

UNLOQ

The latest trends in executive coaching & leadership development

Personalisation, technologisation, democratisation and globalisation: 2024-2029

White paper

Alexander Waringa & Marcel Herwegh
2024 - UNLOQ

TABLE OF CONTENTS

1. INTRODUCTION	3
2. PERSONALISED AND CONTINUOUS PROFESSIONAL DEVELOPMENT	4
2.1. CONTEXT	4
2.2. SHIFTING FROM ONE-OFF TRAINING SESSIONS TO ONGOING DEVELOPMENT	4
2.3. INTEGRATING LEARNING INTO EVERYDAY WORK.....	4
2.4. USE OF MICROLEARNING AND JUST-IN-TIME LEARNING SOLUTIONS	5
2.5. SUMMARY	6
3. TECHNOLOGY INTEGRATION IN LEARNING PROGRAMMES	6
3.1. CONTEXT	6
3.2. MOBILE APPS FOR ON-DEMAND COACHING AND LEARNING	7
3.3. DATA ANALYSIS FOR MEASURING THE IMPACT OF COACHING.....	7
3.4. VIRTUAL REALITY (VR) AND AUGMENTED REALITY (AR).....	8
3.5. BLENDED LEARNING AND GAMIFICATION	8
3.6. AI-DRIVEN COACHING (PLATFORMS).....	9
3.7. SUMMARY	9
4. DEMOCRATISATION OF COACHING AND LEADERSHIP DEVELOPMENT	10
4.1. CONTEXT	10
4.2. EMERGENCE OF IN-HOUSE COACHING PROGRAMMES.....	10
4.3. GROWTH OF GROUP COACHING AND TEAM COACHING.....	10
4.4. DEVELOPMENT OF PEER COACHING AND MENTORING NETWORKS	11
4.5. INTEGRATING COACHING SKILLS INTO LEADERSHIP DEVELOPMENT.....	12
4.6. SUMMARY.....	12
5. GLOBALISATION OF COACHING SERVICES AND LEADERSHIP DEVELOPMENT	13
5.1. CONTEXT	13
5.2. CULTURAL SENSITIVITY AND DIVERSITY IN COACHING.....	13
5.3. VIRTUAL AND HYBRID COACHING MODELS	13
5.4. WORKING WITH INTERNATIONAL TEAMS AND LEADERS	14
5.5. LANGUAGE BARRIERS AND MULTILINGUALISM IN COACHING	14
5.6. SUMMARY	15
6. OTHER MARKET DEVELOPMENTS	16
6.1. CONTEXT	16
6.2. CONSOLIDATION IN THE MARKET	16
6.3. PRICE PRESSURE FROM TECHNOLOGICAL INNOVATIONS	16
6.4. BARRIERS TO ENTRY FOR NEW PROVIDERS	16
6.5. RISING DEMAND FOR TEAM COACHING AND DIVERSITY IN LEADERSHIP	17
6.6. SUMMARY	17

1. Introduction

The global market for executive coaching and leadership development is estimated at around **USD 95 billion** and expected to grow to **USD 147 billion** by 2029.

The expected growth is driven by the increasing demand for leadership skills in a rapidly changing and more complex business environment. Four main key trends can be identified in the market. They are:

- Personalised and continuous professional development
- Technology integration within learning programmes
- Democratisation of coaching and leadership development
- Globalisation of coaching and leadership development

The following chapters discuss these different trends including the specific services and products offered within these trends. We then discuss to what extent each trend offers opportunities.

Justification:

Using ChatGPT, Perplexity and our own Coachbot **iRobin**, the above key trends were identified based on public parts of the sources below:



- <https://www.mordorintelligence.com/industry-reports/executive-coaching-and-leadership-development-market>
- <https://www.harveynash.nl/latest-news/2024-5/digital-leadership-report-pulse-survey-2024>
- <https://www.futuremarketinsights.com/reports/executive-coaching-certification-market>
- <https://www.odgersberndtson.com/en-au/insights/the-future-of-coaching-how-generative-ai-is-transforming-systemic-and-executive-coaching/>
- <https://www.conference-board.org/publications/global-executive-coaching-survey-2023-report>
- https://www.harvardbusiness.org/wp-content/uploads/2023/06/Report_Ready-for-Anything_Jun2023.pdf
- <https://coachingfederation.org/blog/robust-growth-2023-global-coaching-study-results-are-in>

2. Personalised and continuous professional development

2.1. Context

One of the most striking trends in the executive coaching and leadership development market is the increasing demand for personalised coaching and learning programmes. The days of generic, one-size-fits-all programmes are coming to an end. Organisations and individuals are increasingly realising that customisation plays a crucial role in maximising the effectiveness of coaching and development. In addition, these personalised learning processes are increasingly no longer one-offs, but continuous. In other words, they are no longer a single training session, but an ongoing process integrated into the daily work of managers and executives.

