Coaching: An Innovative Approach to Developing Leaders at Banner Health

Joanne Schlosser and Sandy Scott

Banner Health uses leadership coaching as a way to develop our managers, directors, and senior leaders. This article offers several highlights of the programs it has implemented and what it has accomplished since 2007, recognizing that the journey has just begun.

BACKGROUND

Based in Phoenix, Arizona, Banner Health is one of the largest nonprofit health systems in the United States with 23 hospitals in seven western states. With roughly $5 billion in annual revenues and 36,000 employees, the company’s strategy is guided by a strong commitment to excellent patient care. Banner Health believes that the strength of the organization and its ability to deliver on its mission lies with its leaders. In 2010, it was nationally recognized for excellence, including being named a Top 10 Health System in the US by Thomson Reuters. It was also honored by Modern Healthcare magazine and the Healthcare Information Management Systems Society with the 2010 CEO IT Achievement Award. Additionally, in September 2010, Banner Health was recognized as one of Arizona’s “2010 Most Admired Companies” by Arizona Business Magazine and Best Companies AZ.

Banner Health utilizes strategy maps and a balanced scorecard method for developing, executing, and communicating strategic areas of focus. The strategy map guides resource allocation, leadership execution, and team priorities and is pivotal to its success.

The beginning

In the summer of 2006, Beth Stiner and Joanne Schlosser, two organizational development directors at Banner Health, discovered they were pursuing coaching education through two accredited coaching schools. We were encouraged to coach directors at our respective hospitals while building our skills. Gradually, over the next few months, our enthusiasm for coaching grew and we sought out others with a similar interest. Soon we had a small group of directors, a clinician, and a CEO who were also pursuing their coaching education. We began meeting regularly to share ideas and discuss what coaching could look like within Banner Health.
During the summer of 2007, a new Senior Vice President/Chief Talent Officer was hired. He too had attended an accredited coaching school and saw how coaching could further our vision. That SVP, Ed Oxford, declared, “Coaching… will lead to the kind of culture… (needed) to be an industry leader. We will achieve much if we open ourselves to coaching…A whole company full of employees (who are coaching) is powerful enough to go beyond the aspirations of our vision” (E. Oxford, personal communication, 3Q2007). By the end of 2007, we were taking our initial steps to incorporate coaching as part of our integrated leadership development strategy.

Coaching as a service line is provided under the auspices of the Executive Talent Office. This team is also responsible for leadership assessments, the Advanced Leadership Program, and leadership development and recruitment of the top 300 leaders. Sandy Scott is responsible for Banner Health’s coaching initiative and spends about half of her time coaching or with coaching-related work. Sandy is a seasoned coach with thousands of coaching hours to her credit. All of its internal coaches have full-time positions in the organization; coaching is a skill set they offer willingly to other leaders, over and above their job description. It does not employ any full-time coaches. Its coaching program has three primary elements:

1. A governance structure provides oversight of programmatic elements and assesses program results.
2. Banner Health internal coaches are trained, developed, and deployed into coaching “assignments” that align with strategic organizational needs and support the talent management process.
3. Coaching services are delivered by its master and internal coaches to support several key strategic programs and high potential leaders.

Our first coordinated activity as coaches was in volunteering to coach leaders aspiring to a director position in Banner Health’s newly-developed program for high potential leaders called the Advanced Leadership Program (ALP). That led us to quickly realize that with the limited number of certified coaches and few who had been trained through accredited coaching schools, we had a very limited capacity to coach. All of us have full-time jobs within the organization.

Banner Health is committed to developing leaders at all levels in the organization. One part of our leadership development program is to leverage our “Talent Management Review” process to identify top-performing leaders who are committed to accelerating their career. These leaders often possess the experience, attitude, and results aligned with its vision of industry leadership. As a result, it has developed a series of fast-track programs for people identified...
through the Talent Management Review process as leaders who are top-performers, willing to relocate (if necessary), and available to accept challenging assignments. We use the term *differential investment* to identify the additional resources Banner Health is willing to invest in these leaders to provide them the knowledge, skills, and coaching that will contribute to their future success. It made sense to offer coaching as a differential investment, something that was not available to all leaders. It is a benefit available only to those who meet the above criteria or other specific criteria identified later. This is important as there are roughly 3,500 leaders and only a fraction of them are currently eligible to receive coaching.

