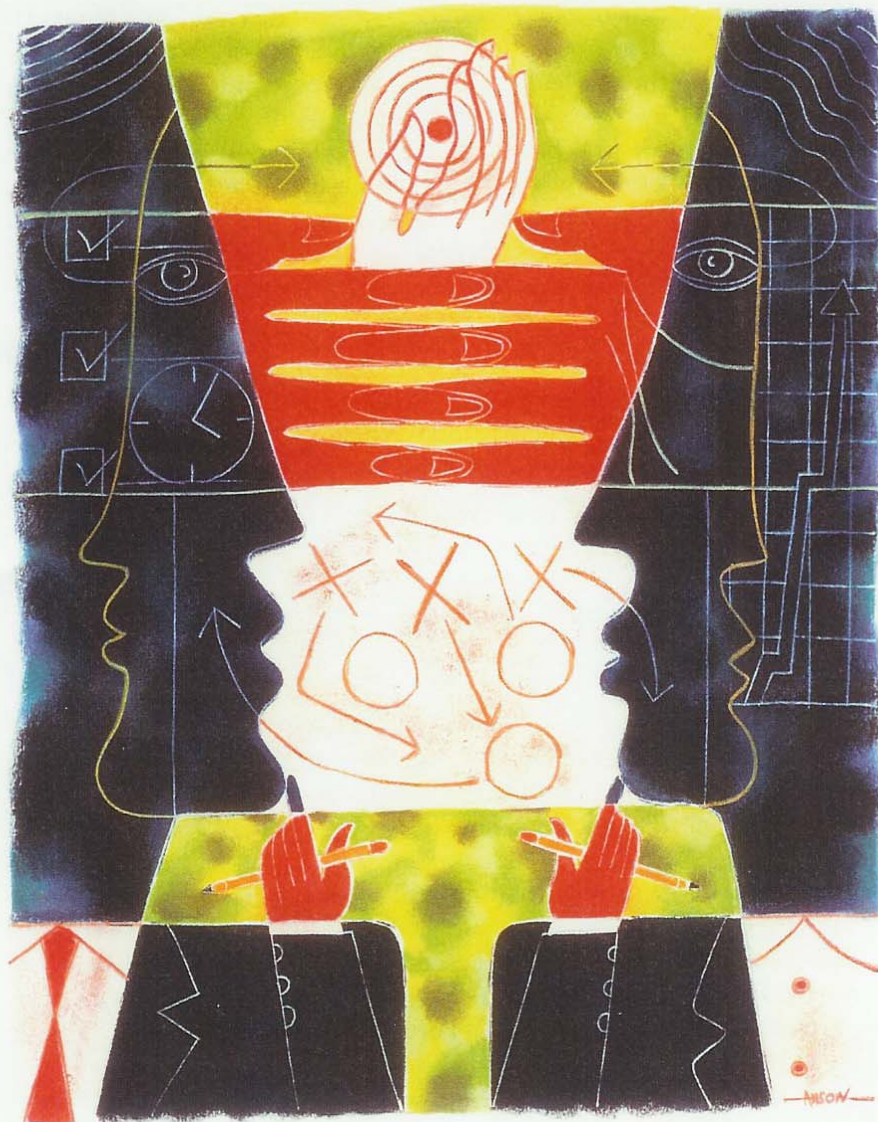


Help for CEOs

Executive coaching can assist even experienced health care leaders in developing their skills.



The challenges before today's health care executive stagger the mind: labor shortages, reductions in federal dollars, constant questions about service quality, widespread public dissatisfaction with the health care delivery system. Charged with meeting these and other seemingly overwhelming challenges

on a daily basis, executives have begun to ask how they can find the wisdom to lead their organizations.