Companies recognise that leaders need to constantly learn new skills to respond to trends such as technological advances, market changes and new ways of working.

Key features of this trend are:

2.2. Shifting from one-off training sessions to ongoing development

Whereas previously leadership development often consisted of a single training course or workshop, there is now a clear shift towards a continuous learning path. This means that leaders do not just participate in a single course but are constantly exposed to new learning tools and experiences that gradually improve their skills.

- **Learning cycles:** Ongoing development means that there are regular moments when performance is assessed, and new learning goals are set. This ensures that leaders continue to grow and improve. Example: A marketing manager follows a year-long leadership programme, where she has a review every three months and can implement new strategies and receive immediate feedback.
- **Ongoing coaching processes:** Instead of a one-off coaching or training session, more and more organisations now offer coaching as an ongoing process where leaders are continuously supported in their development. This ensures that they continue to apply and develop new skills. Example: An organisation offers its senior managers monthly one-to-one coaching, with each session building on the previous one. This enables leaders to address both acute challenges and long-term goals, with continuous feedback and adjustment of strategies.

2.3. Integrating learning into everyday work

A major shift in professional development is integrating learning into the daily work environment. Instead of viewing learning as a separate activity, it is now intertwined with daily tasks and acute development needs.

- **Learning On-the-job:** leadership development now increasingly happens "on the job", with managers being coached during their daily work. This makes learning more relevant and practical, as skills are directly applied in the workplace.
- Example: A sales manager is guided on the job by an internal coach who helps him improve his leadership skills during team meetings and customer calls.

This coaching takes place in real-time and is directly applied to everyday situations.

- **Learning from everyday experiences:** Leaders are encouraged to reflect on and learn from their daily personal experiences. This can be done, for example, through diary keeping, self-reflection, or weekly team feedback sessions. Self-reflection is a powerful tool for personal growth and leadership development. Example: A production manager reflects every Friday on the key events of the week. He writes down what decisions he made, what the consequences were, and what he could do differently next time. These reflections help him become more aware of his leadership style and identify areas for improvement.
- **360-degree feedback:** an important aspect of continuous professional development is receiving feedback regularly. Many organisations use a 360-degree feedback system, where the leader receives feedback from multiple sources, such as managers, colleagues, and team members. This gives a complete picture of how the leader functions within the organisation. Example: A director receives a 360-degree feedback report in which he hears that he is good at strategic decision-making, but that his communication with junior team members sometimes comes across as too direct and impersonal. This enables the director to focus on working on his communication style with younger employees.
- **Individual assessments:** assessment tools are often used to create snapshots of a person's leadership style, behaviour and capabilities. In doing so, these assessments help identify a leader's strengths and weaknesses, as well as their specific learning styles development needs. Based on the outcomes, relevant and personalised learning pathways can be designed. Example: A leader found to have difficulty with conflict management according to an assessment can follow a specific programme that focuses on improving negotiation and communication skills.

Estimates indicate that around 60-70% of organisations regularly use assessment tools and 360-degree feedback instruments to evaluate and improve leadership qualities. With the rise of digital and cloud-based solutions, these tools have also become increasingly accessible, which has contributed to their wider use within coaching programmes worldwide. Typically, the costs associated with assessment tools are around 10-15% of the total cost of a leadership development programme, as representing an outlet of over USD 10 billion.

2.4. Use of microlearning and just-in-time learning solutions

Microlearning is an approach that presents information and skills in small, bite-sized chunks that are easy to consume and immediately applicable. Personal Just-in-time learning responds to the need for quick and immediately usable knowledge or skills at the time they are needed, rather than at a pre-planned training time.