**What is coaching?**
Another early barrier we ran into was the definition of coaching. In Banner Health, as in many organizations, the word coaching carried a negative connotation. It has been, in fact, the first step in our disciplinary process. Here is what our Human Resources Corrective Action policy (2010) states about coaching:

> Coaching: a formal or informal communication by Management to an Employee for the purpose of providing feedback and guidance to the Employee. It may be used to clarify expectations, identify the cause of the failure to meet expectations, develop effective solutions, or achieve commitment from an Employee to correct conduct or behavior.

Because the focus was on corrective action, there was a stigma around the word coaching. As we began to offer developmental coaching to high performers, we needed to explain how our coaching was different, how it would benefit them, and enhance their effectiveness. We chose not to focus on coaching for performance and use coaching as a differential investment tied to our leadership development and talent management process.

We have quietly acknowledged our definition of coaching is different from the HR policy. We have fully educated our Chief Human Resource Officers regarding this distinction, and even provided an intensive seven-week coaching skills course for our Human Resource Consultants.

Coaching continues to be the first step of the corrective action process. When most employees hear the word “coaching” that is their first thought. Within the leadership community, the word “coaching” is thought of using both definitions. For those who have experienced developmental coaching, it takes on the meaning we are discussing throughout this article. Beginning in late 2008, all leaders are required to attend a mandatory four hours of “Leader as Coach” class. Leaders are learning to use the developmental coaching skills with their employees on an ongoing basis and not just as the precursor to the disciplinary process. Banner Health’s
vision of coaching is “To support Banner’s culture of innovation and change by developing coaching skills in all leaders.” The three tenets of coaching conversations include (1) Forward-focused, (2) Focus on coachee’s agenda, and (3) Believe the coachee has the answers.

It took us over a year of internal meetings and discussions to sort through what coaching is and is not. We often use a slide that explains the difference between coaching, mentoring, consulting, and counseling to increase clarity. It says coaching is not mentoring, which focuses on “I will show you how I do it.” It is not consulting, which says “As an expert, I will tell you what I recommend.” Coaching is not counseling, which says, “Let’s work together to seek and resolve something from the past.” Coaching is not corrective action.

Today, Banner Health defines coaching as “a deliberate transformational process to support self-discovery, change, and action.” While coaching is still the first step in the corrective action process, the above definition has been embraced by leaders. We’ve also carved out several specific coaching initiatives which have significantly increased the visibility and credibility of what coaching provides for our leaders.

What happened that led to acceptance of the new definition? We first needed to overcome the negative association the word had in our organization. Every time we offered coaching, we carefully explained what the coaching program could provide. We worked to clearly articulate that this was something special being offered to top leaders, high performers, and those in unique circumstances, perhaps leading an important project. We helped them to see that coaching provided a differential investment that would further their success.

The internal coaching program now focuses on seven different areas. We will describe four areas in which coaching is provided individually to high potential leaders and recently promoted senior leaders. Coaching skills are taught in the Banner Internal Coaching (BIC) Program and the Executive Flight School (EFS).

**COACHING HIGH POTENTIAL LEADERS: BANNER HEALTH’S ADVANCED LEADERSHIP PROGRAM**

The year-long Advanced Leadership Program (ALP) was designed to help front-line leaders and mid-level leaders such as senior clinical managers or supervisors develop the skills needed to move into a director or next level position. The program provides leadership development conference calls, four group sessions, and many highlights including the opportunity to attend a conference traditionally restricted to senior leaders. One of the highlights is having our upper-level leaders address the group. Leadership skills were enhanced, coaching skills were learned, and the participants worked on small group projects that provided real time leadership
and skill building opportunities. Additionally, each leader was assigned a coach for the duration of the program; most met twice monthly with their coach to focus on three important goals. The coaches also reviewed results from a 360° assessment with the ALP participants and facilitated them in embracing their strengths and choosing one or more areas of opportunity on which to focus, based on the assessment results. The coaching has consistently been identified as a major highlight to this program. It has enabled the participants to learn and grow beyond their original expectations.

We are proud to have provided this opportunity to a total of 72 graduates in the first three cohorts. The program and coaching have provided a significant boost in helping leaders achieve promotions to the next level of leadership. Here are the results as of July 2010.

- Cohort I (program completion November 2008): 57% (12 of 21) promotion rate.
- Cohort II (program completion July 2009): 48% (11 of 23) promotion rate.
- Cohort III (program completion May 2010): 25% (7 of 28) promotion rate.

