The LEADx Leadership Development **Benchmark Report 2025** 

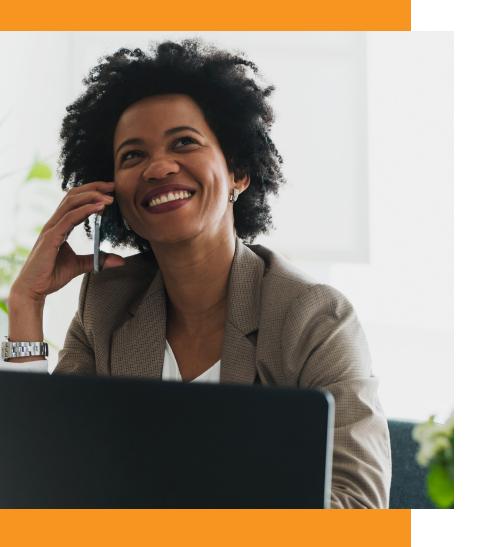
# Leadership Development

Sets Its Focus
On Behavior Change In

As budgets continue to drop, leadership development professionals are committed to demonstrating their impact.







# In 2025, leadership development professionals vow to "go on offense" and prove their value.

After seeing leadership development budgets take a colossal slide in 2024 (dropping 70% year over year), we hoped to see a bounceback in 2025.

Instead we saw budgets dip an additional 15%. Average budgets decreased 70% since January 2023. The average leadership development team size also decreased by 13%.

The result? Leadership development professionals are learning to work "smart not hard" in 2025.

Read on for insights and ideas you can bring to your company and your career.

## Leadership Development Teams Shrunk 13% Since 2024

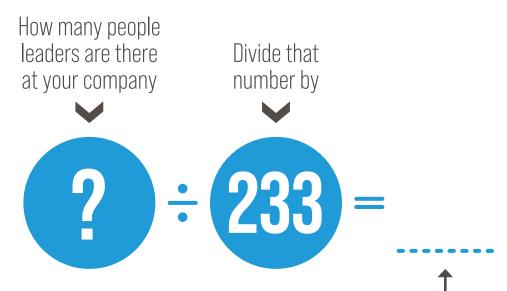
1 leadership development professional for every

233 managers.

This ratio worsened by

130/ and was at 1:89 two years ago

Is your team overstaffed or understaffed?



The expected number of leadership development professionals at your company based on the average ratio.

## Budgets Dropped 15% Since 2024

\$266.67

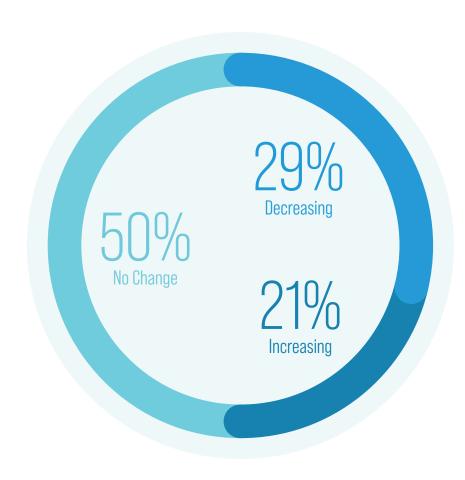
**≺ Median** per Manager

## Change in budget in 2025

January of 2024 represented a massive drop off in budget from 2023 (70%). But instead of bouncing back, budgets have continued to slide—down about 15% since January 2024.

This aligns with what we've heard from our community of 1,000+ leadership development professionals: While last year was more drastic and abrupt, this year has continued to have layoffs and cuts.

The forecast for 2025 doesn't look to improve much either. Most leadership development professionals expect their budgets to stay the same (50%) or decrease (29%). Just 21% expect an increase.



## Leadership Development Goes On Offense

Last year, despite drastic cuts in budgets, far and away the top priority was "new and updated programs." This likely reflected a bit of shock, and insufficient time to strategize and pivot. This year's report seems to reflect a more realistic, grounded approach:

## Leadership development professionals are going on offense and prioritizing the behaviors and metrics that prove value.

Overwhelmingly, leadership development professionals prioritized outcomes, not programs (i.e., manager effectiveness ratings, leadership pipeline, succession, ROI). They also indicated that they're focusing in on foundational leadership skills and the scalability of their existing programs.

This is a sure sign that leadership development professionals are setting out to create and demonstrate value.

