



As companies navigate rapid change and risk shifting employee expectations, workplace coaching has emerged as a strategic tool for building resilience, engagement and leadership. The author looks at how organizations are recognizing that coaching can drive up not only growth but also organizational agility and innovation.

The ROI of Workplace Coaching — Performance Up, Burnout Down

by | Makenzie Chilton

Once reserved for executives, workplace coaching is now more than a “benefit plan perk.” When done well, coaching can drive performance while also delivering measurable business returns *and* a measurable boost to employee well-being.

The Cost of Doing Nothing

In Canada, the business case is clear: Mental illness, including burnout and stress, costs the Canadian economy an

estimated \$51 billion each year, covering direct health care, lost productivity and reduced quality of life.¹ Nearly half of Canadian workers report feeling the effects of burnout—a figure that has been rising steadily since 2023.² Absenteeism and presenteeism are also having a significant impact: On average, employees miss nine to ten days of work per year due to stress and exhaustion,³ and the productivity losses from “being at work but not fully there” cost employers billions each year.⁴

Disability claims linked to mental health now make up about a third of all disability claims in Canada, and these absences tend to last longer and cost more than claims for physical disability.⁵ Employers face higher premiums, temporary staffing needs and loss of expertise. If these were any other line items on the balance sheet, leaders would already be calling urgent meetings.

It's not all bad news, however, as the benefits of prevention are significant. Deloitte Canada found that organizations investing in people-centred performance supports, such as workplace coaching, saw a median return on investment (ROI) of \$1.62 for every dollar spent in the first year, which increased to \$2.18 after programs exceeded three years. Building on this evidence, one coaching firm has started assessing the impact of its programs across various factors, including work engagement and productivity. The firm's initial results show a 7:1 ROI based on productivity gains linked to higher engagement. As the firm continues gathering data on other outcomes such as retention, leadership and well-being, we anticipate the overall ROI will grow even further.

How can organizations and plan sponsors design benefits that deliver measurable impact? Strategic offerings like workplace coaching improve performance, lower burnout and create value across teams, while addressing the underlying ways people think, lead and recover.

Coaching 101

As workplace coaching remains an unregulated profession in Canada, there can be confusion about what coaching

is and what it isn't, as well as what qualifications to look for in a reputable coach or coaching program.

From a qualifications standpoint, a helpful starting point is to seek coaches who have completed formal training and hold credentials from reputable organizations such as the International Coaching Federation (ICF), which sets widely recognized global standards for education, practice and ethics. Beyond this, evaluating a prospective coach is much like assessing any strategic partner: Look for a clear method, demonstrated competence and proof of outcomes. Because coaching is also deeply relational, fit matters just as much as skill—Employees need to feel understood and supported for the work to stick. Organizations seeking additional assurance can work through a third party that prescreens coaches and follows a structured process to pair clients with the most suitable coach.

Effective, professional coaching should be structured, confidential and goal-oriented. Coaches utilize evidence-based tools (cognitive-behavioural, solution-focused, positive psychology frameworks, etc.) and combine them with empathy and accountability. This helps to ensure their clients develop the skills to gain clarity, challenge assumptions, and build new strategies to manage stress and complexity—fusing the science of human behaviour with the art of connection.

Conversely, coaching isn't therapy, mentoring, routine management discussions or training. *Therapy* addresses clinical or emotional issues, *mentoring* relies on a senior leader's personal experience and *routine management* conversations usually focus on performance evaluations. Training also serves a different purpose: It delivers knowledge and skills to groups through a structured curriculum, addressing the question, "What do people need to know?"

Workplace coaching occupies a distinct space between these practices, focused specifically on development and progress. Coaching is adaptive, personalized and goal-oriented. It supports mindset shifts, problem solving and accountability by answering, "What do people need to do differently to succeed?" That balance of insight and action is precisely what workplaces need at this moment: a way for high performers to sustain their high performance without burning out.

Where Coaching Makes the Biggest Difference

So, how does talking to a coach lead to business results? It occurs through minor improvements in clarity, focus and

Takeaways

- Coaching helps prevent burnout by promoting balance, focus and purpose, which can reduce stress-related absences and disability claims.
- Absenteeism and presenteeism have a significant impact on organizations. On average, employees miss nine to ten days of work per year due to stress and exhaustion, and the productivity losses from "being at work but not fully there" cost employers billions each year.
- Employees who receive coaching are more engaged and loyal, cutting turnover costs and preserving institutional knowledge. It can build future leaders within the organization and strengthen team dynamics.
- Coaching strengthens decision making, accountability and collaboration, enhancing governance and stakeholder confidence.

communication that accumulate into significant gains in productivity and retention. In practice, this impact often manifests in four areas: performance, recovery, leadership and how these habits shape culture over time.