At the May 2010 graduation luncheon, Ron Bunnell, Banner Health’s Chief Administrative Officer, made it a point to meet each graduate and inquire about their experience. Consistently, coaching was cited as one of the most valuable aspects of the program. Each respondent was quick to share a story or example of how the coaching aspect of the program had helped them achieve significant growth. Each story centered on the leader’s ability to reduce blind spots identified in the 360° assessment, increase confidence, and enhance leadership skills. Many of the ALP graduates talked about how they now use these same coaching skills successfully with their staff. One leader began having a weekly coaching session with a high potential employee to help the latter develop skills and capabilities to position herself for a possible upcoming promotion. It’s been extremely rewarding to watch how the coaching has had a multiplicative effect on the leaders, their direct reports, and colleagues.

Given the positive experiences of the ALP program, a new cohort began in the summer of 2010 for directors who aspire to C-suite leadership positions. Three of the 14 members of this cohort have already moved into positions of greater responsibility. Ed Oxford, our Senior Vice President, Talent Management, recently stated that this will become a future pathway to any desired C-suite position.

As one of the original senior coaches, I (Joanne) have been fortunate to have coached 11 ALP candidates. It’s been a fabulous learning experience for me as a coach and for them to be coached. I've had...
Together, we helped to increase their capacity for goal setting and self-reflection, and watched as their learning enhanced their work and their relationships with their families. One coachee explained how some of the communication skills built during coaching enabled him to have a much stronger relationship with his teenage daughter. That had a potentially permanent, life-changing effect for both of them.

We offer several brief case studies in the participants’ own words to illustrate the nature and impact of their coaching experience.

Case study 1
I am a manager at one of the Banner Health hospitals who was fortunate to be selected to participate in the Advanced Leadership Program, designed to develop future leaders for advanced positions. Joanne Schlosser was assigned as my coach for the twelve-month period. During my coaching sessions, I learned and developed strategies which helped to improve my abilities as a professional. Some of these same strategies carried over into my personal life, both as a father and as a husband.

Joanne’s coaching helped me to take on tasks I was unsure I could achieve. For example, I was having a hard time working with one of my internal customers. This person has a reputation for being difficult and intimidating, and that was certainly what I was experiencing. Joanne asked powerful questions about my goals for the relationship. She then challenged me to create a plan to move the relationship from uncomfortable to mutually beneficial. Over a period of several months, I designed and implemented a plan that made a significant difference in this working relationship. Joanne served as my supportive thinking partner; curious, questioning, and encouraging me to find ways to create the relationship I wanted with this person. Before the end of the coaching relationship, this leader provided my boss with praise for my work. While I was thrilled with the compliment, I am more excited that a stronger, more successful working relationship has been created and maintained between our departments.

What I like most about being coached is that Joanne did not act as an advisor, counselor, or a mentor. She asked me about situations I deemed as a challenge and then let me use my abilities to create how I would approach the challenges. The answers weren’t given to me. I had to soul search to come up with the solutions. Thanks to coaching, I am confident and capable of taking on difficult challenges.

At the end of the program, I was asked to share my thoughts about being coached with our senior leaders and colleagues. I gave an analogy that went like this: I walk around giving the impression of a lion, but what I really saw in the mirror was a lamb. Over
the period of my coaching, my confidence grew. I gradually saw a lion evolving in the mirror. At the end of my coaching, the lion was roaring. After completing my coaching engagement, I can say without a doubt this was one of the best things Banner Health has done for me.

- Manager, Banner Health

**Case study 2**

I had the opportunity to have a personal coach during my year of ALP and my Masters in Organizational Development. With tools such as powerful questions, Joanne did a phenomenal job helping to define my personal challenges; then I set goals and created personal action plans for effective follow through. I was able to successfully achieve a solid 4.0 through my masters and graduate ALP while dealing with a tremendous amount of change and transition in my work and personal life.

During this time, my leader was not performing her job to full capability, and additional work was coming my way. There were also several very difficult conversations I had with my leader, Joanne provided frequent just-in-time coaching to deal with stressful situations as they arose. Sometimes we role-played; sometimes she used deep listening and curiosity to move me forward. These coaching moments provided me time to reflect and determine what was truly important. That enabled me to choose which battles to fight and which to let go of. We focused on what strengths and skills I could draw upon during many challenging situations. We also worked on bottom-lining, a skill I continue to develop.