- **Microlearning modules:** Instead of long, intensive training sessions, leaders can now take small online learning modules that are completed in minutes. This makes it easy to integrate learning into busy work schedules. Example: An HR manager can take a 10-minute microlearning module on how to give effective feedback to employees, just before having to have a feedback meeting.

This online module offers quick, practical tips that can be applied immediately.

- **Just-in-time learning:** Just-in-time learning solutions provide access to knowledge and resources exactly when they are needed. This helps leaders respond quickly to new challenges. Example: An IT manager faces a complex technical challenge during a project and immediately needs specific leadership skills to guide the team through this phase. She gets access to a just-in-time learning module that teaches her how best to guide her team in stressful situations.

2.5. Summary

A clear shift can be seen from one-off training sessions to ongoing, personalised learning pathways. Organisations are realising that maximising the effectiveness of coaching and leadership programmes requires a personalised approach integrated into the daily work of executives. This development is mainly driven by the need for continuous adaptation to technological advances and changing market conditions.

- **Shift from one-off training to continuous development:** Organisations now implement cycles of continuous evaluation and new learning objectives. This leads to better performance and constant improvement.
- **Integrating learning into everyday work:** Leaders develop skills in real time, supported by on-the-job coaching and self-reflection.
- **360-degree feedback and individual assessments:** About 60-70% of organisations regularly use assessment tools and 360-degree feedback instruments to evaluate and improve leadership qualities.
- **Use of microlearning and just-in-time learning solutions:** Small, short learning paths enable leaders to gain new knowledge and skills in their busy schedules.

These trends show that customisation and ongoing development have become crucial for modern coaching programmes and leadership development.

3. Technology integration in learning programmes

3.1. Context

The previous chapter described the trend of growing demand for personalised and continuous professional development.

Many of these learning solutions can only be offered through the use of innovative technology. In this chapter, therefore, we take a closer look at the impact of technology on the sector. Technology is having a huge impact on the way coaching and leadership development are offered and tracked. The integration of innovative technology tools and platforms makes coaching programmes more accessible, scalable and cost-effective. This allows organisations to develop leaders and employees in new, efficient ways.

The following are the key technological developments that play a major role in transforming leadership development:

3.2. Mobile apps for on-demand coaching and learning

Mobile technology has ensured that coaching and learning are no longer tied to physical locations or fixed times. Leaders can now access coaching and development materials on-demand through mobile apps, increasing flexibility and accessibility.

- **On-demand coaching:** Mobile apps enable leaders to contact coaches or learning platforms directly when they need it. This provides flexible learning solutions that adapt to the busy schedule of modern leaders. Example: A leader can use a mobile app to book a short session with a coach at any time for advice on a specific challenge, such as leading an important meeting.
- **Microlearning via apps:** Apps offer short learning modules focusing on specific leadership skills. These modules can be completed in just a few minutes, allowing executives to brush up on their knowledge at any time. Example: A leader can access a short module on effective goal setting via the app just before entering a team meeting.

Mobile technology not only makes coaching and learning more flexible, but also more integrated into leaders' daily workflow. Within the executive coaching and leadership development market, mobile apps are used in about 10-15% of learning processes. This is expected to increase substantially.

3.3. Data analysis for measuring the impact of coaching

With the growing availability of data and analytical tools, organisations can better measure the impact of coaching and leadership development programmes. Data analysis offers insight into how effective coaching is, which areas can still be improved and what the return on investment (ROI) is of such programmes.

- **Performance tracking:** Data analytics allows organisations to track the performance of executives over a longer period and see which interventions have had the most impact. Example: An organisation can analyse which leaders made the most progress after specific coaching sessions and which skills improved the most.
- **Continuous feedback loops:** Data analysis allows coaches and managers to gain continuous insight into their progress. This makes it possible to adjust trajectories based on real-time results, leading to more personalised and effective coaching. Example: A leader who has difficulty dealing with conflict can discover recurring patterns through analysis and receive targeted guidance to further develop these skills.

This analytical approach offers organisations and coaches an objective way to assess the impact of coaching and optimise programmes based on concrete results.