Wisdom develops with time, especially in a challenging environment, but an executive will gain knowledge more quickly if he or she seeks the help of a mentor. An increasing number of health care leaders have discovered that executive coaches offer valuable industry experience. Richard Kilburg,



author of *Executive Coaching: Developing Managerial Wisdom in a World of Chaos* (Washington: American Psychological Association, 2000), equates an executive coach's role with that of a guide helping a traveler navigate an unfamiliar environment. A coach draws on his experience to guide others in acclimating to and navigating through unfamiliar territory; helps bring executives to a new context-sensitive level of self-awareness; and deepens executives' understanding of their environment, teaching them to identify, anticipate and plan for forthcoming challenges. Like great guides, great coaches do more than help the executive solve immediate problems—they impart the skills and foster the wisdom necessary to succeed.

Specific methods used to develop the key leadership skills—humility,

Humility

Scott Malaney began his new position as president and CEO at the Blanchard Valley Health Association in Findlay, Ohio, knowing that half of new CEOs no longer hold positions as CEOs within seven to eight years, according to a survey by the Morgan Executive Development Institute (MEDI), Ponte Vedra Beach, Fla. Although Malaney had a strong operations background, and although he had learned from excellent mentors, he was following a predecessor who had headed the organization successfully for years. As a first-time CEO, Malaney took counsel from those closest to him and concluded that he could best benefit his organization by using an executive coach.

Asking for help may feel like admitting to inability, but it demonstrates a personal commitment to success and a

Coaching: A Comprehensive Review of the Literature" in the fall 2001 issue of *Consulting Psychology Journal: Practice and Research*, pp. 205–228.)

Malaney explained to his coach that his primary goal was to obtain timely, direct feedback from the medical staff, board and executive team, and to focus everyone on the organization's goals. As a result of the coaching, Malaney reports that "our organization is working more as a team, which has translated into improved execution of our strategic plan and resulted in an increase of our market share and bottom line."

Coaching built on Malaney's humility to help this CEO fulfill the goals of his organization.

Self-Awareness

After three years as a CMO, Martin Hickey, M.D., became president and

Specific methods used to develop the key leadership skills—humility, self-awareness, balance, focus, collaboration and accountability—depend on both the coach and the executive, but they stem from a core set of principles.

self-awareness, balance, focus, collaboration and accountability—depend on both the coach and the executive, but they stem from a core set of principles. A coach helps an executive create or modify behavior patterns through direct, honest, positive and negative feedback. A coach steers the executive away from regressive patterns and toward homeostatic, virtuous and creative alternatives. Finally, a coach serves as a confidential sounding board as the executive works through difficult issues.

Most Fortune 500 companies have used executive coaches over the last two decades, and available literature explores the value of executive coaching. Although little to no empirical research on the effects of executive coaching in health care exists, specific experiences of health care leaders illustrate how coaching applies to this industry.

leader's humility. In *Good to Great* (New York: HarperBusiness, 2001), Jim Collins defines a Level 5 leader as one who "builds enduring greatness through a paradoxical blend of personal humility and professional will."

Malaney proposed his idea to his board, which included senior executives from several Fortune 500 companies, and discovered that they were very receptive. Malaney represented a large investment as their new CEO, and it was to everyone's benefit that he succeed. The failure of such an executive would constitute large losses and cause disruptions in business administration far more costly than employing the services of a coach. Some boards may balk at the initial investment in coaching, but a Manchester Inc. survey of 100 executives concluded that the average ROI for coaching is 5.7 times the initial investment made in executive coaching. (See "Executive

CEO at Lovelace Health System in Albuquerque, N.M. Lovelace had just posted a \$22 million loss and was projecting a \$44 million loss the next year. Hickey approached his new role as "a physician who thought like a businessman," but soon began losing confidence in his abilities as Lovelace suffered \$3 million monthly deficits. "I was in way over my head in a baptism by fire," Hickey admits, "and needed help to achieve the business discipline and line accountability that my boss urged me to adopt."

With his coach, Hickey developed his self-awareness, gaining an understanding of the differences between physician and CEO duties, and of his physician-focused perception of himself. The coach helped Hickey realize that although his medical skills and experience were invaluable for a health care CEO, he needed to approach his job as a businessman first.