I truly appreciate the power of coaching and highly recommend the program to other developing leaders and executives working toward their highest potentials! Coaching supports leaders achieving quality outcomes while creating a positive culture and work environment. This enables Banner Health to attract and retain the best talent.

- Human Resources Consultant, Northern Colorado Medical Center

**Case study 3**

I am a recent graduate of the Advanced Leadership Program at Banner Health. As a candidate during this year-long program, I had the opportunity to receive internal coaching sessions to assist in my career development. I considered these coaching sessions to be an integral component of the ALP and invaluable to my future professional growth at Banner Health.

I was able to meet with my assigned coach, Joanne Schlosser, for one hour every three weeks, and I found myself increasingly looking forward to these sessions as they progressed throughout the year. Coaching was an especially effective method for me to identify my short- and long-term professional and business goals.
and how best to achieve them. In preparing for these sessions, I was able to maintain accountability for my progress and gradually modify these goals to better suit my future aspirations.

Joanne was able to provide direction, resources, and encouragement that supported my development and growth in my new management role. We used a 360° assessment, which was enlightening. Then she was able to help me identify my professional strengths and weaknesses. Her powerful questions and inquiries encouraged me to find the answers within myself when faced with a challenge. The trusting space Joanne created enabled me to share my deepest fears and concerns, knowing that she would keep my confidences, and to celebrate my successes.

One of my biggest growth opportunities came in dealing with a difficult employee, who was not performing as required and had some attitude issues. The situation had a significant impact on the department. Joanne’s thoughtful questions drilled down, increasing my awareness of the situation and its continued negative impact. In health care, we are caring, compassionate people, and we sometimes see asking people to do what’s expected when they don’t chose to as “confrontation.” I don’t like confrontation. It’s more fun to be nice, yet I learned how to hold someone accountable to meet my expectations. That makes me a better leader and better able to serve my entire department in a fair and equitable way.

My coaching experience has left me with an increased self-awareness. It helped me to work on removing any self-imposed roadblocks to my future development. I have learned how to widen my professional comfort zone by incorporating and practicing new leadership behaviors in the workplace.

I would strongly recommend the coaching experience as a positive, highly effective method of personal and professional development for any aspiring leader. The skills I developed during these sessions will move forward with me throughout the rest of my career. It was a wonderful, greatly appreciated opportunity.

- Manager, Banner Health

Case study 4
As part of the Advanced Leadership Program, I’ve had the opportunity to work with Joanne, an executive coach, for the past six months. During this time we’ve strengthened my executive presence through action planning and goal setting. However, one of the most beneficial aspects of the coaching relationship occurred when I needed “real time coaching.” An executive position became available and I was notified that the interviews were scheduled the following day. It was very short notice. I called Joanne, realizing my interview presentation style would be critical. She set up a phone session at 6pm that evening and again in the morning before the first interview. Together, we talked through any
self-doubt and nerves which were magnified by the quickly moving process and minimal time to prepare. She also kept reminding me to focus on my strengths and to keep the needs of the interviewing team in mind. How could I serve them? Thanks to her effort, I was able to better focus on the interviews at hand and present myself in a manner that was positively received by the interviewers. Joanne’s abilities to ask powerful questions and focus really allowed me to work through the stress of the interview and present myself in the best manner. We also debriefed after the interviews to review my strengths and lessons learned from the experience.

- RN Director, Banner Health

Case study 5

I was selected for my first leadership role in 1981, with no idea of what my leadership style was or what I needed to do to succeed. What I had observed during my years as a front-line imaging technologist was a very autocratic style of leadership – a “do as I say” method for managing people. What I learned most from those experiences was what I did NOT want to be as a leader. Without a guide, moving from a front-line position into a leadership role can be extremely daunting.

It wasn’t until recent years that I realized that an essential skill that I needed to improve was effective listening. I was very misguided in my assumption that sharing similar experiences of my own would communicate to someone that I could indeed relate to their situation or problem. Fortunately, one of the key attributes of the coaching training is effective listening. While the concepts are simple, the practice is challenging. We learned that there are three levels of listening: internal, focused, and global. I was very familiar with the internal listening as that is what I practiced most often. I wanted to learn more about focused and global listening, not realizing that I would soon have the opportunity.