- **Performance and Capability.** Research and experience demonstrate that effective workplace coaching helps individuals lead more successfully, achieve goals and make better decisions.⁷ By understanding their strengths and limitations, people focus on what matters, communicate more clearly and take impactful action.
- **Well-Being and Resilience.** Burnout occurs when demands constantly surpass resources. Coaching helps individuals recharge by offering tools to set boundaries, clarify purpose and rest intentionally. The goal isn't to make work easier but to support more mindful, sustainable high performance over the long term.
- **Leadership and Culture.** Coached leaders communicate more clearly, listen better and stay grounded under pressure. The effect ripples outward: Teams speak up more, creativity increases and engagement grows.
- **Cumulative Gain.** The payoff grows over time. Deloitte's data shows ROI nearly doubles after programs reach three years.⁶ By then, coaching's influence begins to spread throughout the organization as leaders communicate more clearly, set priorities and model healthy

boundaries, creating teams that are more engaged, resilient and ready to deliver long-term results.

Avoiding the Rabbit Hole: Coaching Topics That Drive Impact

Once people understand the value of workplace coaching, this next question often follows: What kind of coaching truly makes a difference? While it would be ideal if there were a single guaranteed approach, like most things involving humans, one size doesn't fit all. The outcomes depend on a combination of factors: the coach's method, the individual's readiness for change, the goals they set and the level of support within their organization. That said, there are certain topics that consistently have a real impact—areas where even small changes can transform how people work and lead.

For leaders, that often means focusing on time management, priority setting, feedback and conflict navigation, all skills that help them stay steady when things get hectic. For individuals, it's about managing energy, setting boundaries and aligning daily work with personal values so their effort feels both effective and sustainable.

At the organizational level, the most powerful results come from layering these approaches—combining one-to-one coaching with small-group sessions where people can practise and reinforce what they've learned. That struc-

TABLE

Types of Coaching and When to Implement

Coaching Approach	Best For
Solution-Focused Coaching Centers on practical progress and incremental improvements	Busy teams, technical environments, and periods of change or transition
Cognitive-Behavioural Coaching Helps individuals identify thinking patterns that affect behaviour	Burnout prevention, stress management and leaders under pressure
Strengths-Based Coaching Builds on what people do well to enhance performance	Employee engagement, succession planning and leadership pipelines
Values-Based Coaching Clarifies internal motivation and alignment	Retention, culture building and mission-driven organizations
Leadership Coaching Focuses on communication, influence, delegation and decision making	Managers, emerging leaders and trustees
Team Coaching Improves how groups collaborate, solve problems and communicate	Cross-functional teams, governance groups and benefit plan boards

ture helps new behaviours take root and spread naturally through teams, turning individual growth into collective resilience.

Even with well-defined focus areas, coaching programs can still encounter friction. Cost concerns often surface first, especially in organizations new to coaching, but targeted pilots in high-need areas can demonstrate early ROI. Cultural resistance is another common barrier—whether it’s stigma, discomfort with vulnerability or uncertainty about confidentiality. Having senior leaders go first and share high-level outcomes without compromising privacy helps normalize the experience. Programs may also falter when goals are unclear, underscoring the importance of establishing success metrics such as absenteeism, engagement, turnover or leadership capability. And because coaching creates meaningful results over time, short-term thinking can derail progress before the benefits fully materialize. Ensuring alignment with existing supports (such as employee assistance programs (EAPs), learning and development, or leadership development initiatives) helps prevent duplication and strengthen impact. Finally, overloaded teams may feel they lack the time for coaching, so reframing it as a performance enhancer and integrating it into workload planning can help support day-to-day responsibilities rather than compete with them.

Connecting Impact to ROI

The value of coaching is that these changes—how people prioritize, communicate and lead—are tangible. They appear in key metrics such as lower absenteeism, increased engagement and fewer burnout-related absences. While the numbers might not tell the whole story, they clearly show that coaching is a worthwhile investment.

