New directions for leadership at Medtronic

Medtronic is a global leader in healthcare technology with 90,000 employees across more than 160 countries. Founded in 1949 in Minneapolis, USA, the company today serves millions of patients annually in the fast-changing global healthcare environment.

In recent years, Chief Executive Omar Ishikawa challenged the organisation to develop an increased global mindset for continued innovation. He recognised the changing nature of the healthcare industry and new consumer demands in healthcare technology. Realising that this new global mindset and innovation would require a renewed focus on leadership development and what the company calls a ‘world-class leadership culture’, the HR organisation and the Global Learning team partnered with executive business sponsors to develop and launch a multi-year journey toward a new leadership culture that maintained coaching as a key competency.

There was, however, one major issue. Up until this point, coaching had been implemented sporadically within the company’s separate business units and regions. Workshops were offered to train managers, and external coaches were utilised in some areas of the company, but there was not a unifying strategy or plan for global implementation and measurement. There was not a plan to ensure coaching was focused on the critical areas of need and that the financial resources allocated to coaching were appropriately utilised to meet outcomes.

In some areas of the company, coaching was viewed as a development process to unleash potential and create innovation. In others, however, coaching was seen as a remedial tool for underperformance. When this was the case, it was not desirable to ‘be coached’.

Anne Marie Pernice, a senior manager, describes it best: ‘There was no clear point of view on coaching or how to use it. Some people would get coaches to help them develop and grow into bigger roles with greater leadership responsibility. Other people would get coaches to help them fix performance or behaviour problems. If you had a coach, you tried to keep it a secret because you weren’t sure if you were considered high potential or a poor performer.’ If the company was to be successful in changing the perspective on coaching it would need strong executive leadership and a strategy for change to bring consistency and measurement to coaching.

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This HR transformation, combined with the mandate of the CEO to provide a world-class leadership culture, presented the opportunity to deliver an enterprise-level philosophy, strategy, and ecosystem of programmes and resources rooted in coaching.

FIGURE 1. Medtronic embeds coaching in many ways to build an organisation-wide coaching leadership style

<table>
<thead>
<tr>
<th>Cost</th>
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<td>Selectivity</td>
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<td>Description</td>
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This coaching definition was a critical step to help move the organisation away from thinking that coaching was remedial or used for problem performance. The strategy also set out parameters for:

- Consolidating governance and tracking of coaching-related investments.
- Developing strong metrics and measurement of impact.
- Using external coaches for senior executives.
- Certifying Medtronic leaders as internal coaches to coach high-potential leaders.
- Integrating coaching content into leadership development programmes and relevant talent management practices like performance management.
- Launching a leader-as-coach development workshop available to people leaders, to allow all employees to experience the benefit of being coached.

This integrated approach supports the notion of leader-led development and was intended to create a positive ripple effect on the leadership culture. Medtronic started with internal coaches to ensure the development of role-model leaders who could coach other leaders, thereby reducing the spend on external coaches and pioneering the culture shift. The goal was to create a pool of business leaders acting as change agents who could then support the culture shift. The goal was to create a pool of business leaders who could coach other leaders, thereby developing highly valuable coaching competencies, but also were solving their own business challenges through being coached by their peers in the programme.

Carol Malnati, a vice president of research and development, reflects on the impact of this approach. At the time of her involvement in the ICC programme in 2016, Malnati was launching a new initiative at Medtronic called Women in Science and Engineering (WISE): an initiative to help drive performance and innovation in Medtronic’s engineering and scientific organisations by leveraging gender diversity within teams and departments. It is supported by the Medtronic R&D Council, the Medtronic Women’s Network (WMN) and the company’s top executives.

“I brought the challenge of launching this WISE initiative into our coaching classes as my real-life example,” said Malnati. “Thank goodness I had coaching to help me. There were many days I truly thought this initiative was an impossible challenge. This is a perfect example of how coaching works to help an individual rise to a challenge, and how that person is then able to drive impact across many people.”

Today the WISE initiative spans 70 R&D sites and supports women globally in their science and engineering careers at Medtronic. WISE was a key factor in Medtronic winning the prestigious Catalyst Award in 2020. The Catalyst Award celebrates exceptional efforts toward helping advance women in business.

