does not help a lot when you’re trying to convince a prospective client of the benefits of coaching, or coaching training.

So, I did some informal research, based on finding out how many coaching jobs are available in the local job and career sites. On each site I started by searching for the word “coach”.

Much to my disappointment it returned hundreds of entries, with only a few specifically mentioning positions as that of a coach.

Once my disappointed faded, I decided to do a deeper investigation into the entries that was returned and I noticed an interesting trend: Almost all of the job opportunities were either management or leadership positions. And all of them required applicants with the ability to coach.

Dissecting the proportions of leadership and management positions available that mentioned coaching as a key skill I concluded that between 80 and 90% of job opportunities for managers and leaders included the requirement for the applicant to have coaching ability, or coaching skills.

Interested in what I uncovered, I decided to search for whatever other available statistics I could find for coaching. What follows is a summary of statistics from various individuals and groups I located.

I grouped my findings in three categories:

- Sales Coaching
- Business and Executive Coaching
- Life Coaching

Sales Coaching:

From Tim Hagan at [www.salesprogress.com](http://www.salesprogress.com), the following statistics about the training and coaching of sales personnel:

- Training and coaching leads to an increase of 88% in productivity, versus 23% from training alone
• Return on investment in training increase from 22% to 88% when supported with coaching
• 46% of coached respondents rated “coaching by the sales manager” as one of the most effective ways for reinforcing news sales skills

Kevin Micalizzi, also at www.salesprogress.com, provides more information on the return on investment in sales coaching and states:

• Coaching explains the 17% performance difference between those who are coached and those who are not coached
• Coaching is the difference between sales representatives making, or not making their sales goals
• For teams that received less than two hours of coaching per month, they achieve around 90% of the sales targets for the month, whereas teams that have received more than three hours of sales coaching the month achieve around 107% of their sales target.

He provides the following sales metrics impacted by coaching:

• Close rates increased by 17%
• Expired deals decreased by 63%
• Close date changes decreased by 25%
• Days since the last customer interaction by the sales department decreased by 73% there by improving customer engagement

In terms of the intangible benefits, the following advantages are listed:

• Coaching improved morale, retention, and team relationships
• Sales representatives reported being happier and built stronger relationships with their direct supervisor
• Sales representatives made better sells, had better retention and reported feeling more dedicated to the job
• Onboarding for new sales representatives became more efficient and new sales representatives adapted quicker

The bottom line: sales teams who use sales performance coaching had 161% more wins

Statistics from Brainshark (www.brainshark.com) support these figures. Based on their surveys they published the following conclusions:

• 74% of leading companies say coaching is the most important role front-line sales managers play
• Companies that support coaching development improve sales objectives by as much as 19%
• When training is reinforced by in-the-field coaching, companies see up to four times the return on investment as opposed to from training programs alone
• 46% of sales representatives say coaching by the sales manager is one of the best ways to reinforce new sales skills
More than 60% of salespeople are more likely to leave their job if their manager is a poor coach.

Companies with dynamic coaching programs achieve 28 percent higher win rates.

Firms that provide an optimal amount of coaching realize 16.7 percent greater annual revenue growth.

Taking into account that sales normally is an extremely visible and important part for companies to manage and that companies are more likely to provide coaching services to sales staff, the question does then arise on whether coaching can be equally as effective in the rest of the organization?

Business and Executive Coaching

Coaching in the organization often targets executives and senior managers. Statistics reported by Monte Wyatt (www.montewyatt.com), in a study involving FORTUNE 1000 companies who engaged coaches for change and growth coaching, explored the general value and return on investment of executive coaching and presents the following:

- Observable productivity increases reported by 53% of executives
- Increase in Quality - 48%
- Increase in Organizational strength - 48%
- Increase in Customer service - 39%
- Reducing customer complaints - 34%
- Retaining executives who received coaching - 32%
- Cost reductions - 23%
- Increase in Bottom-line profitability - 22%
- Improved working relationships with direct reports - reported by 77% of executives
- Improved working relationships with immediate supervisors - reported by 71% of executives
- Improved teamwork - reported by 67% of executives
- Improved working relationships with peers - reported by 63% of executives
- Increased job satisfaction - 61%
- Conflict reduction - 52%
- Increased organizational commitment - 44%
- Improved working relationships with clients - 37%

