International Coach Federation
Global Coaching Study

Executive Summary
Revised February 2008

International Coach Federation

Overview of Study Background and Methodology

The *ICF Global Coaching Study* was launched on September 22, 2006, with close to 30,000 coaches invited to participate. When the survey closed on December 5, 2006, 5,415 respondents from 73 countries had participated; thus, providing the ICF with a truly global perspective and valuable baseline data on the coaching profession as a whole. It is the sincere hope that future coaching research initiatives will all be able to draw from the landmark findings of this work.

This survey took place during an exciting time for the coaching profession which was in the midst of an era of unprecedented growth. Whilst many important research studies have undoubtedly taken place prior to the ICF global work, this survey should be considered one of the largest pieces of research undertaken to date and provides a truly global insight into some of the key issues facing the coaching industry. Not only does the study provide current data on some of the key demographic characteristics of the industry, but it also provides a pioneering analysis of global coaching revenues.

As the survey had an overarching objective of reaching beyond the ICF, nonmembers were encouraged to register their interest on a Registration Site that was independently hosted by PricewaterhouseCoopers. Reaching out beyond the core ICF membership greatly assisted with establishing the global reach of the survey. ICF members were encouraged to make other non-member coaches aware of the survey, and other coaching organizations publicized the ICF survey on their own Web sites. Through all of these efforts, the views of more than 1,500 non-ICF members were obtained for this project.

The survey was implemented via an e-survey methodology. As most of the communication with members by the ICF is undertaken by e-mail, the membership database provided access to accurate and comprehensive contact details. The e-survey was administered in English. However, two fundamental aims of the survey were to be as inclusive as possible and to provide the maximum opportunity for as many coaches as possible to participate regardless of where they lived. In order to help achieve this objective, the survey was also made available in a downloadable PDF format in French, German, Japanese, Mandarin, Russian and Spanish.

Interpretation of the Results

When interpreting the results from this survey, it is important to keep in mind that there are some limitations to take into consideration. These are as follows:

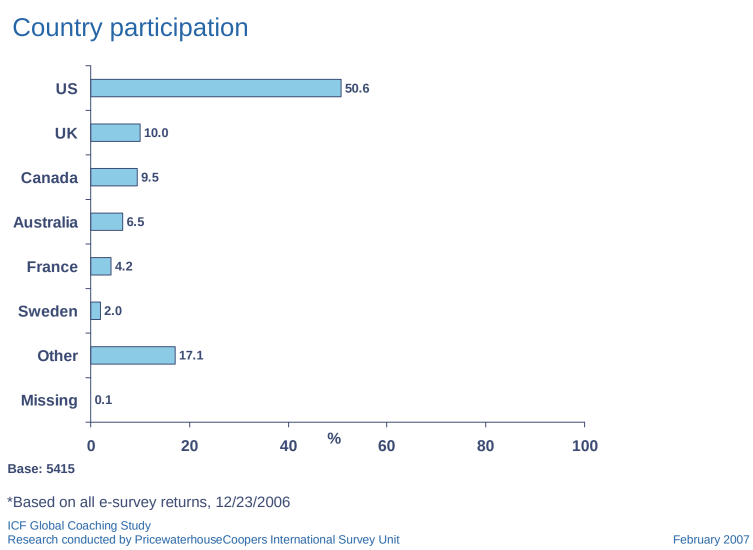
- The number of coaches currently operating globally is still very much a source of debate. As part of the research for this study, a genuine attempt was made to circulate the survey to some 30,000 coaches for whom there appeared to be valid e-mail addresses. This included both the full ICF membership and all those who had registered independently via the survey registration Web site. Whilst the figure of 50,000 coaches worldwide has often been quoted, a more prudent approach for the purposes of grossing up any estimates would be to take the 30,000 figure as at least a working base-line. Certainly there does not appear to be any significant industry voices arguing that there are less than 30,000 coaches currently operating.