# What is your #1 leadership development priority for 2025?





# Metrics That Matter: Leadership Development Professionals Set Their Sights on Behavior Change

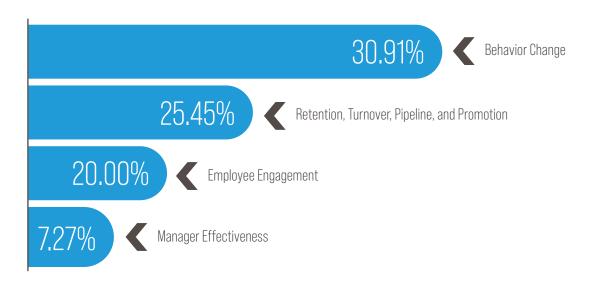


As leadership development professionals look to go on offense in 2025, they indicate that lower-level metrics (i.e., smile sheets, attendance, usage, and learner engagement) won't cut it. Instead, they've chosen to focus on measurements that are closely tied to business impact. Behavior change topped the charts with 31% of leadership development professionals saying it was their top priority metric in 2025

"We've really simplified the [leadership development] process to six specific behaviors that we're asking everybody to focus on."

**- Dr. Eliza Wicher,** VP of Talent and Organizational Development at Collectors

# What metrics will be most important to measure your team's success in 2024?



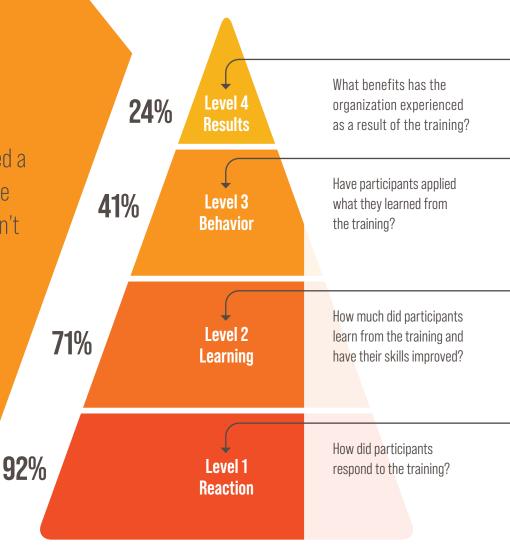
# Leadership Development Professionals Will Need to Climb the Pyramid For The First Time

Even though leadership development professionals expressed a strong prioritization of impact metrics, they haven't yet made the switch. 76% of leadership development professionals don't measure business impact and 59% don't measure behavior change. Yet, 92% measure learner reaction.

Worse yet, these Level 3 and Level 4 numbers show little improvement since last year (just two percentage points).

But we remain optimistic that these numbers are set to turn in 2025 (read on to see why).

# Do you measure Kirkpatrick Levels 1, 2, 3, and 4?



# Median: 50%

# Leadership Development Sees Improvement

in The Knowing-Doing Gap

# Related to the Knowing-Doing Gap, what percentage of the training that you offer do you think is actually APPLIED on the job?

Over 52% of leadership development professionals believe that *more than half of what they trained in 2024 is actually applied on the job*. This represents a substantial shift from last year's report when 75% of leadership development professionals fell under the 50% threshold.

This coupled with the fact that leadership development professionals indicated that behavior change is the number one metric they're targeting in 2025 seems to indicate a shift in the right direction. While the majority still don't measure behavior change, it seems likely that number could flip in another year too.

0 to 9:	0.72%
10 to 19:	5.80%
20 to 29:	15.94
30 to 39:	17.39%
40 to 49:	7.97%
50 to 59:	25.36%
60 to 69:	10.87%
70 to 79:	10.87%
80 to 89:	3.62%
90 to 100:	1.45%



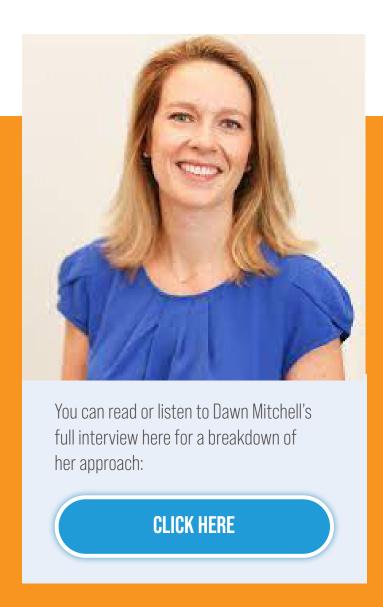
"From what I've seen, it's common in our industry to train managers at some given point in the year or when they join the company, and then they hope and pray that they're able to use that information later. But the managers don't have a place to practice, they don't have a place to apply their learnings. And so they store it away and then inevitably forget what they learned."

- Brandon Clark, Global Head of Talent Development, Adobe

#### Case-Based Strategy for Measurement: Devise A Simple, Data-Informed Plan

"After a year of training, our engagement survey showed that the factor we targeted increased by 15 points."