I learned about an incident involving an employee in my department that actually seemed a bit out of character for this individual. I scheduled time to meet with him to discuss it. As he began to share personal information that influenced how he reacted during the incident, I started to filter what he was saying based on my own beliefs and experiences. I was listening to his words, but hearing them from my own perspective. Although I didn’t jump into a story of my own (internal listening) and felt that I was listening at the focused level, I later realized that I should have been more curious and asked questions to dig deeper into what he was saying to me. I knew I could have been more effective.

At the time I had a coach. I discussed what had happened in a session with her a few days later. My coach suggested that I meet with the employee again, but this time I not only would be curious but bold. More importantly, I would not allow my personal filters to interfere. For the first time since I had started my training as a coach, I listened – truly listened without the filters and without my mind talk interfering.
Many leaders, including this one, struggled to find the right balance between engaging her leaders and micromanaging.

The employee in this incident is an African American. I am Caucasian and grew up in Memphis, Tennessee. I was living there when Martin Luther King, Jr. was killed. I thought I knew everything about racial tensions, and while I never consciously felt that I had racial biases, I learned that day in my office that I didn’t know as much as I thought. During the conversation I felt many emotions, namely pain, disappointment, and sadness. I also discovered a new level of understanding about racism and humility. Without the coaching experience, I would have never known this greater truth.

-Medical Imaging Director, Banner Baywood Medical Center

COACHING RECENTLY PROMOTED SENIOR LEADERS

This effort began informally in 2006, with some of us offering to coach newly hired or recently promoted directors or C-suite leaders. These leaders were eager to have a coach as they stepped into a larger role and needed to learn what to focus on and what to let go of. One of my (Joanne’s) first coaching assignments was working with a senior clinical manager who was promoted to director of nursing. In her new capacity, she quadrupled the number of employees in her service line and was responsible for more beds than there are in some of our smaller hospitals. Many leaders, including this one, struggled to find the right balance between engaging her leaders and micromanaging. She wanted to build strong relationships with all her employees, but she didn’t want to negate the relationships they had with their clinical managers and senior clinical managers. She wanted to stay involved on corporate committees and in national professional associations, and wanted to find balance with her new responsibilities, her family, and other interests.

This coaching relationship lasted a year as she grew into her position and increased her confidence and competence. The transformation was gradual as she developed the ability to let go of control and trust her leaders. This new awareness provided her with a greater sense of accomplishment than overseeing many details of their work, and provided the added benefit of more time for her family.

In 2009, the Executive Talent Office developed an official onboarding process for those new to a Banner Health C-suite position. The Chief Executive Officer, Chief Nursing Officer, Chief Medical Officer, Chief Finance Officer, Chief Human Resources Officer, and Associate Administrators constitute the C-suite. The onboarding process is included an opportunity to participate in group coaching with peers or to have an individual coach.
COACHING OUTCOMES

In surveying all of our leaders after their 2009 coaching engagement, here are some key findings. Figure 1 shows how C-suite and corporate leaders, and front-line managers to directors, believed that coaching was worth recommending to others.

Figure 1. Participants who would recommend coaching to other leaders

![Graph showing participants who would recommend coaching to other leaders.](image)

Figure 2 illustrates the top coaching skills that enabled participants to become more effective leaders. This demonstrates the ability of coaching and coaching skills to support the “soft” aspects of leadership.

Figure 2. Coaching skills that promote effective leadership

![Graph showing coaching skills that promote effective leadership.](image)
Figure 3 outlines the leadership behaviors which participants believed were strengthened as a result of learning coaching skills. Supporting both learning and application of skills, the greatest areas noted were developing potential leaders, collaboration and change, and people agility. These are critical skills for organizational success and can align to hard outcomes such as recruitment costs and program costs.

![Figure 3. Leadership skills strengthen as a result of integrating coaching skills](image)

Figure 4 shows specific business outcomes directly impacted by integrating coaching skills into their leadership and aligns to business impact and ROI.

![Figure 4. Business strategies impacted by coaching](image)
Figure 5 shows business outcomes impacted by coaching. As
evidenced, leaders believed that coaching impacted staff engagement,
patient satisfaction, and leadership capabilities.

