THE COACHING ROI FRAMEWORK

A Practical Tool for Measuring Coaching Impact

DISCLAIMER:
This product is provided for educational and informational purposes only and includes general frameworks, models, and best-practice guidance related to coaching and development. It does not constitute legal, financial, medical, psychological, HR, or other professional or organisational advice. The purchasing organisation is solely responsible for how the content is interpreted, implemented, and applied within its business, workforce, or operational context. Outcomes will vary based on implementation and organisational factors.

WELCOME TO YOUR COACHING ROI MEASUREMENT TOOLKIT

This framework helps you establish baseline metrics, define success indicators, track progress, and calculate the business impact of coaching investments.
Whether you're measuring executive coaching, team coaching, or enterprise-wide coaching culture, this framework gives you the tools to move beyond satisfaction surveys and demonstrate real business value.

This toolkit includes:

- The Four-Level Measurement Model
- The Baseline Data Checklist
- The ROI Calculation Worksheet
- The Success Story Template
- Measurement Timeline Guide

Let's begin.

HOW TO USE THIS FRAMEWORK

Before Coaching: Complete the Baseline Data Checklist and define success metrics
During Coaching: Track progress using the Four-Level Model
After Coaching: Calculate ROI using the Worksheet and build your Success Story
Ongoing: Use the Measurement Timeline to track long-term impact

This isn't theory. This is practical infrastructure for measuring the value coaching has contributed to you, your team or your organisation.

NAVIGATION GUIDE

PART ONE

THE FOUR-LEVEL MEASUREMENT MODEL

OUTLINES WHAT TO MEASURE AT EACH LEVEL

Adapted from Kirkpatrick's model for coaching contexts, this framework helps you measure coaching impact at four levels.

LEVEL 1: REACTION

WHAT IT MEASURES
Did participants value the coaching experience?

WHAT TO MEASURE
□ Coaching engagement satisfaction (1-10 scale)
□ Coach quality rating (1-10 scale)
□ Perceived relevance of coaching (1-10 scale)
□ Likelihood to recommend coaching to others (NPS)

TARGET BENCHMARK
8+ average satisfaction score

WHY IT MATTERS
Low satisfaction indicates quality or fit problems while high satisfaction alone doesn't prove impact.

HOW TO COLLECT
- Post-engagement survey
- Mid-coaching pulse check
- Post-session feedback

RED FLAGS
- Satisfaction below 6
- Complaints about coach quality
- Participants report coaching as "not relevant"

LEVEL 2: LEARNING

WHAT IT MEASURES

What internal shifts occurred? (Awareness, insight, capability development)

WHAT TO MEASURE

- □ Self-awareness growth (360 feedback pre/post)
- □ Specific competency development (skills targeted in coaching)
- □ Perspective shifts (qualitative reflection data)
- □ Confidence in applying new approaches
- □ Understanding of own patterns/triggers

TARGET BENCHMARK

Measurable improvement in targeted competencies

WHY IT MATTERS

Behaviour change requires internal change first. This level shows whether coaching is creating the foundation for impact.

HOW TO COLLECT

- Pre/post self-assessments
- 360 feedback at start and end of coaching
- Structured reflection questions
- Coach observations and reports

RED FLAGS

- No shift in self-awareness
- Participants can't articulate what they learned
- 360 feedback shows no change

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LEVEL 3: BEHAVIOUR

WHAT IT MEASURES

What observable behaviour changes occurred?

WHAT TO MEASURE

□ Leadership behaviours (delegation, feedback, decision-making, communication)
□ Relationship quality (stakeholder effectiveness, team trust)
□ Conflict management approach
□ Strategic focus and prioritisation
□ Follow-through and accountability
□ Boundary-setting and workload management

TARGET BENCHMARK

Observable behaviour change in 2-3 targeted areas

WHY IT MATTERS

This is where coaching starts creating business value. If behaviour isn't shifting, coaching isn't working.