SELECTING AN EXECUTIVE COACH

Hickey's coach also encouraged him to re-evaluate his new professional role with a leader's humility. "My coach helped me understand that I alone do not make the organization succeed," says Hickey. "Rather, it is the combined leadership and management capabilities of my executive team that produce successful results for the company. You enter this kind of a position thinking that you can do it all, but to succeed you have to be honest with yourself, your strengths and weaknesses. My coach helped me see the value in hiring people smarter than myself."

After coaching, the first year of Hickey's leadership saw the organization post \$12 million in post-tax earnings: a \$34 million positive swing in one year. In addition, nursing turnover was halved, morale measured in annual employee surveys increased by 20 points, physician turnover was reduced to 6 percent and local recognition of care quality exceeded that of competitors.

Hickey summarizes: "My coach helped me become a businessman who thought and made decisions through a physician's lens."

Balance

Lee Kirk, president and CEO of Culpeper Memorial Hospital in Culpeper, Va., found that the demands on a hospital CEO's time are limitless, but that surrendering to those demands does not equal effective leadership. Kirk's family and work both suffered from his life imbalances, but, as with many executives, Kirk wasn't sure how he could establish equilibrium. "I sought a coach on the advice of a colleague whom I know and trust," Kirk explains. "The suggestion came at a time when I felt like I was pulled in too many directions and wasn't sure how to cope effectively."

Kirk's coaching sessions began with what he describes as intensive, objective assessments of his imbalanced habits. To counteract Kirk's tendencies to over-invest his time in work, Kirk's coaches helped him learn to approach his life with "intentionality"—with pur-

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According to James Tally, Ph.D., president and CEO of Children's Healthcare Atlanta, "It's important to find a good listener who will give you straightforward feedback" when you're looking for an executive coach. "Make sure that the coach has strong working knowledge of the industry," he says. "Do enough background research to be confident that you're hiring the right person. Communicate your expectations to your coach up front, and discuss what you want to get out of the process. Have a conversation and see if your personalities match; you'll need to feel comfortable enough with this person to hold open, honest discussions about your performance."

Most people who have used coaches offer the same advice. As a guideline, you may wish to consult a book by Mary Beth O'Neill, *Executive Coaching with Backbone and Heart: A Systems Approach to Engaging Leaders with Their Challenges* (San Francisco: Jossey-Bass, 2000). The book summarizes that a good executive coach:

- Works effectively in the midst of others' anxiety
- Focuses on business and results
- Listens well
- Can move conversations from the global to the specific
- Gives immediate feedback
- Supports and challenges you in equal measure
- Has a sense of humor, and
- Lets others create their own successes and mistakes.

—Donald Hutton



pose and commitment and in a planned fashion. Rather than reacting to what seemed like immediate demands, Kirk could prioritize and devote appropriate amounts of time to each, especially through effective delegation. In addition, he decided to make commitments to spend time outside the work environment doing things he enjoyed. "When we know our leadership team is working hard," Kirk says, "we don't delegate as effectively as we should, and we tackle more tasks than we are effectively able to handle. But by increasing my own intentionality as well as that of the team—of our communication, cooperation and delegation—we increase our collective effectiveness and the effectiveness of our organization."

One of the direct effects coaching has had at Culpeper is a major improvement in the strategic planning process. Kirk says that "the vivid descriptions and driving strategies have made and will continue to make a significant difference in our future success."

Through his coaches, Kirk also learned that he could be intentional about his personal life. In assuming

control of his time at the office, Kirk found that he could set aside reading time, exercise six days each week, and spend more meaningful time with his family. The personal and the professional aspects of life hinge on a fulcrum of priorities, and balance is possible through applying appropriate amounts of time and energy to each side.

Kirk advises: "Coaching requires a willingness and openness to explore who you really are, what you really want, and how others see and perceive you. To gain balance from that exploration, you need to be open and willing to change."