---

**Figure 5. Sustainable change – What was the impact, outcome, or result**

---

**COACHING IMPACTED EXECUTIVES**

In April 2009, Banner Health had a significant reorganization
involving region presidents and their direct staff. Several CEOs
were also impacted. We offered coaching to the 14 impacted
individuals and nine chose to take actively participate in the
coaching opportunity. Our suggestion was to provide these leaders
with six one-on-one coaching sessions to help them focus, set three
powerful goals, and work toward their achievement.

**BANNER INTERNAL COACHING PROGRAM**

The Banner Internal Coaching (BIC) Program is a way for Banner
Health to develop coaches internally. The program was co-created
by several internal coaches who were externally certified and have
several thousand hours coaching between them. Upon completion
of the program, participants will achieve the following learning
objectives:
1. Learn the seven core coaching competencies: coaching presence, establishing trust and intimacy, listening, asking powerful questions, direct communication, planning goals and managing progress, and accountability.
2. Learn to effectively integrate coaching into your leadership style.
3. Be able to coach high-performing leaders.
4. Achieve three extraordinary goals: leadership, business, and personal.

“The coaching experience dramatically changed me. It provided me opportunities to improve every aspect of my life.”

The application process is open to all leaders; we then determine if they are the right candidates using interviews and the talent management process. After a written application, interested applicants participate in a 30-minute interview with two coaches. Once the right participants are selected, they begin a 28-week program. This entails 75-minute weekly phone calls with homework (they are required to attend a minimum of 75% to graduate). These BIC candidates must also provide at least 24 hours of coaching, and receive at least six hours of coaching from a senior internal coach. The program’s goal is to develop a cohort of coaches to support Banner’s leaders.

Once the BIC candidates graduate, they are able to move through several levels of internal coaching, requiring different commitments in terms of number of hours of coaching, teaching coaching courses, etc. Each level has clearly defined criteria. In order to remain engaged a coach must provide a minimum of six hours of coaching per year. There are also ongoing learning opportunities for skill refreshment and ongoing skill development. As our newest BIC cohort began in September 2010, each person created a feedback team of five to six trusted colleagues who can provide feedback, as recommended in *The Next Level* (Eblin, 2006, pp. 195-199). This concept was successfully piloted by the last ALP cohort and is now also used in the Executive Flight School (EFS). This newest BIC group will also be engaging their leaders in coaching to ensure that there is leader support and clarity for what coaching is, and the value it provides.

**EXECUTIVE FLIGHT SCHOOL**

This is a unique executive learning opportunity that supports senior leaders in drawing from what they already know to successfully create the future they want. Executive Flight School (EFS) is a group-based coaching program for senior leaders. Each EFS group has an Executive Sponsor who identifies a specific group of leaders who are facing a common challenge. The sponsor may also identify the ideal outcome of the coaching engagement and the baseline and desired performance results of the coaching engagement. The sponsor attends the orientation and final coaching sessions. The leaders meet with a senior coach for eight weeks with an average group size of seven to ten.
Participants learn and role model five coaching skills: powerful questions and curiosity, presence and awareness, listening, bottom-lining, and making request. In addition, they set and achieve three SMART goals, as well as establish relationships with other executives committed to an extraordinary result.

EFS participants spoke of these results they achieved:

- Increased confidence in rounding and establishing relationships outside my facility;
- Deeper understanding of how to align culture and strategy;
- Accelerated opportunities to develop direct reports;
- Take more calculated risks to drive results; and
- More courage to seek feedback and feed-forward to successfully steer my career.

Participants offered these kinds of comments: “Executives are yearning for this kind of skill development. We’d like to recommend that all CEO Roundtables or Executive Development coursework include 30-60 minute skill-building of core coaching skills at each session.” “The simple truth is that the real magic in building great teams and great results is in using these coaching skills.” “The coaching experience dramatically changed me. It provided me opportunities to improve every aspect of my life. Never did I believe my contributions would resonate so broadly. I do hope to continue on this path of self-reflection and improvement.” Such intangible benefits of coaching seem to create a ripple effect that affects the entire organization. When we enhance the skills of our senior leaders, it changes the culture and the conversations that can be held.