Participants in ICC overwhelmingly report that coaching has been a ‘game-changer’ for them and their teams. ‘Learning to be a coach gave me a strong foundation for the mindset and skills required to be a multiplier of talent,’ said Matt Cohen, a vice president of R&D in one of the company’s business groups. Salina Greff, Vice President of Legal, said: ‘Through coaching, I have developed a deeper level of understanding with my employees, which makes career and performance conversations easier to have and more meaningful for the employee, and creates learning that translates into action.’

The benefits to the organisation extend beyond the duration of the certification, since after completion of the ICC programme the now-certified internal coaches develop the next level of high-potential talent through the Transformational Leadership Coaching programme. In addition to the ICC programme, the coaching practice team partnered with other HR teams to build coaching content and approaches into talent management practices and leadership development programmes. A range of on-demand options, with partners such as Harvard Manage Mentors, were developed to meet this need and aligned to our unified strategy. Working with Performance Consultants International (PCI), the performance management team wove coaching behaviours into the training and process of delivering mid-year and year-end performance reviews. Coaching became a tool that was woven into the leadership development programmes, tools and resources – all supported at a high level by the ICC graduates who were now coaching advocates and stewards across the globe and company.

The most recent step, launched in late 2019, is a comprehensive leader-as-coach programme called Everyday Coaching that will be delivered to nearly 3,000 of the company’s managers over the next two to three years.

### RESULTS: HIGHER ENGAGEMENT, A STRONG LEADERSHIP PIPELINE AND REDUCED SPENDING

Medtronic has created a coaching ecosystem, with common definitions, tools and programmes. The organisation is measuring the impact of this in many ways. One method is by the proportion of company leaders who have experienced training in one of the integrated and consistent coaching programmes or services – now at almost 90%. Great care is put into creating consistency among the different programmes, so as more managers experience and learn to become more effective coaching leaders there is a growing ‘buzz’ around coaching at Medtronic. Previous notions of coaching as remedial are being replaced by a belief that coaching is a way to innovate through learning and unleashing potential for all employees.

ICC graduate coaches have delivered nearly 6,000 hours of leader-led development through coaching to the organisation, saving $1.5m through the centralisation of coaching governance. In addition to the cost savings, the leader-led nature of the coaching contributes to the culture change Medtronic desired. Coaching clients were asked if the internal coaches demonstrated specific ICF-required competencies such as active listening, building trust and communicating directly. Clients rated their internal coaches favourably on each of these items, with a minimum average score of 4.78 on a scale from 1 (very poor) to 5 (very good).

Medtronic is measuring the effects of this new leadership culture in a variety of ways, beyond cost savings. The internal coaches demonstrate a ten-point or higher in engagement and inclusion indices on Medtronic’s Organisational Health Survey when compared to other...
As the world faces very unique circumstances, the Association for Coaching is here to support our members and the global community we serve.

We believe in the power of coaching and the coming together of communities and businesses to work through this crisis.

How You Can Help
There are many ways in which you can contribute to the AC and the wider coaching community. If you are interested in supporting us we’d love to hear from you. There are many ways in which you can help, including:

- Supporting our ‘Coaching in the Workplace’ online conference
- Raising awareness around the benefits of a coach approach in business and society
- Leading a thought leadership, special interest, or co-coaching group
- Contributing a written article to our AC magazine Coaching Perspectives

And as a “thank you” we are able to offer a select number of complimentary one-day passes to our forthcoming virtual conference to members who contribute during this time of need.

For further details about how you can get involved please visit the AC website and our Ways to Contribute page. If you’d like to join us and offer your assistance please register here.

We are facing unprecedented times globally and the AC is here to support you, our members – coaches, leaders, executives, practitioners and business owners – as we navigate these challenging circumstances.

We believe that the power of coaching and belonging to caring and supportive communities will help us find solutions to challenging situations. We invite you to join our live Virtual Conversations so we can pull together as a global community to support one another, harness resilience, learn how to stay healthy and find creative approaches to overcoming challenges.

The AC Virtual Conversations take place in the form of informative webinars and open conversations, covering the following topics:

- AC Community Connected
- AC Leadership Conversations
- AC Health and Wellbeing Conversations

For further information and to book your complimentary place please visit our Virtual Conversations page on the AC website.

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