- Certain important industry averages and estimates e.g. revenue, length of time in the industry, etc, as well as other data are based on the survey responses and are only as accurate as the data provided by the individual survey respondents.

Geographical Distribution of Respondents

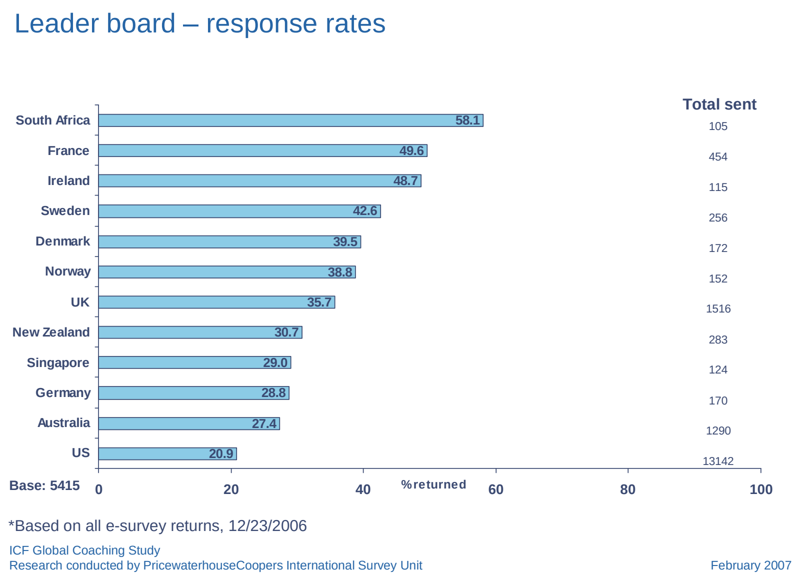
As shown in Chart 1, half of all survey respondents were from the U.S. (50.6%) reflecting the importance of this market in the development of the industry overall. The survey provided strong supporting evidence for the view that the industry is a truly global profession. Responses were received from 73 countries worldwide.

CHART 1: COUNTRY PARTICIPATION



Some of the response rates which were achieved by individual countries are highlighted below in Chart 2. With more than 45% of their invited coaches electing to participate in the survey, the three countries atop the leader board were South Africa, France and Ireland.

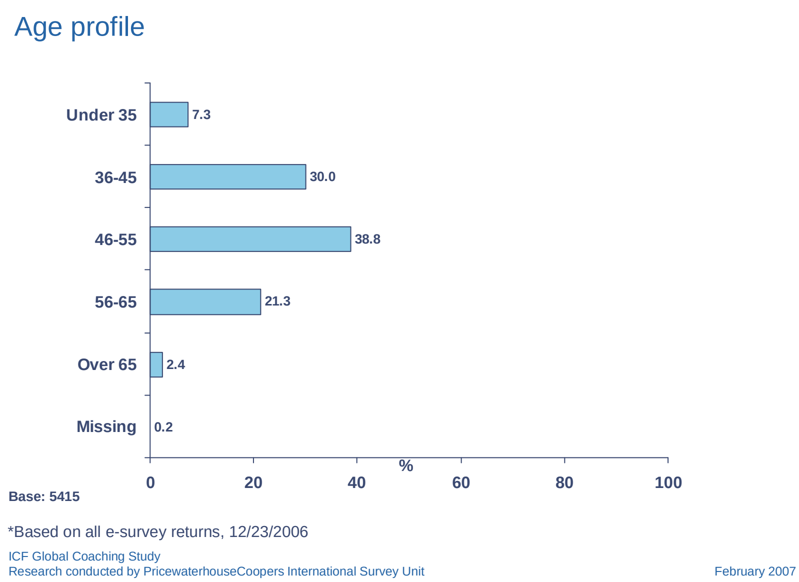
CHART 2: LEADER BOARD



Profile of Coaching Industry

The research findings showed the genuine age and gender diversity of the industry with 68.7 % of respondents indicating that they were female and the biggest concentration of all respondents being between 46 and 55 years (38.8%). Chart 3 depicts the overall age distribution of the survey respondents.