HOW TO COLLECT

- Manager observations
- Peer feedback
- Direct report surveys
- Specific behaviour tracking (e.g., 1:1 frequency, delegation instances)
- Stakeholder interviews

RED FLAGS

- Stakeholders see no change
- Participants report insights but no action
- Behaviour changes don't persist beyond coaching

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LEVEL 4: RESULTS

WHAT IT MEASURES
What business outcomes improved?

WHAT TO MEASURE
Check measurement matrix by coaching type on page 11.

TARGET BENCHMARK
Measurable improvement in 1-2 key business outcomes

WHY IT MATTERS
This is ROI. This justifies the investment.

HOW TO COLLECT
- HR data (retention, engagement, promotion rates)
- Business metrics (KPIs, project outcomes)
- Financial data (turnover costs, hiring costs)
- Comparative analysis (coached vs. not coached populations)

RED FLAGS
- No measurable business outcome change
- Results can't be linked to coaching
- Improvements don't persist beyond 6 months

LEVEL 4: RESULTS

WHAT TO MEASURE

INDIVIDUALS

- ☐ Team retention rate
- ☐ Team engagement scores
- ☐ Direct report performance
- ☐ Strategic initiative success
- ☐ Time-to-competence in new roles

TEAMS

- ☐ Project delivery on-time rate
- ☐ Team psychological safety scores
- ☐ Cross-functional collaboration effectiveness
- ☐ Innovation output
- ☐ Team retention

ORGANISATIONS

- ☐ Leadership retention rates
- ☐ Internal promotion rates
- ☐ Employee engagement (organisation-wide)
- ☐ Manager effectiveness
- ☐ Change adoption speed

PART TWO

BASELINE DATA CHECKLIST

WHAT TO CAPTURE BEFORE COACHING BEGINS

You can't measure change without knowing the starting point. Complete this checklist before coaching begins.

FOR EXECUTIVE COACHING

WHAT TO CAPTURE
Before Coaching Begins

INDIVIDUAL PERFORMANCE DATA

- □ Current 360 feedback scores (if available)
- □ Performance review ratings (last 2 years)
- □ Key strengths and development areas (from manager)
- □ Previous coaching or development interventions

STAKEHOLDER DATA

- □ Peer relationships (quality assessment)
- □ Stakeholder feedback (formal or informal)
- □ Cross-functional collaboration effectiveness

TEAM PERFORMANCE DATA

- □ Direct report retention rate (last 12 months)
- □ Team engagement score (if measured)
- □ Direct report performance distribution
- □ Team turnover reasons (exit interview data)

BUSINESS OUTCOME DATA

- □ Strategic initiative success rate
- □ Decision-making quality (assessed by outcomes)
- □ Budget/resource management effectiveness

FOR TEAM COACHING

WHAT TO CAPTURE
Before Coaching Begins

TEAM PERFORMANCE DATA

- ☐ Team psychological safety baseline (survey)
- ☐ Project delivery on-time rate (last 6 months)
- ☐ Team engagement scores
- ☐ Team retention rate (last 12 months)

INNOVATION/OUTPUT DATA

- ☐ Ideas generated per quarter
- ☐ Experiments run
- ☐ Project velocity
- ☐ Quality metrics (defect rates, rework)

COLLABORATION DATA

- ☐ Cross-functional collaboration NPS
- ☐ Conflict escalation frequency
- ☐ Meeting effectiveness ratings
- ☐ Decision-making speed

RELATIONSHIP DATA

- ☐ Trust levels within team
- ☐ Communication patterns
- ☐ Role clarity
- ☐ Accountability structures

FOR ENTERPRISE COACHING CULTURE

WHAT TO CAPTURE
Before Coaching Begins

ORGANISATIONAL DATA

- ☐ Overall retention rate (by level)
- ☐ Leadership retention rate
- ☐ Internal promotion rate
- ☐ Employee engagement scores (org-wide)

