



# A Smoother Transition: Coaching New Leaders at CareSource

**Based in Dayton, Ohio, USA, CareSource is a nonprofit organization that fills a unique niche in the health care sector. As one of the largest public-sector managed care companies in the United States, CareSource serves more than 1.3 million Medicaid- and Medicare-eligible consumers in Ohio and Kentucky.**

“Our vision is to transform lives through innovative health and life services,” explains Jackie Smith, vice president of the organization’s training arm, CareSource University. “Our mission is to make a lasting difference in our members’ lives by improving their health and well-being, and we do that by providing health care benefits and services.”

Due to legislation, such as the Affordable Care Act, the United States’ health care environment is a dynamic one. As a result, organizations like CareSource need the ability to adapt rapidly to change. “We see changes within the industry and within our business every day,” Smith says.

For CareSource, rapid growth has been the primary outcome of these changes. In the last half-decade, CareSource has grown by more than 57 percent of its total employee population and encountered new challenges posed by a growing cadre of mobile employees at all levels

of the organization. As the organization supports this growth by adding new leaders—both by hiring externally and promoting from within—coaching has become a cornerstone of CareSource’s talent-development strategy, ensuring that new leaders have the tools they need to rapidly adapt to their new roles and assimilate into the organization’s unique culture.

In recognition of CareSource’s exceptional use of coaching for leadership and change management, the International Coach Federation (ICF) awarded it with an honorable mention in the 2014 ICF International Prism Award program. The Prism Award program honors organizations that have achieved the highest standard of excellence in coaching programs that yield discernible and measurable positive impacts, fulfill rigorous professional standards, address key strategic goals, and shape organizational culture. (Learn more about the award at [Coachfederation.org/prism](http://Coachfederation.org/prism).)

## **Top-down Support, Bottom-up Structure**

CareSource has long boasted a robust training program via a university structure emphasizing performance management, leadership development and succession planning. However, as the organization grew, so did the demand for training.

“We had formal training in place for our first-time leaders, but they could go three months before they actually attended their formal training,” says Matt Becker, M.Ed.,



PCC, coaching and mentoring manager for CareSource. With informal coaching conversations already taking place between Becker and new leaders in the organization, there was ample opportunity to institutionalize a coaching initiative that would supplement existing training for new leaders.

In January 2009, Smith and Becker took a proposal for Leadership Transition Coaching (LTC) to CareSource's executive team members, who embraced it enthusiastically. CareSource's CEO, Pamela Morris, was a vocal supporter of LTC from day one. "She has a very strong, driving presence within the organization. By commenting on coaching publicly and having her own direct reports work with a coach, she has set the tone," Smith says.

Although LTC enjoys support from the upper echelons of CareSource's structure, the initiative itself has a bottom-up structure designed to reach new managers and leaders. "When you coach first-time, front-line leaders, you're discussing everything from how to have those difficult performance conversations to delegation and time management," Becker says. "You often see a new leader step into a new role and, all of a sudden, they've got more emails and more meetings and more people stopping at their desk than they ever thought they would, and so they're struggling, and they're working all kinds of hours to figure out how to get things done."

The structure of LTC engagements (which typically span six months) enables new leaders to address the

challenges of their roles in a tailored way. The first three sessions are designed to help clients clarify their goals and desires for the engagement, with Becker asking questions about the vision they have for their legacy at CareSource, their objectives for their team and/or department, and, ultimately, their own expectations for the coaching relationship.

Prior to September 2014, Becker—whose job description allocates 75 to 85 percent of his work time to coaching—was one of only two internal coach practitioners serving LTC clients. (The second internal coach had 25 percent of his time allocated to coaching. CareSource also keeps an Executive Coach, and ICF Member, on retainer to partner with senior leaders as requested.) As CareSource continued to grow,

however, the demand for coaching in LTC outpaced Becker's availability. As a result, the organization added a second ICF Professional Certified Coach with 15-plus years of experience to the team.

Becker says the addition of another full-time staff resource will help ensure the program's continued success, enabling LTC clients to lengthen coaching engagements on request and providing for expanded training of managers and leaders to use coaching skills. "We had a coaching course for leaders for many years, but it was very focused on performance coaching. We've restructured that to do a better job of teaching them coaching skills," Becker says. The new training highlights the ICF Core Competencies of active listening, powerful questioning, direct communication and designing actions. "We also make the distinction that we're teaching them to take a coach approach as a manager, and that's different than being a professional coach practitioner," Becker adds.

## Healthy Results

Due to CareSource's unique culture, the assimilation of new leaders is a critical challenge for and goal of the organization. Coaching addresses this challenge head-on, empowering leaders with the tools they need for success and providing a safe space to explore issues and concerns. Becker cites one success story of a high-level director hired from outside the organization who, after completing LTC, confided that she "would not have stayed with the organization were it not for coaching." LTC has been credited

with retaining several high-potential employees and leaders for a savings of \$396,602 USD.

CareSource reports additional savings in leader and employee efficiency (\$201,972 USD), overtime reduction (\$91,023 USD) and avoidance of contracting/consulting fees (\$55,036 USD). Overall, CareSource conservatively estimates a savings of \$744,632 and a return on investment (ROI) of 211 percent over five years.

One of the most appreciable gains the coaching program has contributed to at CareSource is in the area of employee engagement. In 2005, when the organization began benchmarking, data recorded a 52 percent engaged workforce. At the completion of the 2013 engagement cycle, the company boasted a 70 percent engaged workforce—a stark contrast to the 30 percent of engaged U.S. workers reported by Gallup's latest "State of the American Workplace Survey." For leaders who participated in one-on-one coaching, engagement scores were higher in 14 out of 15 areas of organizational strength than the overall data set.

CareSource also measures the return on expectations (ROE) of LTC clients in order to assess the effectiveness of coaching. After clients identify their expectations at the beginning of the coaching engagement, Becker asks them to use a 10-point scale to assess how confident they are in achieving each goal. The average starting point is 4.27. Leaders are again asked to assess their confidence at the end of the engagement. Current ROE numbers show a 91 percent increase

in leaders' confidence in their ability to achieve their expectations after coaching.

Program satisfaction is high (4.9 out of 5), and Smith says that this is evident in clients' application of coaching skills to their own interactions with peers and direct reports.

"When I'm doing three- to four-month post-coaching evaluations, I often hear, 'I now use the coaching questions that were used with me with my staff, and that's making them more effective,'" Smith says. "Their personal goal for coaching may be to become more effective as a leader, but the longer-term effect is that they in turn are using these skills with their staff, thereby allowing them to be more effective and become more empowered."

Becker and Smith encourage other nonprofit talent-development professionals to look to coaching as a worthwhile investment of time and finances for their organizations—however lean their operating budget. "As a nonprofit, we put roughly 93 cents of every dollar back into our members' care," Smith says. "Yet, in the midst of all that, we have chosen to invest in coaching our leaders. Having an internal coaching program in our organization is *that* critical."

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Formed in 1995, today the International Coach Federation (ICF) is the leading global organization, with more than 23,000\* members, dedicated to advancing the coaching profession by setting high professional standards, providing independent certification, and building a network of credentialed coaches. We exist to support and advance the coaching profession through programs and standards supported by our members and to be an authoritative source on coaching information and research for the public.

\*Numbers as of November 2014. Numbers are subject to change month to month.



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