Chart 3: AGE PROFILE



The results indicated that the profession currently attracts a high level of part-time professionals in this area (60.8%); the majority of part-time coaches being female. The remaining four in ten respondents coach on a full-time basis (39.2% of all respondents).

As coaching is a relatively new profession, it is unsurprising that, despite the mature age profile of respondents, the vast majority have been coaching for less than 10 years (86.4%). The greatest levels of growth within the coaching industry are found within the South American and African regions; with these areas recording the highest proportions of new coaches (21.9% and 21.5%, respectively). Within individual countries, South Africa (21.3%) and Switzerland (17.4%) both experienced high proportions of new coaches; specifically, those who had been practicing for less than one year.

It is not surprising perhaps that North America has the most mature coaching profession in place; with almost half of all respondents (48.1%) coaching for more than five years. Within Europe, Germany also has an established coaching industry with over two-thirds (69.4%) of respondents coaching in excess of five years.

When asked to list all of their coaching specialities, the three most popular areas cited by respondents focused solely on business coaching, namely: Leadership (58.1%); Executive (57.8%); and Business/Organizations (53.6%).

The research findings would indicate that male respondents were more likely to coach in these business-focused areas when compared with their female counterparts. Female coaches were significantly more likely to focus on nonbusiness coaching specialties such as Life Vision & Enhancement (18.3%) when compared with male coaches (9.9%).

Coaches are also highly educated – over half of all respondents (53.0%) had obtained an advanced degree such as Master's or Ph.D. Only one in eight respondents stated that they had completed their education before university; with the vast majority holding at least a Bachelor's degree (88.2%).

While it is encouraging that the majority of respondents recorded high levels of educational attainment, this should be balanced against the fact that coaching is still a relatively new profession. With nearly nine out of every ten respondents (86.4%) coaching for less than ten years, ongoing coach specific training and development may be highly correlated with the future success of the coaching industry.

It is encouraging that, in addition to being highly educated, coaches were dedicated towards continuing and improving their professional development. This fact is validated by virtue of the per capita annual spending for professional development that was reported by coaches in this study.

The importance placed on professional development was also evident with almost two-thirds of all respondents (64.5%) having received training through a program accredited by ICF; with a further 30.1% receiving training through a program not accredited by ICF. Amongst all survey respondents, only 5.2% had not undertaken any coach specific training.

Looking specifically at the reported incidence of ICF-accredited training, almost three-quarters of ICF members (71.7%) had received training through an ICF accredited program; with almost half of non-ICF members (47.3%) also receiving training through ICF accredited programs.

The highest proportion of respondents to receive coach specific training through an ICF accredited program was the North American region. At a country level, Canada recorded the highest levels, where almost four of five respondents stated that they had received training through an ICF accredited program.

Regionally, non-ICF accredited training was the most prevalent in Australia-New Zealand (49.2%), Africa (45.6%) and Europe (42.0%). At a country level, the highest occurrence of non-ICF coach specific training was reported by respondents from Germany (67.4%), France (56.0%) and Australia (50.4%).

Whilst one of the most unique attributes of this survey was the wide range of coaches who took part, it was no surprise that over two-thirds of all survey respondents stated that they were members of the ICF (71.2%).

The research findings indicate that ICF membership affiliation was strongest amongst respondents within the North American and Australia-New Zealand regions (74.4% and 69.8% respectively). Those who reside within the African region were the least likely to hold ICF membership. At a country level, respondents from France (58.2%), South Africa (54.1%) and the United Kingdom (37.9%) were least likely to be ICF members.

Credentialing is a relatively new area for coaches, with some 18.7% of all respondents holding an ICF Credential. It is encouraging going forward for the coaching industry that almost half of all respondents without an ICF Credential are currently working towards one (48.7%). A boom in credentialing is clearly in the pipeline and will have a major impact on the industry in the coming years. Examining this achievement on a more local view, respondents from Sweden were most likely to hold a credential (25.7%).