Focus and Collaboration

When two former rival organizations merged to form Children's Healthcare Atlanta, James Tally, Ph.D., assumed the position of president and CEO—as well as responsibility for the challenges in organization, medical staff, culture, leadership and board and community expectations that accompany such mergers. "I enlisted the help of executive coaches for selected members of my team," Tally says, "because it



seemed that we could enhance individual and team performance, especially in light of the heightened expectations of our merger stakeholders. In some cases we needed better focus and better collaboration. Based on some research I'd done, and with the endorsement of the chairman of our board of trustees, I thought that coaching was the best way to achieve that."

To rebuild post-merger operations, Tally's staff needed to focus on becoming a team. In some cases, people were working together for the first time. Although each executive still needed to address daily tasks and to develop individually to foster better teamwork, the coaches helped them all maintain focus on this first important long-term goal of collaboration. The coaches helped them define their goals to foster better teamwork in measurable terms

achieved a greater sense of self-awareness and a better understanding of the needs of peers and staff, all of which improved our communication and coordination. Also, the coaching instilled a greater sense of job satisfaction in members of our team; people felt that the new organization valued the needs of the individual as well as the whole."

Accountability

Both Bernard Tyson, Kaiser Permanente's president of regions outside of California, and Anthony Armada, senior vice president and area manager for Kaiser's health plan and hospitals in metropolitan Los Angeles, maintained very successful track records at work in meeting the challenges faced by today's health care executive. But both took accountability for their continued professional devel-

opment—and chose executive coaching to "build increased muscle," as Tyson says, in their respective leadership capabilities.

stranger and found that his coach was an excellent sounding board for detailed, honest discussions about himself, and professional and personal goals. He reports now that he has a greater understanding of his relevance to the success of his organization.

Tyson and Armada held themselves accountable for increasing their professional wisdom and implementing positive change by improving how they approached their professional lives and brought value and heightened success to their organization.

Effectiveness

Whether consulting a coach to transition from physician to businessman, to balance professional and personal life, to build a new team, to transition into a first CEO position or to take professional performance to the next

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—James Tally, Ph.D., president and CEO, Children's Healthcare Atlanta

and reviewed them with the executives on a regular basis. The coaches held them accountable for their goals and kept the goals on the front burner.

One of Tally's team members, Martha McGill, had been promoted just before coaching began. "The coach helped me develop a more effective communication style," McGill reports, "which improved my relationships with medical staff and executive team members." McGill says that having the coach available as a sounding board proved invaluable in the development of her leadership skills, and that the coordination of the coaching efforts for the team established a healthy, collaborative environment. "Everyone has seen this team deliver on expectations," she says.

Tally concurs: "Mergers can be chaotic times, and coaching helped us maintain a disciplined focus on coming together as a united team. Each executive

opment—for the betterment of their organization—and chose executive coaching to "build increased muscle," as Tyson says, in their respective leadership capabilities.

"I improved my performance by increasing my knowledge level," Armada reports, "by making better decisions sooner and building better relationships with those around me." Armada's specific achievements through coaching included improving the labor/management partnership and obtaining established targets more frequently; turning around a financially struggling department; and improving collaboration skills that helped him mature as a leader more quickly.

Tyson says: "Coaching has broadened my thinking and has helped me put my present realities and future possibilities into perspective." Tyson worked through initial apprehensions about how open he could be with a

level, coaching can be a highly effective and efficient tool for success as a health care executive. Of the many health care executives surveyed by MEDI who have used a coach, 88 percent of them indicated that they were satisfied with the results of the coaching process. Care must be taken, however, in choosing a coach (see the sidebar, "Selecting an Executive Coach").

If the experiences profiled here are any indication, executives who have gained wisdom from coaches may hold the leadership advantage over those who wait for time alone to make them wise. How better to part the veil of chaos than with a little help? ■

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