3.4. Virtual Reality (VR) and Augmented Reality (AR)

VR and AR offer immersive (perception of being physically present in a non-physical world) learning experiences that transcend traditional leadership development methods. These high-tech technologies simulate realistic scenarios in which executives can practice making decisions and dealing with complex situations in a safe environment.

- **Virtual Reality (VR):** VR creates a fully immersive, computer-based environment in which users can practice different leadership scenarios. This can range from negotiations, conflict management, crisis management to giving presentations. VR provides a safe space where leaders can experiment without real consequences. Example: A leader can practice how to react during a major crisis, such as a PR scandal or a financial crisis, simulating realistic emotions and pressures.
- **Augmented Reality (AR):** AR enriches the real world with digital elements, such as overlays of information or objects. This provides an opportunity for managers to access relevant coaching information or guidance directly during their work. Example: A leader giving a presentation can get instant feedback on their posture, intonation or non-verbal communication via AR.

These technologies make it possible to run through scenarios in an interactive way, giving leaders the chance to test different styles and strategies without risk. Even though this VR and AR solutions have been available for several years, they are not massively deployed. The estimated market size VR in the education and training market (which includes leadership development) is around USD 700 million.

3.5. Blended learning and gamification

Another technological innovation is the emergence of e-learning platforms that enable leaders to access comprehensive learning programmes online. These platforms often offer a **blended learning approach**, combining traditional classroom training with digital learning solutions.

- **Blended learning:** This combines online learning modules with live sessions or workshops, creating a flexible and in-depth learning experience. Leaders can go through digital content at their own pace and then participate in group sessions or coaching. Example: A leader can first take an online course on decision-making and then participate in a live coaching session that puts this knowledge into practice.
- **Gamification:** Many e-learning platforms use gamification elements, such as badges, scores and challenges, to make learning more fun and motivating. This encourages leaders to stay actively involved in their development.

These platforms offer organisations a scalable way to provide leadership development to large groups of executives. Companies like Deloitte saw 47% increase in repeat users after integrating gamification into their leadership training programmes. Within the executive coaching and leadership development market, it is estimated that 10-15% use gamification strategies.

3.6. AI-driven coaching (platforms)

Artificial intelligence (AI) is one of the key innovations making leadership development more efficient. AI-driven coaching platforms such as Cultivate and BetterUp are becoming increasingly popular, as they offer personalised coaching based on data from daily communications such as emails and meetings. These high-tech platforms help leaders improve their interactions and performance in real-time, ensuring high participation and satisfaction rates, often two to three times higher than traditional training programmes.

- **AI-based analytics:** AI can process and analyse large amounts of data, such as an individual's communication style, decision-making and leadership skills. This enables AI to recognise patterns and make targeted suggestions for improvement. Example: An AI coaching platform can advise a leader to be more empathetic in their communication, based on the analysis of emails or meeting interactions.
- **Chatbots and virtual coaches:** AI can be used to create virtual coaches that are available 24/7. These chatbots can provide quick answers and guidance on specific challenges, such as giving feedback to a team member or dealing with stressful situations. Example: A virtual coach can guide a leader in giving difficult feedback through scripted dialogues and suggestions for improvement.

AI coaching offers the ability to coach executives continuously and at scale without always requiring a human coach, making it affordable and efficient. Within the executive coaching and leadership development market, it is estimated that AI accounts for about 5-10% of the total market and 3-5% use coachbots.

3.7. Summary

Technology is having a major impact on the accessibility, scalability and cost-effectiveness of coaching and leadership development. This has led to several innovations, such as mobile apps for on-demand coaching, data analytics for measuring impact, and the use of VR and AR for more immersive learning experiences.

- **Mobile apps for on-demand coaching:** About 10-15% of learning programmes use mobile apps, which is expected to increase.
- **Data analytics:** Performance tracking and real-time feedback provide personalised learning pathways.
- **Virtual Reality (VR) and Augmented Reality (AR):** VR provides safe environments for practising leadership scenarios. The market for VR in leadership development is estimated at USD 700 million.
- **Blended learning and gamification:** This combines digital modules with live sessions, with gamification playing an important role. Companies such as Deloitte saw a 47% increase in repeat users due to gamification.

These technology trends make coaching and leadership development more accessible and allow organisations to scale and personalise programmes.