- Dawn Mitchell, CPO of HackerOne



The biggest stumbling block leadership development professionals face when they attempt to measure impact for the first time? Trying to do too much. You don't need a fancy budget or a people analytics department to measure impact (though it's certainly nice to have). You just need a plan.

Here's a simple, highly effective measurement plan from HackerOne, where they follow a data-informed process:

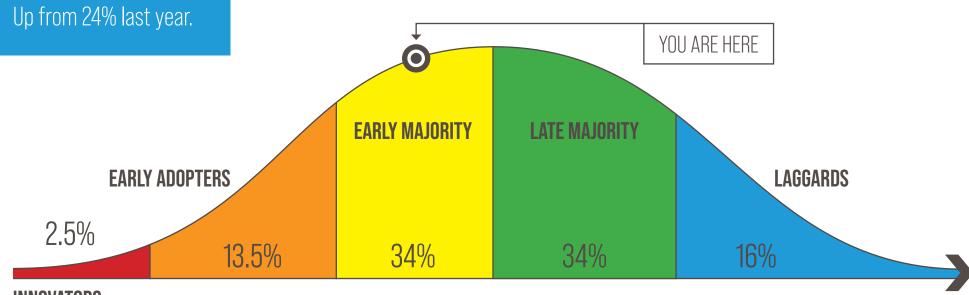
- 1. Measure engagement.
- 2. Determine the largest leverage point: "trust in executives."
- 3. Train for that leverage point: Trained leaders in team & org health, clarity around mission, and communication.
- 4. Remeasure: +15 points in "trust in executives."

# 44% of leadership development professionals use Al in their work.

# Al Is Gaining Traction Quickly in Leadership Development

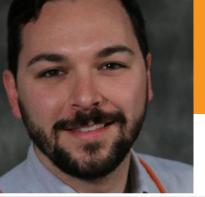
Across about 100 comments, three top modes of Al adoption rose to the surface:

- 1. Brainstorming and content creation
- 2. Al coaches\*
- 3. Scaling personalized learning



#### **INNOVATORS**

\***Note:** At LEADx, we had the first ever Al leadership coach way back in 2018. We found that the better, scalable solution was to give learners the ability to message back and forth with a human executive coach. **Learn more here**.



## Case-Based Strategy: Deliver Al-powered Nudges

"You just have to nudge your leaders. That's the scalable solution."

- Michael Cabe, Senior Manager, Learning Strategy at The Home Depot

Al-powered nudges are perhaps the most effective way to scale personalized leadership development. Nudges enable leadership development professionals to reach their leaders with 2-3 high-impact touch points each week. Nudges are personalized and focus on quick, actionable tips. They are NOT pesky, one-size-fits-all reminders.

Al enables nudges to take into account each leader's:

- **>** personality
- > personality of their direct reports
- > employee engagement results
- > emotional intelligence
- > resilience level
- > growth mindset
- ➤ leadership level

- > manager effectiveness scores
- ➤ 3rd party training programs (e.g., SLII(R), StrengthsFinder, LCP360)
- > organization's competency model
- > organization's values
- day of the week
- **>** time
- > & more



# The 10 Most In-Demand Topics in 2025

#### **Emotional Intelligence**

EQ has made the top 10 every year we've run this report. But this is the first year it rose to number one. Likely this is in response to how drastically Al is shifting the working landscape. People skills and communication are at a premium. You could even make the case that the majority of the skills on this list are directly improved by EQ training (i.e., change management, feedback, coaching, communication, collaboration, and more).



Sad to see DEIB drop off the list entirely. After Trump, Musk, and even SHRM have spoken out against DEIB, it's suddenly being treated as a "sticky subject." This is ridiculous and foolish, and companies who treat DEIB in this way will ultimately fall behind fast.

#### **Al Literacy**

Fascinating to see Al literacy make the top ten for the first time ever. Is that leadership development's responsibility? Perhaps a golden opportunity for leadership development professionals to show their value?