MANAGER EFFECTIVENESS DATA

- ☐ Manager quality ratings (from direct reports)
- ☐ Manager retention rates
- ☐ Direct report retention (by manager)
- ☐ Direct report engagement (by manager)

LEADERSHIP PIPELINE DATA

- ☐ Bench strength assessment
- ☐ High-potential identification
- ☐ Succession planning readiness
- ☐ Time-to-competence for new leaders

CULTURAL DATA

- ☐ Feedback culture assessment
- ☐ Psychological safety (org-wide)
- ☐ Learning and development participation
- ☐ Change readiness scores

PART THREE

ROI CALCULATION WORKSHEET

STEP-BY-STEP ROI CALCULATION

ROI Formula:

ROI = (Monetary Value of Outcomes - Cost of Coaching) / Cost of Coaching x 100

STEP-BY-STEP ROI CALCULATION

1 CALCULATE TOTAL COACHING INVESTMENT

DIRECT COST

- Coaching fees
- Assessment tools (360, etc.)
- Platform/technology costs
- Internal program management time

+

INDIRECT COSTS

- Participant time in coaching
- Manager/stakeholder time

=

TOTAL INVESTMENT

2 IDENTIFY MEASURABLE OUTCOMES

List all measurable outcomes from coaching

OUTCOME 1
OUTCOME 2
OUTCOME 3

}

Baseline
Post-coaching
Improvement

STEP-BY-STEP ROI CALCULATION

3

QUANTIFY FINANCIAL VALUE

For each outcome, calculate monetary value

OUTCOME TYPE: RETENTION IMPROVEMENT

- Retention improvement (%)
- Number of employees affected ($)
- Annual turnover baseline (%)
- Departures avoided: Improvement % x Employees x Baseline turnover (#)
- Average replacement cost per person ($)

TOTAL VALUE: DEPARTURES AVOIDED X REPLACEMENT COST ($)

EXAMPLE: RETENTION IMPROVEMENT

- Retention improved from 70% to 85% = 15% improvement
- 10 employees in leader's team
- Baseline turnover 20% annually
- Departures avoided: 0.15 x 10 x 0.20 = 0.3 (conservative: 1 departure avoided)
- Replacement cost: R750,000

TOTAL VALUE: R750,000

STEP-BY-STEP ROI CALCULATION

3

QUANTIFY FINANCIAL VALUE

For each outcome, calculate monetary value

OUTCOME TYPE: ENGAGEMENT IMPROVEMENT

- Engagement score improvement(#) points
- Number of employees affected (#)
- Average salary (%)
- Estimated productivity correlation: 5% per 10-point engagement increase (%)
- Productivity improvement %: (Score improvement / 10) x 5% = (%)

TOTAL VALUE: EMPLOYEES X AVG SALARY X PRODUCTIVITY % = ($)

EXAMPLE ENGAGEMENT IMPROVEMENT

- Engagement improved from 62 to 78 = 16-point improvement
- 8 employees in team
- Average salary: R1,200,000
- PRODUCTIVITY IMPROVEMENT: (16/10) X 5% = 8%

TOTAL VALUE: 8 X R1,200,000 X 0.08 = R768,000

STEP-BY-STEP ROI CALCULATION

3

QUANTIFY FINANCIAL VALUE

For each outcome, calculate monetary value

OUTCOME TYPE: PROJECT DELIVERY SPEED

- Project delay reduction (#) weeks
- Number of projects affected (#)
- Estimated weekly value per project ($)

TOTAL VALUE: WEEKS SAVED X PROJECTS X WEEKLY VALUE ($)

EXAMPLE PROJECT DELIVERY SPEED

- Reduced delays from 6 weeks to 1 week = 5 weeks saved
- 4 projects per quarter
- Weekly value: R50,000