Based on responses to the survey the themes which emerged are that coaches with an ICF Credential are more likely to:

- Coach full-time;
- Have a greater number of clients; and
- Be business focused coaches, with leading specialties like Executive and Leadership coaching.

Revenue

Looking specifically at the questions that were designed to scope the size of the profession, respondents were asked to provide their average annual revenue and their current annual spending on professional development as a coach. In this section of the survey, whilst respondents answered in their own local currency, in order to standardize comparison, all figures are quoted in U.S. dollars.

However, it should be remembered that while the revenue data has been standardized to one currency, the value of the amounts quoted in individual countries and regions must be contextualized in terms of Purchasing Power Parity (PPP), and diverse standards of living. For more information on this subject, please visit the Web site for The World Bank or the Organisation for Economic Co-Operation and Development.

In terms of the respondent’s annual revenue generated specifically through their coaching practices, the survey indicated an average annual salary of $50,510, based on the 4,450 respondents for whom valid data was provided. When analyzed separately by full-time and part-time coaching, the annual figures were $82,671 and $26,150 respectively.

The U.S. market accounted for approximately half of all global coaching revenues. Assuming as a prudent threshold, that there are 30,000 coaches worldwide, it is possible to estimate that the annual revenue generated by the coaching industry globally is close to $1.5 billion.

The highest average coaching revenues were recorded within the regions of Europe and North America ($53,780 and $50,458 respectively). At a country level, it was the respondents from the European nations who reported the highest average coaching revenues: United Kingdom ($65,136); Ireland ($63,550); and Germany ($59,859).

Respondents were also asked to provide their average fee for a one-hour coaching session. At a global level, the average hourly fee reported was $205; with full-time coaches indicating that they were able to command higher hourly rates ($250) than their part-time coaching counterparts ($174).

Looking forward, respondents were extremely positive about their future revenues; with four out of five respondents (81.0%) expecting their earnings from coaching to increase during the next 12 months. On the contrary, only 1.5% of coaches expected to see a decrease in their revenues over the same time frame. Looking further into the future, 45.4% of respondents stated that they expected their revenue to grow by more than 30% over the next three years (defined for this survey as the period from 2006 to 2009). Whether this is a realistic assessment or "irrational exuberance" can of course be tested empirically over time.

Over half of all respondents (54.3%) stated that they offered some of their coaching services pro-bono; while, almost one-third (31.1%) bartered their rate.

As so many coaches are currently pursuing their ICF Credential, it stands to reason that their average annual spending reported on professional development is $4,219. Part-time coaches reported that they spent less on their professional development ($3,473) than did full-time coaches ($5,331).

Assuming that there are around 30,000 coaches globally, we would estimate that the coaching profession's global annual spending on professional development is in the region of $125 million. The United States, with the largest number of coaches, accounts for just under half of all global professional development dollars spent. This is a recurring theme across a range of variables as the U.S. market represents approximately 50% of the global market.