4. Democratisation of coaching and leadership development

4.1. Context

The democratisation of coaching and leadership development refers to the trend whereby these forms of intervention, which used to be mainly reserved for top managers and C-level executives, are now becoming increasingly accessible to employees at all levels within an organisation.

With technological innovations, changing views on talent development and the increasing focus on developing diverse leadership skills, organisations can now offer coaching to a wider audience. Democratisation ensures that coaching is no longer a privilege for the top but becomes an integral part of the culture and success of the entire organisation.

Key aspects of this trend are further explained below:

4.2. Emergence of in-house coaching programmes

Previously, coaching was often purchased externally through external coaches and consultants, but more and more organisations are developing their own internal coaching programmes. By training internal leaders and HR professionals in coaching skills, organisations can implement coaching on a larger scale without the high cost of external coaches.

- **Internal coaches:** Organisations are increasingly training their own employees to apply coaching skills in their work. This may involve training managers and/or HR professionals to coach colleagues and team members. Example: A manager is trained as an internal coach and guides other managers within the organisation to improve their leadership skills and achieve their goals.
- **Cultural impact:** By making coaching an integral part of the organisational culture, employees at all levels can benefit from coaching. This creates a culture where development and growth are central. Example: In an organisation where coaching is the norm, regular coaching meetings are held, where employees are encouraged to be open about their development needs and challenges.

About 56% of coaching in companies is carried out internally. External coaches are mainly hired for more specialised coaching, often for senior managers and executives. Only 13% of senior executives use internal coaching. Internal programmes enable companies to offer coaching in a scalable way, without relying on external consultants, and help create a learning organisation.

4.3. Growth of group coaching and team coaching

Besides one-to-one coaching, group and team coaching is becoming increasingly popular as a cost-effective way to offer coaching to more and multiple employees at the same time. Team coaching focuses on improving cooperation, communication and performance within teams.

- **Group coaching:** In group coaching, a group of employees or executives are coached together by a single coach. This provides an opportunity to discuss common themes and challenges, while participants learn from each other.

Example: A group of managers within the same organisation receives group coaching to improve skills such as conflict resolution and giving feedback. They learn not only from the coach, but also from each other by sharing experiences.

- **Team coaching:** Team coaching focuses on optimising the performance of an entire team, improving collaboration, communication and dynamics within the team. Harvard Business Review reports that companies are increasingly using team coaching in situations where leadership is not limited to individual performance, but where collaboration, team cohesion, and innovation are central. Example: A sales team that is struggling to meet targets may receive team coaching to improve mutual communication, optimise processes and work collectively to achieve better results.

Currently, an estimated 70-80% of all coaching within companies is in the form of individual coaching and 20-30% in the form of team coaching. Team coaching is booming and offers a scalable and cost-effective alternative to traditional coaching. Given the increasing complexity of modern organisations, hybrid working and the need for better collaboration, team coaching is expected to grow further with an annual growth rate of 15-20% over the next five years.

4.4. Development of peer coaching and mentoring networks

Peer coaching is an increasingly popular approach where peers or team members coach each other. Instead of a professional coach, peers help each other through structured conversations and feedback. This encourages mutual learning and strengthens relationships within a team or organisation.

- **Peer coaching:** colleagues coach each other within the same organisation. Within peer coaching, employees give each other feedback and guidance based on their experiences and knowledge. This is especially effective in teams where team members know and trust each other well. Example: Two managers from different departments are paired up for peer coaching. They share their challenges and give each other advice on how to improve their leadership skills.
- **Mutual learning:** Peer coaching promotes a culture of collaboration and continuous learning, where employees are not only responsible for their own development, but also contribute to that of their colleagues. Example: Employees within a project team coach each other in weekly sessions to achieve both personal and team goals, creating a strong collaborative dynamic.
- **Mentoring:** this form of guidance is becoming an increasingly important tool for both personal and professional growth within organisations, pairing experienced leaders or mentors with less experienced employees to support their development. Example: a mentoring programme aimed at middle managers identified as potential leaders for senior leadership positions within the organisation. These managers are paired with senior leaders within the company who already have extensive C-level experience. The mentors support the managers in their development by sharing insights on strategic leadership, decision-making, and managing teams on a large scale.

These networks provide a cost-effective way to make coaching and mentoring accessible to a wider group of employees and create a culture where learning and collaboration are central.