TOTAL VALUE: 5 X 4 X R50,000 = R1,000,000

STEP-BY-STEP ROI CALCULATION

3

QUANTIFY FINANCIAL VALUE

For each outcome, calculate monetary value

OUTCOME TYPE: LEADERSHIP PIPELINE

- Internal promotion rate increase (%)
- Number of roles promoted internally vs. externally hired (#)
- Average external hire cost ($)

TOTAL VALUE: PROMOTIONS X EXTERNAL HIRE COST ($)

EXAMPLE LEADERSHIP PIPELINE

- Promotion rate increased from 15% to 22% = 7% increase
- 100 leadership roles annually
- Additional internal promotions: 7
- External hire cost avoided: R500,000 per role

TOTAL VALUE: 7 X R500,000 = R3,500,000

STEP-BY-STEP ROI CALCULATION

4

CALCULATE TOTAL VALUE CREATED

Add up all quantified outcomes

OUTCOME TYPE: LEADERSHIP PIPELINE

- Outcome 1 value ($)
- Outcome 2 value ($)
- Outcome 3 value ($)
- Other outcomes ($)

TOTAL VALUE CREATED ($)

5

CALCULATE ROI

ROI = (Total Value - Total Investment) / Total Investment x 100

YOUR COACHING ROI: %

=

(Total Value - Total Investment) / Total Investment x 100

STEP-BY-STEP ROI CALCULATION

6 CONSERVATIVE VS. AGGRESSIVE ESTIMATES

Always calculate both

> **Present the conservative number publicly. Know the aggressive number internally.**

CONSERVATIVE ESTIMATE

- Use only hard cost avoidance (turnover, hiring)
- Use minimum time frames (1 year only)
- Exclude soft benefits (productivity, engagement unless directly quantifiable)

AGGRESSIVE ESTIMATE

- Include all quantifiable benefits
- Project over multi-year time horizon
- Include productivity and engagement correlations

PART FOUR

SUCCESS STORY TEMPLATE

HOW TO COMMUNICATE COACHING VALUE

Numbers alone don't tell the story. You need narrative structure that makes impact real.

STEP-BY-STEP ROI CALCULATION

SUCCESS STORY TEMPLATE

1.CHALLENGE (WHAT WAS THE PROBLEM?)

Describe the situation before coaching in specific, measurable terms:

- What wasn't working?
- What was the business impact?
- What were the costs (financial, cultural, strategic)?

EXAMPLE

"Our VP of Engineering was losing senior team members. Three had left in 18 months, citing lack of support and unclear expectations. Replacement costs were running at R2.25M annually. Team engagement had dropped to 62%. Project delivery was suffering due to constant churn."

STEP-BY-STEP ROI CALCULATION

SUCCESS STORY TEMPLATE

2.INTERVENTION (WHAT DID YOU DO?)

Describe the coaching approach briefly

- Who was coached? (Executive, team, cohort)
- What was the focus?
- How long was the engagement?

EXAMPLE

"We engaged an executive coach for a 6-month coaching program focused on leadership effectiveness, team development, and stakeholder management. The engagement included bi-weekly 1:1 sessions, 360 feedback, and team observation."

STEP-BY-STEP ROI CALCULATION

SUCCESS STORY TEMPLATE

3.RESULTS (WHAT CHANGED?)

Present measurable outcomes in order of business impact

- Business metrics first (retention, engagement, delivery)
- Behaviour changes second (what the leader did differently)
- Learning/awareness third (internal shifts)

EXAMPLE

"Over 12 months following coaching:

- **Zero unplanned departures from the engineering leadership team**
- **Team engagement increased from 62% to 78%**
- **Retention improved from 70% to 95%**
- **Project delivery timelines stabilised**

The VP shifted from hands-on problem-solving to strategic leadership - delegating effectively, providing clear expectations, and building trust through consistent 1:1s."

STEP-BY-STEP ROI CALCULATION

SUCCESS STORY TEMPLATE

4.IMPACT (WHAT WAS THE ROI?)