# What topics will you focus on in 2025?

#1	Emotional Intelligence
#2	Change Management
#3	Feedback & Critical Conversations
#4	Coaching & Developing People
#5	Communication
#6	Collaboration and Team Development
#7	Accountability & Performance
#8	Strategic Visioning and Business Acumen
#9	Psychological Safety and Trust
#10	Al Literacy

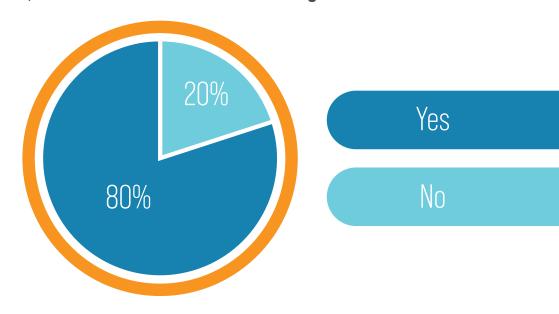


## Most Leadership Development Professionals *Train* Emotional Intelligence

"A leader's intelligence has to have a strong emotional component. He has to have high levels of self-awareness, maturity and self-control. She must be able to withstand the heat, handle setbacks and when those lucky moments arise, enjoy success with equal parts of joy and humility. No doubt emotional intelligence is more rare than book smarts, but my experience says it is actually more important in the making of a leader. You just can't ignore it."

- Jack Welch, Chairman of General Electric

#### **BUT, Just 23% Measure Behavior Change?**



Research shows that a leader's ability to recognize, understand, and manage their emotions is critical to their ability to engage their team, handle tough conversations, manage stress, and more.

## Our Behavior-Driven Approach to EQ Training at LEADx

Most EQ vendors leave you high and dry post-workshop. Ours is designed to build long-term habits. You get:

- 1. 3 months of support from a LEADx EQ-certified executive coach
- 2. Unlimited re-tests on our EQ self-assessment so you can track your improvement (quick & validated)
- 3. A 3-month EQ learning path to make learning stick
- 4. A copy of the *Emotional Intelligence: 52 Strategies* book, full color participant workbook, and 52 strategies job aid
- 5. An official digital badge of completion





LEADX





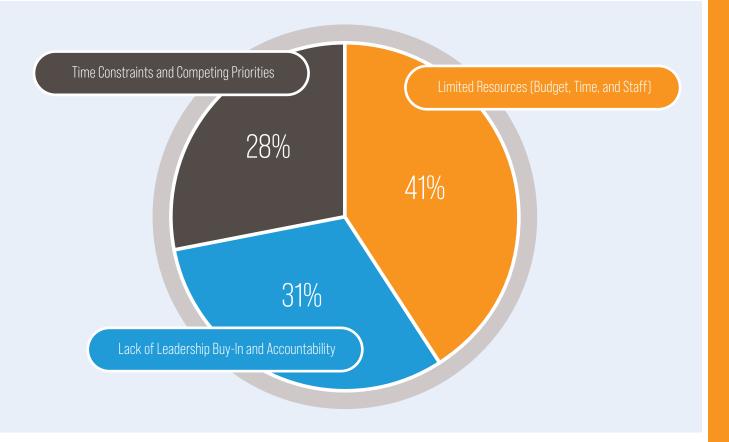
"LEADx EQ Habits is the ONLY emotional intelligence program I recommend."

> - Dr. Travis Bradberry, Author of *Emotional Intelligence Habits* and Chief People Scientist at LEADx



# What is your #1 challenge to achieving your goals in 2024?

Leadership development professionals highlight three major challenges going into 2025 **▼** 



"Learning can't be something that's carved off to the side. If your learning program is not integrated with business processes, you're really missing the mark. You're never going to be able to sustain it."

**Christopher Shryock SVP,** CPO at Sam's Club



## Case-Based Strategy: Tie Completion To Graduation with HealthEdge

**Wendi Ellis,** VP of Talent and Learning at HealthEdge

Wendi Ellis has been running a massively successful emerging leader program. She boasts a 10%+ promotion rate and 94% retention rate.

To drive this degree of business impact, she leverages one key strategy: She holds every participant accountable for attendance, engagement, and practice.

"Time commitment is an incredibly important factor for us," Ellis explained. "We have a very high level of accountability and will remove people for non-participation." In addition to checking in with managers to ensure participants can make enough time for training, they hold a call prior to the program outlining the work the program will entail. At the end of the call, they allow people to drop out of the program if they can't handle the time commitment.

This simple strategy ensures that anyone participating in the program is actively doing the exercises and practice required to graduate.



You can read Wendi Ellis's full Forbes interview here for an in-depth breakdown of her approach:



# Is leadership development mandatory at your organization?

54% > Yes 46% > No

These numbers haven't budged since 2024.

"One must get a license to drive a car but not to drive careers....one must get a license to practice law but not to practice people development.... one must get a license to carry a gun for protection but not to protect our human capital..."

