



Executive Coaching Yields Return on Investment of Almost Six Times Its Cost, Says Study

JACKSONVILLE, Fla., Jan 4, 2001 (BUSINESS WIRE) -- Manchester Inc., the global leader in customized executive coaching programs, has released the results of a study that quantifies the business impact of executive coaching. The study includes data on executive behavior change, organizational improvements achieved, and the return on investment (ROI) from Manchester's customized, comprehensive executive coaching programs.

The study included 100 executives, mostly from Fortune 1000 companies, who received coaching from Manchester. Manchester Inc. is a part of Prolianz, the professional services division of Modis Professional Services Inc. (NYSE:MPS) of Jacksonville, Florida.

Companies that provided coaching through Manchester to their executives realized improvements in productivity, quality, organizational strength, customer service, and shareholder value. They received fewer customer complaints, and were more likely to retain executives who had been coached.

In addition, a company's investment in providing coaching to its executives realized an average return on investment (ROI) of almost six times the cost of the coaching.

Manchester conducted what is believed to be the first major study to quantify the business impact of executive coaching.

Half of the executives in the study held positions of vice president or higher (including division president, general manager, chief executive officer, chief financial officer, chief information officer, partner, principal, and practice leader). Almost six out of 10 (57%) executives who received coaching were ages 40 to 49, and one-third earned \$200,000 or more per year.

The coaching programs that executives participated in were a mix of both

- Change oriented coaching, which is aimed at changing certain behaviors or skills, and,
- Growth oriented coaching, which is aimed at sharpening performance.

The coaching programs typically lasted from six months to one year.

Among the results of the study:

Manchester's coaching programs delivered an average return on investment of 5.7 times the initial investment in a typical executive coaching assignment or a return of more than \$100,000 according to executives who estimated the monetary value of the results achieved through coaching.

Among the benefits to companies that provided coaching to executives were improvements in:

- Productivity (reported by 53% of executives)
- Quality (48%)
- Organizational strength (48%)
- Customer service (39%)
- Reducing customer complaints (34%)
- Retaining executives who received coaching (32%)
- Cost reductions (23%)
- Bottom-line profitability (22%)

Among the benefits to executives who received coaching were improved:

- Working relationships with direct reports (reported by 77% of executives)
- Working relationships with immediate supervisors (71 %)
- Teamwork (67%)
- Working relationships with peers (63%)
- Job satisfaction (61 %)
- Conflict reduction (52%)
- Organizational commitment (44%)
- Working relationships with clients (37%)

Manchester's executive coaching programs focus on helping executives adjust to new organizational realities and not just survive, but thrive.

Manchester's tailored approach is a collaborative process that includes a pre-coaching needs assessment to set clear objectives and a complete, valid and reliable assessment protocol. Considerable emphasis is placed on both action planning and achieving measurable results linked to identified business objectives.

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