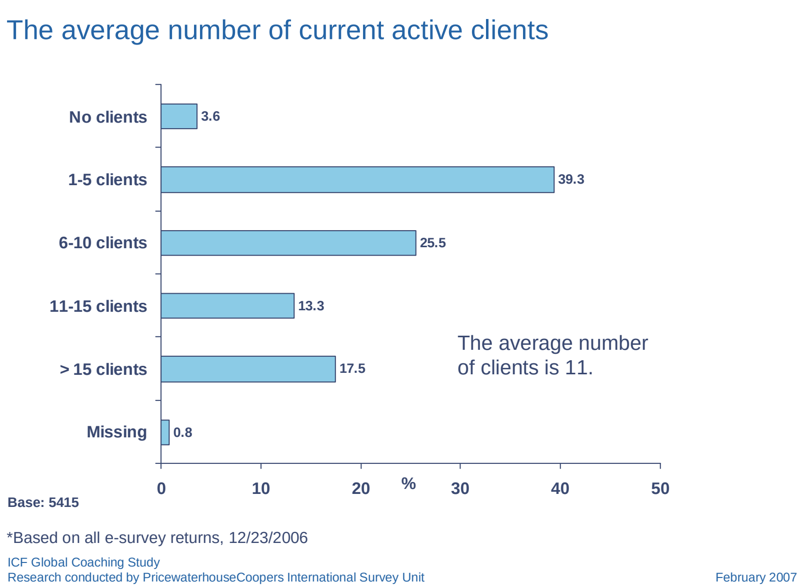
Client Profile

The coaches who responded to this survey were asked to provide information only about their "active" clients. The phrase "active client" is defined as any individual who the coach was working with on an on-going basis at the time they completed the survey. For the context of this report, any reference that is made to the coaching client is only referring to an "active" client.

Closely mirroring the known demographics of the coach, the majority of coaching clients were also female (56.5%) and represented a more mature age group. This age profile for clients was predominantly between 38 and 45 years (35.0%); with a further one-fourth (27.2%) of coaches indicating that they had clients aged between 46 and 55 years.

As shown in Chart 4, the largest cluster of respondents indicated that they currently coached between one and five clients (39.3%). Obviously, there are exceptions, with those who Coach other Coaches having a much greater average number of clients. Looking at the overall global average, respondents indicated that maintained 11 clients. Furthermore, nearly one-fifth of coaches (17.5%) stated that they had more than 15 clients at the time the survey was completed.

Chart 4: NUMBER OF ACTIVE CLIENTS



As might be expected, full-time coaches maintain a larger average number of clients when compared to part-time coaches. The mean number of clients reported by full-time coaches was 16; while, for part-time coaches, the average number of clients was seven.

It is quite interesting to note that ICF Credentialed coaches reported having a greater average number of clients (14) when compared to the number of clients reported by those coaches who do not presently hold an ICF Credential (10). When focusing on those coaches who are ICF Credentialed, a significantly higher portion of them indicated they maintained 11 or more clients (50.5%) than did non-ICF Credentialed coaches (26.2%).

Similar to the profile of the coaching industry, the highest proportion of female clients were recorded within the more nonbusiness coaching areas such as Health & Fitness (76.0% female) and Therapeutic / Alternative Services (73.1% female). On the other hand, the highest proportions of male clients were reported by coaches who specialized in the more "business focused" coaching areas such as Executive (57.0% male) and Business / Organizations (53.9% male).

The main methods that coaches used to communicate with their clients are face-to-face (54.5%) and telephone (41.9%). It is interesting to note that ICF members were significantly more likely (45.3%) than were nonmembers (33.4%) to use telephone coaching as their main coaching method.

Analyzing this factor on a regional basis, North America is the only region where telephone coaching exceeds face-to-face coaching. In this region, more than half of all coaching (56.2%) is conducted by telephone; with 40.1% conducted face-to-face.

While alternative methods of coaching such as video conferencing and voice over internet are slowly being adopted, it is clear that coaches currently regard them as supplementary methods for communicating with their clients.

Industry Issues and Trends

For this survey, coaches were asked to state whether they agreed or disagreed with a number of key attitudinal statements which focused on the future trends for the coaching industry. The key messages are summarized in the subsequent section.

While the coaching profession is a dynamic one, nearly half of all respondents (45.8%) disagreed with the assumption that the biggest danger for the coaching industry was coaching saturation. This was further validated in the coach's view regarding their own future within the industry; specifically, 85.7% of coaches reported that they expected to remain in the industry for at least 10 years, with 70.2% agreeing strongly with this statement. These views point to high levels of future commitment by coaches.

In an attempt to validate the strength of their commitment to the profession, it is insightful to examine the coaches' views on the issue of obtaining an individual credential. The value for this achievement is clear in that more than half of the survey respondents (51.8%) agreed that their clients are increasingly expecting them to be credentialed.

This trend towards pursing an individual credential may, in part, explain why respondents were somewhat concerned about the public misperception of what defines a professional coach. Almost half of all coaches (47.9%) agreed strongly that trainers and consultants, who continually refer to themselves as coaches, will blur the understanding of the profession.

