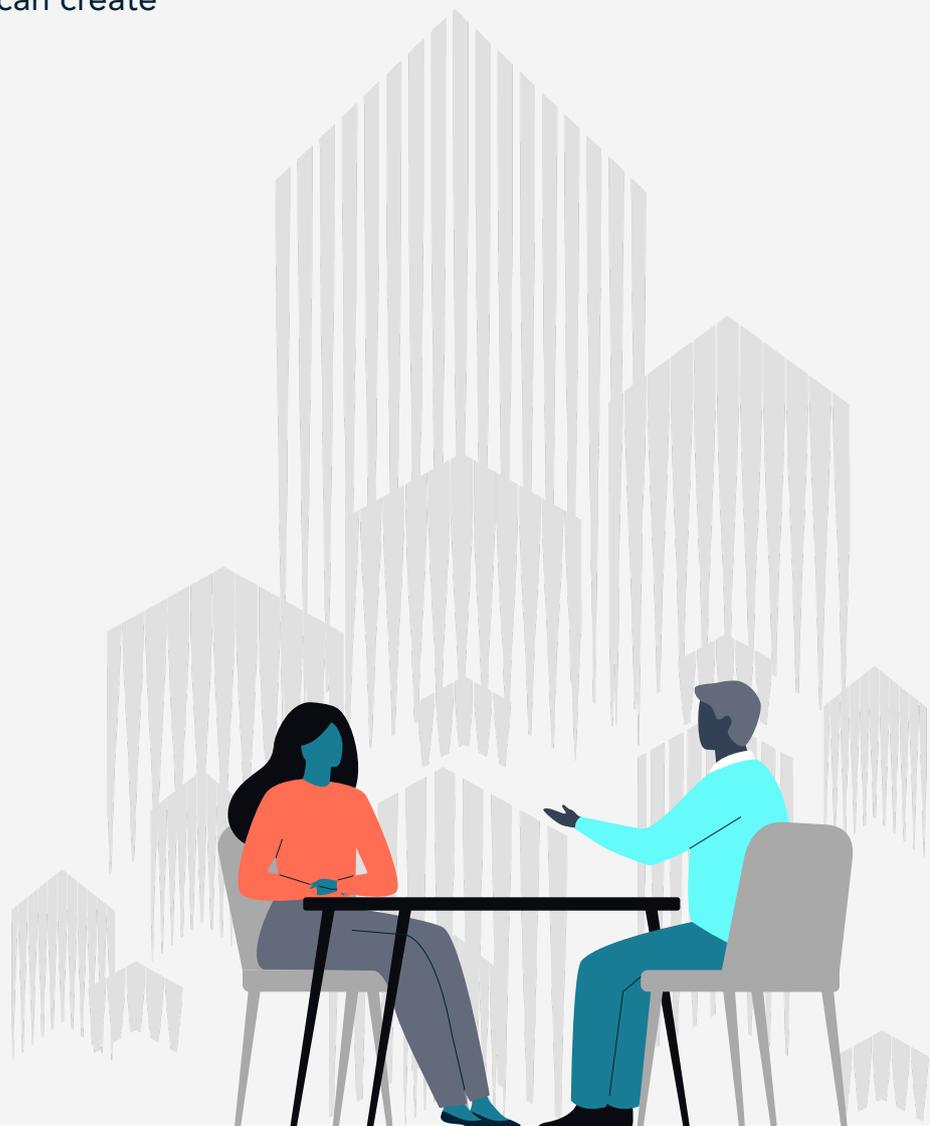


CASE STUDY ARTICLE

Leadership assurance: How one company achieved a meaningful return on its investment in executive coaching

The experience of a heavy industrial company's leadership team shows how executive coaching can create objective value.



Most companies don't have clear standards for when and how to invest in coaching. One reason is that HR leaders and other executives find it hard to put a value on the investment—investment of money, but, perhaps even more important, investment of executive time. The leadership team's experience at a heavy-industrial company shows how they defined a meaningful return on their investment.

The CEO knew he wanted his top team to work more effectively but wasn't sure what approach to take. He began with an in-depth assessment of all 12 team members. Together, they possessed many strengths, including the ability to think strategically, be resilient, and focus on results. But, like any team, they also had some gaps: difficulties in developing others, challenges with stakeholder management, and struggles inspiring and influencing their teams. Not all leadership capabilities—or leaders—are coachable. But these capabilities, in our experience, usually are.¹

Identifying clear, achievable goals was key to setting coaching objectives and moving the executives' perception of coaching from a comfortable, if sometimes challenging, conversation to a platform where they could be held accountable in a safe, trusted environment.