Quantify the financial value conservatively

EXAMPLE

"ROI calculation:

- Avoided replacement costs: R2.25M (3 departures prevented)
- Productivity gains from engagement improvement: R768K annually
- Total value created: R3.02M
- Coaching investment: R120K
- ROI: 2,417%

Beyond the numbers: we retained critical technical leadership, stabilized the team, and built a stronger engineering culture."

STEP-BY-STEP ROI CALCULATION

SUCCESS STORY TEMPLATE

5.PROOF POINTS (WHAT VALIDATES THIS?)

Include stakeholder quotes, data sources, or external validation

EXAMPLE

"The shift in my manager's approach has been significant. I finally feel supported." - Senior Engineer
Team engagement data from quarterly pulse survey
Retention data from HRIS
360 feedback scores improved 18 points in delegation and team development

STEP-BY-STEP ROI CALCULATION

SUCCESS STORY STRUCTURE FOR DIFFERENT AUDIENCES

FOR CFO/FINANCE

Lead with ROI. Focus on cost avoidance, productivity gains, financial metrics. Keep it concise.

FOR HR/L&D

Include full detail. Show measurement rigor. Demonstrate how coaching connected to business outcomes.

FOR CEO/BOARD

Lead with strategic impact. Connect to business priorities. Include both quantitative and qualitative value.

FOR MANAGERS/PARTICIPANTS

Lead with personal impact stories. Include behaviour changes and team feedback. Make it human.

PART FIVE

MEASUREMENT TIMELINE GUIDE

WHEN TO MEASURE WHAT

Coaching impact unfolds over time. Here's when to measure each level.

MEASUREMENT TIMELINE

BEFORE COACHING BEGINS

- ☐ Collect all baseline data (see Baseline Checklist)
- ☐ Define success metrics with stakeholders
- ☐ Set measurement schedule
- ☐ Identify data sources and owners

WEEK 4-6 (MID-COACHING)

- ☐ Level 1: Satisfaction pulse check
- ☐ Level 2: Early learning assessment (what's shifting internally?)
- ☐ Stakeholder check-in: Are they noticing anything yet?

END OF COACHING ENGAGEMENT

- ☐ Level 1: Final satisfaction survey
- ☐ Level 2: Post-coaching 360 feedback or self-assessment
- ☐ Level 3: Initial behaviour change assessment (what's different?)
- ☐ Collect qualitative data: participant reflection, stakeholder observations

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MEASUREMENT TIMELINE

3 — 3 MONTHS POST-COACHING

- □ Level 3: Behaviour change validation (from manager, peers, direct reports)
- □ Level 4: Early business outcome data (if available)
- □ Check: Are changes persisting or fading?

6 — 6 MONTHS POST-COACHING

- □ Level 4: Primary business outcome measurement
- □ Compare to baseline: retention, engagement, performance, project metrics
- □ Begin ROI calculation

12 — 12 MONTHS POST-COACHING

- □ Level 4: Full business outcome assessment
- □ Complete ROI calculation
- □ Build Success Story
- □ Present findings to stakeholders

MEASUREMENT TIMELINE

RED FLAGS TO WATCH FOR

IF SATISFACTION IS HIGH BUT BEHAVIOUR ISN'T CHANGING

- Coaching may be too comfortable (not challenging enough)
- Goals may not be specific or measurable enough
- Accountability structures may be missing

IF BEHAVIOUR IS CHANGING BUT BUSINESS RESULTS AREN'T

- Wrong behaviours targeted (not linked to business outcomes)
- Insufficient time for behaviour changes to drive results
- Other factors overwhelming coaching impact

IF EARLY RESULTS FADE OVER TIME

- Lack of ongoing support or accountability
- Organisational culture isn't reinforcing changes
- Leader reverted to old patterns under pressure

PART SIX

COMPARATIVE ANALYSIS

COACHED VS. NOT COACHED POPULATIONS

For enterprise coaching programs, comparative analysis strengthens your ROI case.