A recurring theme throughout the research was the high level of confidence expressed by the vast majority of respondents to the survey. This was reflected in the 70.5% of respondents who agreed that, in the future, there will be full academic acknowledgement of coaching as a discipline.

Improving ICF Membership Value

A total of 2,689 ICF members were asked to identify what the association could provide/do to make their membership more valuable. Nearly three-fourths of ICF members (71%) responded to this question with at least a single qualitative suggestion. Increasing awareness levels and improving communication amongst ICF members was identified most often (17.4%) as the primary thing that would add value to their ICF membership. This point is further illustrated by the following respondent quotes:

- "More PR for the profession."
- "More effective contact with coaches in my geographical area."
- "High impact promotion and publicity."
- "Invest in PR and advertising to drive home the benefits of the coaching conversation to the masses."

Biggest Opportunities and Challenges for Coaching Profession

Regardless of their ICF membership status, all survey respondents were asked to identify the biggest opportunity for coaches going forward. A total of 4,083 individuals (75.4%) responded to this question; nearly three-fourths of them were ICF members (72%) and the remaining group were non-ICF members (28%).

The possibility for personal and professional development overwhelmingly (26.8%) was viewed as the biggest opportunity for coaches in the future. This response was followed next by the opportunity for improving public awareness, acceptance and the perception of coaches.
Again, the following quotes illustrate some of the direct comments made that were made in response to this question:

- "To help individuals grow personally and professionally."
- "More public awareness of the benefits coaching offers."

As the profession of coaching continues to grow in popularity, both as a career option and as a tool for use in maximizing the personal and professional potential of clients, various opportunities and challenges will present themselves to the practitioners, associations and other groups involved in this emerging profession. The following is a brief list of both opportunities and challenges identified by the data collected in this study.

Future Opportunities for the Profession

- Although the coaching profession is becoming recognizable to wider array of individuals, many things can still be done to help promote the overall "brand" of the coaching profession. This can be accomplished by improving the public awareness, the acceptance and the perception of coaches—*and coaching*—when comparing these groups to other types of practitioners and their respective services.

- In the future, coaching organizations will need to work more closely with regulatory bodies in order to increase the awareness and the understanding of the profession. By continuing its dedication to self-regulation of the industry, coaches will be able to maintain the absolute highest standards of excellence. As long as the coaching profession commits to examine itself on a regular basis, it should not be necessary for the industry to be regulated by virtue of any future government/legal interventions. These efforts also can be enhanced if coaches continue to invest in their professional development, adhere to a strong code of ethics, and pursue their individual coaching credentials.

- Based upon the estimated global universe of 30,000 coaches, nearly 12,000 of these coaches reported that they were currently working toward an ICF Credential. This trend translates to a potentially larger body of credentialed coaches who each can demonstrate a verified set of core coaching skills. As the overall pool of coach practitioners further develop their skills in the art of the core competencies, the task for industry stakeholders to offer concise explanations about coaching will become less difficult.

- By a significant margin, coaches indicate that they are not troubled by the concept of future market saturation and that they remain confident the public will continually accept the offer of coaching. Because coaches who earn an ICF Credential maintain more clients and earn a higher annual income (compared to those coaches who are not ICF Credentialed), these ICF Credentialed coaches should see their practices benefit more acutely by holding a more significant share of this potentially expanding pool of global clients.

- Many coaches feel that, by increasing their collaboration efforts with their peers, they will benefit the overall profession in a positive manner. This task can be accomplished most efficiently by enhancing the communication channels or platforms that assist coaches in engaging with one another globally and across their leading coaching specialties.

Future Challenges for the Profession

- A strong need still exists to collect and to document global Return on Investment (ROI) data and any evidence-based research which serves to validate the impact or the effectiveness of coaching. Industry organizations must commit to making future investments in this research in order to validate the coaching profession in a more substantive way.