The team's experience through two years of individual coaching highlights the value of four principles that help executives engage with coaching, and help them and their companies see objective, meaningful returns on their investment of time: **finding the right chemistry; putting value on reflection; listening to spur inclusion and innovation; and thinking like a coach.**

Most of the participating executives extended their coaching beyond the initial period. According to their managers, this investment has led to increased adaptability and elevated performance. Managers of these executives have seen, for example, that one person "adapted better than expected to their new role" and for another that "value has been added to them as a leader." Executives noted the value of "objective advice," learning "not to rush in but to pause, consider, and listen—and then think about how my message lands," and building "confidence in my role and perspective." Overall, coaches encouraged the executives to try new behaviors in their day-to-day working environment to build these new skills, and to report back on what worked and what didn't. Over time, with practice and encouragement from their coaches, these new behaviors became good habits and skills that have enabled a more people-focused and coaching leadership style in the business.

Finding the right chemistry

One of the most important aspects of coaching that's often overlooked or glossed over is whether a coach and an executive mesh well. If leaders don't feel comfortable with their coach, it's difficult for them to commit to a program and learn to take and apply feedback. In our experience, the best approach is to begin by giving each leader one session with a potential coach before formally starting the program to see if it is a good match.

In this case, two executives immediately felt the chemistry wasn't right, so they switched to other coaches. Another participant stopped attending her coaching sessions partway through, citing poor rapport, so she too switched to a coach with a completely different style. This executive was then able to complete her sessions.

The right match leads coachees to say things like "I have never had this kind of support in my career."

¹ For more on when to invest in coaching see, David Peck, "Developing future-ready leaders: When—and when not—to invest in coaching," Heidrick & Struggles, heidrick.com.

Putting value on reflection: A uniquely human capability

One of the most powerful findings for executives was to see how rarely they paused to reflect and how helpful taking that pause can be. “Coaching allowed me to tell my story,” one noted. “It’s telling the story that helps me make sense of it myself.”

That individual reflection is crucial to success. By telling their stories to their coaches, leaders began to see themselves and their range of choices and potential outcomes from a new, more productive perspective. To get started, the coaches had seen each executive’s assessment report, and the coachees were encouraged to share their reports with their coach and to work together to define the areas they felt they most needed to develop. This approach allows executives to own their own development.

The coaching sessions then provided space for these leaders to step back from the constant motion of decision-making and examine their behaviors and communication patterns, and the connections between their actions and outcomes. For example, one executive, known for being brusque and impatient, shifted his demeanor significantly. While he still maintained high expectations and a fast pace, his leadership approach was no longer volatile or anxiety-inducing to his staff, and his colleagues noticed the change immediately.

An executive who had been passed over for a promotion was dubious about coaching, but reluctantly accepted. He explained that “When I received coaching, I was in a challenging transitional period. The coaching sessions built up my confidence and aided me in making the necessary mental shifts.”

Listening to spur inclusion and innovation

As this group of executives experienced being heard in their coaching sessions, they began to understand its impact on their performance. When people feel genuinely listened to, they share more of themselves and their ideas. They’re also more receptive to feedback and new perspectives. This led to many executives changing how they interact with their own teams.

Instead of providing answers, they listened deeply to their teams and then asked questions, encouraging others to reflect and find their own solutions. In one executive’s case, his next 360-degree feedback review showed significant improvement in empowering others and inspiring motivation. Three years later, he is running a major business unit and is considered a potential CEO successor.²

Thinking like a coach

That leader is not alone. For most leaders, 360-degree feedback showed they were improving in the same way, in effect beginning to think—and act—like coaches themselves. This shift has had ripple effects throughout the organization. “They are approaching things differently and managing issues well,” one peer noted. “Coaching is helping them see things from a different perspective.” Said another: “You really see how they show up at a personal level.”³

Fundamentally, this company has seen the most successful participants not only become better leaders but also become better developers of other leaders. In a world where leadership quality is increasingly critical to organizational success, this multiplier effect may be coaching’s greatest organizational benefit.

² For more on why learning and listening are among the crucial qualities of potential CEOs today, see “[Route to the Top | Today’s CEO: The growing importance of character, learning, and leading in a contested world](#),” Heidrick & Struggles, February 28, 2024, Heidrick.com.

³ For more on leaders’ role as coaches, see “[Treating your leadership pipeline as a strategic asset: Leaders as coaches](#),” Heidrick & Struggles, June 13, 2024, Heidrick.com.

Executive coaching works best when it acknowledges the human nature of leadership development through ensuring good chemistry with a coach, finding and acknowledging the value of setting aside time for reflection, learning to listen better to teams, and developing other leaders more effectively. These changes have measurably improved this leadership team's performance in the areas they were most challenged: developing others, stakeholder management, and inspiring and influencing their teams. And they have improved the effectiveness of leadership at the entire organization.

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Heidrick Consulting

We partner with our clients around the world to develop future-ready leaders and organizations, bringing together our expertise in:

- Leadership assessment, development, and coaching
- CEO, board, and team acceleration
- Organization acceleration and culture shaping
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Our proprietary analytical tools use data and technology to bring science to the art of human capital development and organizational design. As one united team, we develop a deep understanding of each client's unique situation and bring together a customized configuration of tools, approaches, and experts needed to build and maintain agile, resilient organizations at every level.

The result: great leaders, effective teams, and thriving, future-focused cultures—and organizations that can accelerate performance, effect transformative change, and boldly create the future they envision.

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