It is estimated that more than 70% of Fortune 500 companies have integrated mentoring programmes into their talent development strategies. This shows that mentoring is not only being used for senior executives but is being made more widely accessible in many organisations.

4.5. Integrating coaching skills into leadership development

Leaders are increasingly being trained to use coaching skills themselves as an essential part of their leadership style. This means that leaders at all levels learn how to coach and support their team members in their development, making coaching a core part of daily interactions.

- **Coaching as a leadership competency:** Organisations increasingly want leaders to also be effective facilitators. The ability to support, motivate and maximise employees' potential is increasingly seen as a crucial leadership competency. Example: A manager can be trained to have coaching conversations, with the aim of helping employees find their own solutions rather than simply telling them what to do.
- **Coaching leadership:** Instead of focusing solely on performance management, giving direct instructions or micromanaging team members, a coaching leader helps employees find solutions on their own, develop skills, and realise their potential. The emphasis is on collaboration, empowerment, and personal growth, with developing self-reliance and responsibility at the centre. Example: A team leader uses coaching techniques to help an employee create a career plan and develop the necessary skills to get promoted.

By integrating coaching skills into leadership development at all levels, organisations can ensure that coaching is not limited to a select few, but that it is widely applied and embedded in the corporate culture. Coaching leadership proves effective in situations where the goal is to increase employee engagement, increase productivity, and foster a culture of continuous learning.

4.6. Summary

Coaching and leadership development is no longer exclusively for C-level executives; it is now offered to employees at all levels, thanks to technological innovations and changing views on talent development.

- **Rise of in-house coaching programmes:** 56% of coaching is conducted internally, with in-house coaches, with companies training senior leaders and HR professionals in coaching skills.
- **Growth of group and team coaching:** An estimated 20-30% of all coaching within companies is focused on teams, a trend that is expected to grow by 15-20% per year.
- **Peer coaching and mentoring networks:** More than 70% of Fortune 500 companies have integrated mentoring programmes. This strengthens the learning culture within organisations.
- **Coaching skills as a leadership competency:** Leaders are increasingly trained to integrate coaching themselves into their leadership style, creating a culture of continuous learning.

These developments show that coaching is increasingly becoming an integral part of the corporate culture at all levels.

5. Globalisation of coaching services and leadership development

5.1. Context

The globalisation of coaching services is a major development in the executive coaching and leadership development market. More and more organisations are operating on a global scale and dealing with multinational teams, diverse cultures, and rapidly changing market conditions. This globalisation means that coaching services must adapt to the complexity and diversity of international companies.

The globalisation of coaching means that coaching is no longer confined to one geographical region or specific cultural context, but coaches operate globally and serve clients all over the world. This requires a flexible approach that considers different cultural norms, time zones, and languages. At the same time, the globalisation of coaching services offers new opportunities for coaches and companies to expand their reach and develop more diverse and inclusive leadership strategies.

Key aspects of globalisation of coaching services are further explained below:

5.2. Cultural sensitivity and diversity in coaching

One of the biggest challenges in globalisation coaching is dealing effectively with cultural diversity. Leaders working in multinational organisations need to be able to deal with different cultures, values, and communication styles. Coaches must therefore develop cultural sensitivity and tailor their approach to the specific cultural context of their clients.

- **Cultural competence:** Coaches need to develop cultural competence to work effectively with clients from different countries and cultures. This means understanding cultural differences and how these can affect the way leaders communicate, make decisions, and lead teams. Example: A coach working with a leader in Japan needs to be aware of the emphasis on hierarchy and collective decision-making, while a coach in the US may be more focused on individual responsibility and direct communication.
- **Adapting coaching styles:** Coaches need to adapt their coaching style to the culture of the leader and team they are working with. What works in one culture may be counterproductive in another. Example: In some cultures, it is more common to give indirect feedback, while in others direct, open feedback is valued. A coach must be able to recognise and respond to these nuances.

Cultural sensitivity and diversity are essential for coaching effectiveness in a globalised environment. Coaches who can bridge cultural differences can make more impact and be more effective in coaching leaders in international contexts.

5.3. Virtual and hybrid coaching models

With the globalisation of coaching services, it is no longer necessary to be physically present with the coachee. Virtual coaching and hybrid coaching models (combination of physical and online sessions) are booming and offer new opportunities to deliver coaching globally.