- It will be important to balance the influx of growth in the profession with the ongoing efforts to educate the public on the art and the science of the coaching profession. This future challenge can be addressed by continuing to develop proactive messaging campaigns which increase the overall knowledge on the part of the client. This knowledge provided will be critical in helping clients make a more informed choice when hiring a coach.

- As coaches continue to promote their practices by identifying themselves with an expanding group of coaching niche specialties (Small Business, Health & Fitness, Career/Transition, etc.), it may become challenging to educate the public about the *overall* characteristics of the coaching profession. In addition, because many coaches also offer services in their practices other than coaching (i.e. consulting, training and mentoring) potential clients still may not truly understand the nuances between these different types of services. Therefore, if terms like "coach" and "coaching" are continued to be used loosely by individuals from other professions, then the lines between coaching and these other services may become blurred to a greater extent in the future.

- Due to the trend towards newer coaches entering the profession, it is important for them to be fully prepared so that they can be successful in developing their individual practices. In order for the overall perception of the coaching industry to be associated with long-term sustainability, these newer coaches will need to be provided with the necessary tools required for marketing and for building their coaching practices.

- This study successfully compiled client demographic data as reported by the coach practitioner. However, ICF members, the media and other industry organizations have all indicated that they would greatly benefit by having credible research that is gathered specifically from the perspective of the coaching client. One of the strategic goals of the ICF is to be considered a global source for trusted coaching industry research. As such, during 2008, the ICF plans to begin a comprehensive coaching client research study in which the overall objective will be to generate a broad scope of reliable data on those individuals who have experienced professional coaching and the results of coaching.

The following reports were authored by PricewaterhouseCoopers based upon the findings from the *ICF Global Coaching Study*. If you would like to purchase any of the reports, you may do so by visiting the Shopping Cart which is located on the ICF Web site.

Module 1: Profile of Coaching Industry **(24 pages / released on March 30, 2007)** This module includes detailed information on all coaching demographics, differences between ICF Credentialed/non-ICF Credentialed coaches, identification of the leading coaching specialties, different methods of coaching (phone/in-person, etc.), regional/country-specific information, global/individual revenue generated from coaching, coach training/education information, global/individual expenditures on professional development, list of top professional organizations to which coaches belong, and several differences observed by ICF members/nonmembers.

Module 2: Revenue **(29 pages / released on May 1, 2007)**

This module includes coaching revenue information that is analyzed by level of education, ICF member/nonmember revenue differences, earnings by leading specialty, full/part-time earnings, differences by region/country, proportion of those offering pro bono/barter services, comparisons of earnings as reported by ICF Credential/non-ICF Credentialed coaches, future industry revenue expectations, revenue differences by methods of coaching (phone/in-person, etc.), revenue differences observed when comparing earnings to expenditures on professional development, coach training and level of education received.

Module 3: Client Profile **(24 pages / released on July 1, 2007)**

This module includes client information that is gathered entirely from the perspective of the coaches who participated in the study. This will include the average number of active clients that are maintained by coaches, client demographic information analyzed by specific country/regions, leading coaching specialties, for ICF Credentialed/non-ICF Credentialed coaches. This report also includes client data filtered by the various methods used for coaching and client differences between coaches who are ICF members/nonmembers.

Module 4: Industry Issues and Trends **(32 pages / released on September 1, 2007)**

This module includes a summary of opinions offered by coaches in response to nine key attitudinal statements. These questions focus primarily on current issues and trends relating both to individual coaches and the coaching profession. Detailed response profiles are created for the following filters: ICF member/nonmember, ICF Credentialed/non-ICF Credentialed, full-time/part-time, male/female. An additional level of detail is offered based upon region/country affiliation as well as leading coaching specialty.

Final Report **(100 pages / released on October 1, 2007)**

The full report includes all of the unique content that was written in the first four individual report modules; along with a wrap-up section that summarizes the most significant findings from the study. This conclusion section is followed by a summary that identifies some of the more critical challenges and opportunities for the industry and for all coaches going forward in the profession.