*There is often the kind-hearted desire to “fix” a problem rather than teach an employee to solve a problem.*

**What makes coaching in health care unique?**

Prior to joining Banner Health, I (Joanne) worked in a variety of industries, including aerospace and computer manufacturing, as well as for several nonprofit organizations. I also led a training and consulting firm for ten years that worked with over 100 clients in a variety of industries. The leaders in health care are far and away the most compassionate leaders I’ve ever been privileged to work with. They care deeply about their patients and their employees. This factors into coaching when they need help with holding people accountable. It doesn’t feel “nice” to reprimand people to report to work on time, honor all their commitments, and perhaps discipline them when they fail to perform as needed. There is often the kind-hearted desire to “fix” a problem rather than teach an employee to solve a problem. Once leaders begin to understand that teaching employees to be accountable makes it a better unit for everyone, the changes come easier. Great employees want to be held accountable. They become frustrated when they see others who are not following the rules or being held accountable for their actions or inactions.
When short-staffed, it is common for some senior clinical managers or directors of clinical units to don scrubs and provide direct patient care. During our peak season, with callouts, flu, and so forth, this can occur fairly frequently. While this hands-on response positively impacts the patient experience, it causes havoc with the leader’s schedule and goals for the day. For years, many clinical leaders found it easier to schedule nurses so everyone got the days and shifts they wanted. When Banner began a strong focus on meeting productivity goals to deal with the negative economic environment, this was difficult for leaders because they did not want unhappy employees. Employees were equally unhappy if they were scheduled, then sent home or told their hours were cut due to lower census. Leaders who fail to match headcount to census have to attend a weekly or bi-weekly meeting, usually with the CFO and other senior leaders. While we don’t have a crystal ball to know what census will be exactly, we do have forecasting tools and can use them to schedule accordingly.

In other industries, leadership coaching will often involve behavior change to increase their emotional intelligence and increase their ability to relate to peers and direct reports. In health care, that too occurs, but more often, the behavior change is about how to hold people accountable and achieve specific results. Leaders often have excellent clinical skills but many lack business skills. The other major differences are that health care employees are predominantly female, as are the lower level leaders. At the highest levels of leadership in Banner Health, the leadership teams range from 30-75% female. Finally, while the pace of change in health care is accelerating, it seems to take longer to implement changes than the time needed to make similar changes in other industries.

**LESSONS LEARNED**

**What worked**

If you build it, they will come. Coaching has been positively received by Banner’s leaders and demand has exceeded coaching capacity. Table 1 reflects our coaching skills development efforts over the past three years, indicated by the programs instituted and development hours delivered.

[Table 1. Training and coaching hours for coaching programs, 2008-2010]

---

Copyright © 2011 Sandy Scott, Laurie Cure, and Joanne Schlosser. All rights reserved worldwide.
Coaching is viewed as an innovative way to develop leaders, with outcomes far stronger than training or leadership development alone can provide. As a result, several programmatic expansion elements are being considered.

Anecdotal information tells us that the strategies we implemented have been enthusiastically embraced and the organization is hungry for more. There are so many possibilities that a Banner Coach Leadership Team was created. The purpose is to create synergy to integrate coaching strategies that drive outcomes to transform the organization. The team consists of internal coaches and subject matter experts. Areas of focus include communication, education, tools and resources, continuing education, measurement and publication, training and recognition, and graduations.

**What may be different**
After a March 2010 coaching visioning session, we determined that we would regroup before the next BIC cohort was kicked off to ensure we will be choosing the right people. While there is a high demand for coaches, it was deemed more important to ensure that our selection criteria remain high and that those selected to become internal coaches will have the full support and buy-in of their leaders. The next class will be smaller and will provide an opportunity for the coaches to specifically engage their leaders in coaching.

There has been initial conversation about the possibility of creating full-time coaching positions inside the organization at some point in the future. We currently do not use external coaches in any capacity—for our senior leaders or even to further develop our coaches. Those of us who choose to continue our ongoing learning journey find our own resources. I (Joanne), for example, am a member of ICF and am active with the Internal Coaches special interests group (SIG). It’s been a great resource for ongoing sharing and learning.

An important lesson is to build evaluation mechanisms into the process early in the development and execution. Our focus has been on aligning coaching with our leadership development and talent management initiatives.

Banner Health’s coaching programs are still in the formative stages and measuring return on investment (ROI) up to this point has been premature. At the end of the ALP and Executive Flight School programs, participants are asked a few questions. Most information is anecdotal. Intangible benefits (qualitative results) are collected as mentioned in the case studies and survey results. Though we can capture and count some of the program
costs (including fully loaded salary, travel, and other expenses for senior coaches’ and internal coaches’ time), we haven’t captured participants’ time and how that translates into costs. In addition, we haven’t captured, quantified, and monetized the benefits of our coaching efforts.