This makes coaching more accessible to multinational organisations and allows coaches to flexibly respond to clients' needs in different time zones and locations.

- **Virtual coaching:** Thanks to technological advances such as video conferencing, e-learning platforms and apps for coaching, coaches can now serve clients worldwide. Virtual coaching makes it possible to offer coaching without the constraints of travel time or location. Example: An executive in Europe can receive coaching from a coach in the US, using video conferencing to hold weekly sessions. This saves time and costs and allows coaching to be offered globally at scale.
- **Hybrid coaching models:** Some organisations adopt a hybrid approach, with coaches offering both physical and virtual sessions. This model offers flexibility and allows organisations to adapt coaching to the specific needs of their international teams. Example: A multinational company with offices in several countries can organise physical coaching sessions during meetings or off-site gatherings, combined with virtual sessions for ongoing support.

Virtual and hybrid coaching models offer organisations the flexibility to efficiently deploy coaching globally, while reducing the cost and logistical challenges of physical coaching. See also 'Chapter 3. Technology integration within learning programmes for information on technology options.

5.4. Working with international teams and leaders

The globalisation of coaching services also means that coaches are increasingly working with international teams and leaders. This requires a deep understanding of how these teams' function, how they communicate across national borders, and what unique challenges exist in multinational organisations.

- **International team coaching:** Coaches need to be able to coach teams spread across different countries and time zones. These teams often face challenges in communication, collaboration, and cultural differences. A coach must be able to identify and help bridge these challenges. Example: A coach works with a team consisting of members from Asia, Europe and North America. The coach helps the team communicate effectively, consider cultural differences and develop a shared vision despite the physical distance.
- **Global leadership development:** Leaders operating in an international context need unique skills, such as the ability to manage teams remotely, understanding of geopolitical developments, and the ability to lead multicultural teams. Coaches specialising in international leadership development can help leaders develop these skills. Example: A CEO of a global company is coached on keeping the company culture consistent across different regions while responding to local needs and expectations.

International teams and leaders have specific needs that go beyond traditional coaching approaches. Coaches who can adapt to the complexities of international leadership have a distinct advantage in the globalised market.

5.5. Language barriers and multilingualism in coaching

Language barriers can be an obstacle to effective coaching in a globalised context.

Although English is often the working language in international companies, not every leader is comfortable with English as a second language. Coaches who are multilingual or offer coaching in multiple languages have an advantage in the international market.

- **Multilingual coaches:** Coaches who speak multiple languages can be more effective in coaching leaders who do not speak their first language. This increases the accessibility of coaching to a wider audience and makes leaders feel freer to discuss their challenges in a language in which they feel comfortable.
Example: A Spanish leader can be coached by a bilingual coach who speaks both English and Spanish, making communication smoother and building trust.
- **Use of interpretation services:** In some cases, using interpretation services during coaching sessions can help overcome language barriers. Although less common, this can be a solution for coaches working with clients who do not speak a common language. Example: A German-speaking leader receives coaching from an English-speaking coach, using an interpreter to support communication.

Offering multilingual coaches or coaching in different languages helps companies use coaching more broadly and ensure the effectiveness of coaching, regardless of language barriers.

5.6. Summary

The globalisation of coaching and leadership development requires greater cultural sensitivity and new ways to support leaders working in multinational environments. Virtual and hybrid coaching models make it possible to deliver coaching globally.

- **Cultural sensitivity and diversity:** Coaches need to develop cultural competence to work effectively with diverse teams. This requires a flexible approach that takes cultural differences into account.
- **Virtual and hybrid coaching models:** About 10-15% of coaching is offered virtually, offering more flexibility to organisations worldwide.
- **Working with international teams and leaders:** Coaches play an important role in bridging the challenges of multicultural teams, such as communication and collaboration across national borders.
- **Language barriers and multilingualism in coaching:** Multilingual coaches offer an advantage in the international market as they can overcome language barriers.

Globalisation requires coaching and leadership development to adapt to the diversity of global organisations and leaders.

6. Other market developments

6.1. Context

In the previous sections, 4 market trends were described in detail including examples. This section shows what other general market trends affect executive coaching and leadership development.