For the “numbers people” in our midst, consider a mid-sized company with 1,000 employees earning an average of \$80,000 a year. That’s roughly \$350 per working day per employee. Reducing absenteeism by just a single day per person saves about \$350,000. Add a one percent improvement in productivity (common in organizations with strong coaching cultures), and that’s another \$800,000 in recovered value.

Even a modest investment in a well-managed coaching program yields a return of nearly three times the cost. And that doesn’t include benefits such as improved retention or fewer disability leaves.

What to Measure

When evaluating the impact of workplace coaching, the number of sessions completed offers little insight into actual progress. What truly matters is evidence of meaningful change in people’s behaviour, performance and outcomes.

At the organizational level, measurement should include indicators such as absenteeism rates, disability leaves and their durations, employee engagement scores, and trends in turnover and promotion. Together, these metrics provide insight into whether the workforce is becoming healthier and more effective over time.

At the individual level, evaluation should focus on coaching utilization, goal-attainment rates and self-reported behaviour change. When combined with 180-degree or 360-degree feedback for leaders, these measures offer a comprehensive view of both reach and impact of coaching initiatives.

Comparing these internal results with national benchmarks such as Statistics Canada’s labour and absence data and The Conference Board of Canada’s *HR Metrics Quarterly* can provide valuable context for measuring progress.^{8,9} But don’t forget the qualitative wins—the stories of employees who regain energy, clarity or confidence. These are signs that a culture is genuinely healing from burnout.

Making It Work: Staying Ahead of the Curve

Organizations that see the strongest coaching ROI have a few things in common.

1. **They think long term.** The biggest payoffs appear after the three-year mark, so committing to the journey is an important part of the equation.
2. **They seek out qualified, evidence-based coaches or coaching programs for their teams.** Coaching is a craft, not a casual skill, and real change requires professionals trained not only in conversation but in measurable behaviour change.
3. **They start where the need is greatest.** Launching in high-burnout, high-turnover or high-absence areas builds early credibility.
4. **They integrate coaching with other supports.** Combining coaching with resources such as EAPs, benefits programs and leadership development, ensures the program reinforces rather than duplicates existing resources.
5. **They model from the top.** When senior leaders participate in coaching and vulnerably share their experi-

ences, it signals permission for everyone else to grow. And when results are communicated transparently, it builds cultural momentum.

On the other hand, even top coaching programs can fall short if they are poorly designed or inadequately supported. Here are some common pitfalls and how to steer clear of them.

- **Short-term thinking.** Expecting transformation in a single quarter sets everyone up for disappointment. Coaching creates lasting results only when it's part of a multiyear commitment to growth and culture.
- **Misplaced focus.** Too often, organizations start with the “easy” groups (the ones already performing well) instead of focusing on teams or departments where stress, turnover or disengagement are highest. Coaching is most valuable where the need is greatest.
- **Measuring the wrong things.** Counting sessions or participation rates doesn't prove value. Focus instead on measurable outcomes, such as reduced absenteeism, improved engagement and stronger leadership capability.

These challenges can be mitigated through clear planning and communication. Establish a three- to five-year roadmap, prioritize areas with the greatest potential for improvement and report progress transparently. Above all, ensure visible leadership commitment—When leaders believe in coaching, the culture follows.

Next Steps: Getting Started

If you've begun to recognize the value of coaching and want to implement it into your own organization, the good news is that implementation doesn't have to be complicated.

Start with a focused, intentional approach. Pilot a program in a specific area—such as a leadership group, a team with high turnover or a department showing early signs of burnout. Clearly define success metrics in advance, whether that entails reduced absences, higher engagement, improved focus or simply a team that feels reenergized.

Choose qualified coaches or a reputable coaching program that aligns with your organizational culture, and com-

BIO

Makenzie Chilton is the director of coaching at Arcora, where she helps people and organizations across Canada build clarity, confidence and momentum. With a background in psychology and over a decade of coaching experience, she blends evidence-based practice with human insight to help people strengthen performance, prevent burnout and create healthier workplaces.



mit to a long-term approach. Sustainable results are achieved through consistency, not quick fixes.

When people's perception of their work shifts, their approach follows. That transformation is visible in stronger results, higher retention and renewed energy. Ultimately, the true ROI of coaching extends beyond performance gains and reduced burnout—It lies in helping people who reconnect with why their work matters. 🌱

Endnotes

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