COMPARATIVE ANALYSIS TEMPLATE

POPULATION 1
Coached Managers

Number:
Coaching period:

POPULATION 2
Non-Coached Managers

Number:
Coaching period:

ENSURE POPULATIONS ARE COMPARABLE

□ Similar tenure
□ Similar level
□ Similar business units
□ Similar baseline performance

COMPARATIVE ANALYSIS TEMPLATE

METRICS TO COMPARE

RETENTION

- Coached managers' own retention (%)
- Non-coached managers' own retention (%)
- Direct report retention (coached managers' teams) (%)
- Direct report retention (non-coached managers' (%)

ENGAGEMENT

- Team engagement (coached managers) (#)
- Team engagement (non-coached managers) (#)

PERFORMANCE

- Team performance ratings (coached) (#)
- Team performance ratings (non-coached) (#)

PROMOTIONS

- Coached managers promoted (#)
- Non-coached managers promoted (#)

CALCULATE DIFFERENTIAL VALUE

EXAMPLE

- Coached managers' direct report retention: 88%
- Non-coached managers' direct report retention: 78%
- Difference: 10 percentage points

VALUE CALCULATION

- 50 coached managers x 8 average direct reports = 400 employees
- 10% retention improvement = 40 fewer departures annually
- Replacement cost: R400,000
- Differential value: 40 x R400,000 = R16,000,000 annually

This is the value created by coaching that wouldn't exist otherwise.

PART SEVEN

COMMON MISTAKES TO AVOID

WHAT NOT TO DO

Avoid these measurement mistakes and you'll avoid undermining your enterprise's coaching investment and ROI.

MEASUREMENT MISTAKES THAT UNDERMINE ROI

	✗	✓
1	**NO BASELINE DATA** Can't prove coaching created change if you don't know the starting point.	Establish baseline BEFORE coaching begins.
2	**VAGUE COACHING GOALS** "Develop leadership skills" isn't measurable.	"Improve team retention from 70% to 85%" is measurable.
3	**ONLY MEASURING SATISFACTION** High satisfaction ≠ business impact.	Measure all four levels, prioritise levels 3-4.
4	**MEASURING TOO SOON** Coaching impact takes time to show in business results.	Measure behaviour at 3 months, business results at 6-12 months.

MEASUREMENT MISTAKES THAT UNDERMINE ROI

	✗	✓
5	**EXPECTING LINEAR PROGRESS** Coaching is developmental, not linear.	Track overall trends, not month-to-month fluctuations.
6	**ATTRIBUTING EVERYTHING TO COACHING** Other factors influence outcomes too.	Be conservative. Use comparison groups. Acknowledge confounding variables.
7	**PRESENTING ONLY NUMBERS** Numbers without narrative don't create understanding.	Combine quantitative ROI with qualitative success stories.

A FINAL WORD
ON MEASUREMENT

Measuring coaching ROI isn't about justifying past investments. It's about building the case for future investments. When you can demonstrate that coaching creates measurable business value - not just satisfied participants - you position coaching as strategic talent infrastructure, not a nice-to-have perk.

The organizations that measure coaching well are the organizations that scale coaching effectively. Start with one level. Add layers as you build capability. But start.

Because coaching works. And it's time to prove it.

WHAT'S NEXT?

If this framework helped you design your measurement approach but you want support implementing it, Hero-ing works with organisations to build coaching programs with measurement baked in from the start.

We help you:

- Define coaching goals linked to business strategy
- Establish baseline metrics and tracking systems
- Build measurement infrastructure
- Calculate and communicate ROI

Explore enterprise coaching with Hero-ing:
www.heroing.global/for-business/enterprise

You don't have to build this alone.

ABOUT HERO-ING

Hero-ing is a coaching practice for individuals, teams, and organisations who want to lead, relate, and perform sustainably in a fast-changing world. We believe in the space to be human and the guidance to be heroic. Our mission: to create the conditions for heroism to emerge—one heart, one team, one organisation at a time.

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