6.2. Consolidation in the market

The executive coaching and leadership development market has very limited consolidation. Although there have been some acquisitions in recent years by high-tech companies such as BetterUp and CoachHub, these acquisitions are relatively rare compared to the technology or pharmaceutical sectors. This is because many traditional coaching companies are focused on specialised niche markets and personal relationships with clients, which makes mergers less attractive. In addition, the market is fragmented, with many independent coaches and small companies operating on a regional level. It is mainly the larger international tech companies with external funding that acquire smaller technology-driven companies to expand their technological capabilities. These high-tech players also buy other providers from the more traditional market to expand their own service offerings. Finally, there are companies buying up their high-tech counterparts to get their hands on technology.

Consolidation by assessment companies

There are also companies in the executive coaching and leadership development market that are taking over assessment companies, and vice versa. This trend stems from the need to integrate technology tools and data analytics into leadership development. This helps companies both measure the effectiveness of coaching programmes and offer personalised coaching, strengthening their competitive position in the market. The mergers between coaching and assessment companies mean that clients increasingly expect a complete package, seamlessly integrating assessments and coaching.

6.3. Price pressure from technological innovations

With the advent of AI-based coaching platforms, mobile apps and VR solutions, pricing pressure is increasing. Companies such as CoachHub and BetterUp use technology to offer coaching at scale at a fraction of the cost of traditional methods. These platforms offer on-demand coaching that is approachable. In practice, however, these providers appear to charge hourly rates comparable to those of more traditional competitors. Therefore, there is hardly any price pressure yet, although this will become a factor in the future.

6.4. Barriers to entry for new providers

The coaching market has relatively low barriers to entry so far. It generally does not require large investments, nor is the market regulated. In principle, any person can call themselves a coach or leadership specialist and get started. However, more and more barriers seem to be appearing.

Barriers to entry due to certification requirements

For high-level coaching such as executive coaching, certifications and specific experience are often expected. There are professional organisations that offer various certifications for Professional Coaches.

For example, the European Mentoring and Coaching Council (EMCC) and the International Coaching Federation (ICF). The number of certified coaches, compared to the total professional population, is still very small. However, the importance that buyers attach to certification is increasing. The growing availability of cheaper digital platforms increases competition for general coaching, while niche and specialist coaching seem to become less accessible without extensive experience and certification.

Access barrier due to privacy requirements & compliance

Another barrier to access is the increasing requirement from (international) buyers of coaching and leadership programmes, that the supplier complies with the European General Data Protection Regulation (GDPR) and is ISO 27001 certified. This is because coaching and leadership programmes often contain highly sensitive information about business strategies, leadership style, and personal data of executives. The risk of data breaches or cyber-attacks increases as more information is stored and processed digitally via cloud platforms and digital coaching tools. Having ISO 27001 certification therefore provides a competitive advantage in terms of trust and compliance.

6.5. Rising demand for team coaching and diversity in leadership

There is a clear shift from individual coaching to group and team coaching. This shift is driven by the need for greater collaboration, the emergence of hybrid working models and the desire to make development programmes more cost-effective (see also section 4.3). In addition, society's focus on diversity and inclusion appears to be contributing to a growing demand for executive coaching and leadership development. Companies expect their leaders to develop the necessary skills to create inclusive environments. This means that there is an increasing demand for specialised programmes that help leaders develop intercultural and inclusive leadership skills.

6.6. Summary

The market for executive coaching and leadership development is fragmented, with some consolidation trends and challenges such as pricing pressures and barriers to entry due to certification requirements and privacy compliance.

- **Consolidation in the market:** There are mergers between coaching and assessment companies to create a more complete range of services.
- **Price pressure from technological innovations:** AI and VR solutions are driving down costs in coaching, although price differences between tech-driven and traditional providers are still limited.
- **Barriers to entry for new providers:** Certification and privacy requirements, such as ISO 27001, are increasing barriers to entry.
- **Increasing demand for team coaching and diversity in leadership:** There is a shift towards team coaching due to the need for collaboration and hybrid working models. Also, the focus on diversity and inclusion is creating more demand for coaching that helps leaders develop intercultural and inclusive skills

The market is evolving, with increasing demand for advanced technology and integration of assessment tools into coaching programmes.