In the fall of 2010, Banner Health began a pilot project using the Leadership Effectiveness scores from our employee engagement survey. Ten leaders were selected for the experimental group to receive coaching around their Leadership Effectiveness and their scorecard results; a control group did not receive coaching. With nine months completed, the leaders who have received coaching are showing a significant improvement over the control group. As we move further into assessing Leadership Effectiveness and scorecard results by leader, we will more clearly define specific outcomes and ROI by coaching participant. We plan to calculate ROI for our coaching interventions using these methods:

- Monitor individual leader’s strategic scorecard results before and after coaching to assess specific improvements such as retention, employee engagement, patient satisfaction, and financial metrics.
- Track and monitor the internal promotion rate of coaching participants. Recruitment measures the cost and dollar value of internal versus external recruits, and these figures will be used to show the value of coaching to develop internal candidates.
- Use Banner’s new employee engagement survey, which includes a “Leader Effectiveness Score” offering a dimension of leadership capacity. Scores from various leadership groups can be assessed against one another and coaching impact can be evaluated. In future years, we will have 2010 results as a baseline to determine what changes have occurred after a leader is coached.

**CONCLUSIONS**

One more result that’s harder to measure is the immense personal satisfaction experienced by both the coach and coachee in a successful coaching relationship. When our most recent ALP class graduated, one of Joanne’s coaches, Nancy Medrano, presented her with a gift. Nancy took the time to create a lovely cardboard perennial flower bed, and put words like Inspire, Imagination, Celebrate Together, and Happy around the four sides to reflect her feelings about the coaching experience. This beautiful gift truly reflects the nature of the Banner Health coaching program where we inspire others, create a coaching cadre on a shoestring budget, and are happy as we celebrate our progress together. Stay tuned for amazing outcomes as our coaches continue to move our talented leaders forward.
REFERENCES


ABOUT THE AUTHORS

Joanne Schlosser, MBA, ACC, SPHR

Phone: 602-909-4990
Email: Joanne.Schlosser@bannerhealth.com

Joanne Schlosser is a certified coach who works with high performing leaders that want to grow their career to the next level. Her business career spanning over 25 years has included many leadership positions, including six years with Banner Health. Joanne has worked extensively as a change agent and trainer/coach of change agents, with projects ranging from small process improvements to the opening of a state-of-the-art hospital. Joanne has provided leadership development and organizational development services to thousands of leaders. She founded three entrepreneurial companies, authored two books and numerous chapters and articles. As a consultant, coach, trainer, and professional speaker, Joanne’s clients include over 100 firms ranging from small, entrepreneurial ventures to Fortune 1000 corporations.

Sandy Scott, MPA

Email Address: Sandra.Scott@bannerhealth.com

Sandy is a certified coach, with a focus in accelerating people’s capacity to reach their personal aspirations and professional ambitions. She holds a BBA, MPA, and has over 3,000 hours of executive coaching experience. With over 25 years of coaching in the private industry and public sector, Sandy has coached executives and leaders in South America, Europe, Australia, Asia, and North America. Recently, she is focused on health care and provides coaching to people at more than 30 hospitals to create alignment between individual talents and organizational outcomes. Sandy is committed to impacting people’s lives, especially physicians, hospital leaders, and patients. Her passion is to partner with organizations to demonstrate how this type of work transforms organizations one person at a time.
Resource Center for Professional Coaching in Organizations

*IJCO* The *International Journal of Coaching in Organizations*™ is the signature publication of Professional Coaching Publications, Inc.™ (PCPI). In addition to this internationally acclaimed journal, PCPI publishes books on topics of interest to those in the coaching community, whether practitioner, decision maker, or end user. You can count on PCPI, Inc. to provide content that pushes the envelope — bringing theory, research and application together in ways that inform, engage and provoke. Visit the PCPI website, www.pcpionline.com, to view and purchase our growing line of products.

If you have administrative questions, please refer them to our *IJCO*™ Office Manager, at officemanager@ijco.info. For advertising, marketing and operations inquiries, please refer them to John B. Lazar, *IJCO* Executive Editor, at john@ijco.info. Please submit unsolicited manuscripts for peer review consideration to the *IJCO* office manager at officemanager@ijco.info.

Visit Both Our Sites at Your Convenience

*Journal information:*
www.ijco.info

*Purchases:*
www.pcpionline.com