Other statistics quoted are:

- In a study conducted by Metrix Global, companies received an average return of $7.90 for every $1 invested in executive coaching
- A study of executive coaching in a Fortune 500 firm, by Metrix Global, reported a 529% return on investment and significant intangible benefits to the business
- A survey by Manchester Inc. of 100 executives, found that coaching provided an average return on investment of almost six times the cost of the coaching
• An internal report of the Personnel Management Association showed that when training is combined with coaching, individuals increase their productivity by an average of 86% compared to 22% with training alone
• A Hay Group study of Fortune 500 companies found that 21 to 40% utilize Executive Coaching. The same study reports that Executive coaching is used as standard leadership development for elite executives and talented up-and-comers
• A 2001 study on the impact of executive coaching by Manchester Inc. showed an average ROI of 5.7 times the initial investment or a return of more than $100,000, according to executives who estimated the monetary value of the results achieved through coaching

Statistics on the Benefits of Coaching - a survey from Clear Coaching Limited, February 2007 found that tangible benefits from coaching showed the following results for a large range of companies:

• New or improved skills - 50%
• Work relationships within a team - 50%
• Seeing others’ perspectives - 47%
• Clarity in work life - 43%
• Increased motivation - 43%
• Improved atmosphere - 40%
• Sales and revenue - 23%
• Obtained goals - 20%

The International Coaching Federation (ICF) surveyed 210 coaching clients about the value and use of coaching. In this study it was noted that of the respondents, 197 were employed professionals, all had a formal, on-going relationship with a coach with an average duration of 9 months, over 80% of the respondents had undergraduate degrees and over a third had Master's degrees or higher. The results:

• 70% believed business coaching is "very valuable."
• 50% confide in their coach as much as their best friend, spouse or therapist
• 12% confide in their coach more than anyone else.

Some of the outcomes of coaching were:

• 62.4% smarter goal-setting
• 60.5% more balanced life
• 57.1% lower stress levels
• 52.4% more self-confidence
• 43.3% improvement in quality of life
• 25.7% more income

Business coaching helped business people to better manage and control both business and personal life and increase quality of life. They learn to better manage work, stress, their financial position and improve
their future outlook and results. The significant difference between business people who are coached and those are not, indicates the real possibility that those who are not coached are at risk of being left behind.

**Life Coaching**

Tom Casano at [www.thecoachingtoolscompany.com](http://www.thecoachingtoolscompany.com) compiled statistics about the value of life coaching and his experience reflects that clients hired coaches to:

- Achieve goals and be successful
- Find happiness
- Find life purpose
- Do and find what they love to do
- Decide on, or change careers
- Be more confident

Outcomes that client reported:

- 90% of clients who hired a coach was satisfied with the experience
- 96% of clients would hire a coach again
- 80% of respondents reported an improvement in self-confidence
- 73% reported an improvement in their relationships
- 72% improved their communication skills
- 67% improved they work–life balance
- 70% improved their work performance
- 61% improved their business management
- 57% improved their time management
- 51% improved their team effectiveness

**Conclusion**

The picture that we can form from the information above is that coaching is immensely beneficial to organizations, leadership and individuals alike. Investing time in engaging coaches and teaching leaders in the organization how to coach staff has many advantages for employee engagement, happiness and productivity while increasing the profitability and market growth.

So, is it time for you to develop your coaching potential?

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NLP with Purpose is presenting an International Coaching Federation (IDF) certification training in South Africa aimed at corporate and business leaders, managers and individuals wanting to become coaches, or to develop their coaching skills. For more information please see: http://nlpwithpurpose.com/our-services/education/coaching-certification/

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