- **Dwayne Bess,** Director of Sales Training at Hologic





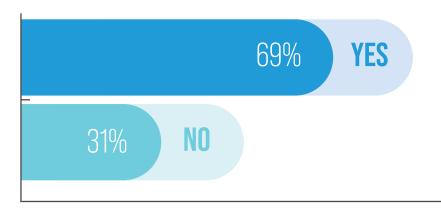
**CLICK HERE TO WATCH THE VIDEO** 

#### Featured in this clip:

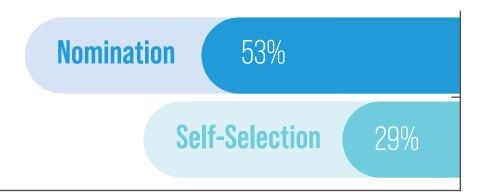
- 1. Kevin Kruse, CEO LEADx
- 2. Dwayne Bess, Director of Sales Training and Development Hologic
- 3. Joe Ballou, Sr. Manager of Leadership Development at Box

### **Emerging Leader Programs: Leadership For ALL**

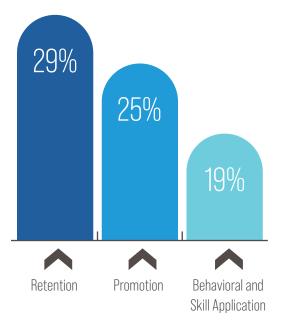
#### Do you offer an emerging leader program?



#### How do you select participants?



#### How do you measure success?



The LEADx Leadership Development Benchmark Report 2025

#### **Top 10 Skills Trained to Emerging Leaders**

- 1. Emotional intelligence
- 2. Communication
- 3. Coaching and Feedback
- 4. Change Management and Agility
- 5. Leadership Foundations
- 6. Team Building and Collaboration

- 7. Self-Awareness
- 8. Decision-Making
- 9. Psychological Safety
- 10. Strategic Thinking and Critical Thinking

## Case-Based Strategy: Engage Emerging Leaders' Managers

"We increased our engagement with the participants' managers. Managers are busy, and we found that they weren't always engaging with their employees about the program independently. So, my periodic updates remind them and give them some simple questions to ask, making it easy for them to check in."

- Angela Szymusiak, Director DE&l Talent Development at Adobe



#### 100+ companies named their top strategies for engaging participants' managers. Here are 17 of the best and most creative:

- 1. Manager Orientation Sessions: Pre-brief sessions to explain program goals and discuss manager roles in supporting participants.
- 2. Participant Manager Action Plans: Managers receive action plans created by participants to reinforce learning and apply skills.
- 3. Chains of Manager Mentorship Programs: Parallel mentorship programs where managers mentor participants or receive mentoring themselves. Creating the chain helps build buy-in.
- 4. Customized Reports with KPIs: Delivering tailored reports on participant progress, engagement, and performance metrics.
- 5. Manager Participation in Capstone Projects: Including managers as stakeholders in participant-led capstone projects.
- **6. Coaching/Development Certification for Managers:** Formally training managers in how to actively coach/support their participants.
- 7. Conversation Aids for 1:1s: Providing managers with discussion guides and recommended questions for participant check-ins.
- 8. Interactive Panels: Including managers in panels during program events to share experiences and insights.
- **9. Integration with Talent Reviews:** Aligning program discussions with annual talent review cycles to embed development goals.
- 10. Incentives for Supporting Development: Rewarding managers whose teams demonstrate measurable improvements tied to program goals.
- 11. Monthly Debriefs: Organizing regular debriefs with managers to recap program sessions and progress.
- 12. Participant Manager Feedback Loops: Requiring managers and participants to provide mutual feedback about development and development support post-program.
- **13. Ambassador Programs:** Recruiting a select group of managers to serve as program ambassadors and advocates.
- **14. Manager Inclusion in Learning Modules:** Asking managers to attend certain program sessions alongside participants.
- **15. Real-Time Progress Dashboards:** Providing managers with access to dashboards that show participant engagement and progress.
- **16. Weekly Coaching Expectations:** Embedding manager-led coaching sessions into the program design.
- 17. Success Storytelling and Impact Measurement: Using impact measurement tools and storytelling to show program value to managers and leadership.

# Scale Manager Effectiveness with LEADx

- Give every leader live access to a human, executive coach
- World-class live cohort-based training
- Deliver micro-learning and behavioral nudges in the flow of work

Changing behavior at companies big and small









"The LEADx app is nothing short of revolutionary. Its Al-driven, on-demand coaching and micro-learning make new leadership behaviors stick."

- Dr. Travis Bradberry

**Book A Strategy Call** 

**CLICK HERE TO BOOK DEMO** 

### Survey Notes

- **▶ 144** Participating Companies
- > Average number of employees = **5,600** 
  - with range from **235** to **450,000** employees
- ➤ Median number of managers = 700





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