In this chapter, we describe the following:

- An internal coaching program in a major financial services institution
- The factors associated with the program’s success, including the program focus, the careful selection of coaches, the training of coaches, and the linkages between the internal coaching program’s mission and the business needs of the organization
- The training and development of coaches in some detail
- The challenges of assuming a formal coaching role for the functional human resource management leader

The internal coaching capability at Wachovia Corporation is an integral part of a larger development program, the Executive Leadership Program (ELP). ELP is an integrated classroom and practice-based development activity
for high-potential future leaders from throughout the corporation. The task of the internal coaching program is to facilitate individualized development planning, drawing heavily on a 360-degree assessment of participants’ leadership competencies. Approximately 55 senior human resource (HR) professionals serve as coaches in ELP.

The design of the internal coaching program also supports a larger strategic vision for coaching at Wachovia and draws on the lessons learned from all aspects of the effort to execute to that vision. Not surprisingly, one of the most important lessons learned in the development of an organizational coaching capability is that any coaching program design has to be consistent with the goals and culture of the organization. Nevertheless, all coaching programs, whether internal or external, must address a number of key challenges having to do with defining the mission of the program and the selection, training, and development of coaches. In this chapter, we describe these challenges in relationship to the buildout of Wachovia’s internal coaching capability in some detail.

The experience at Wachovia suggests the value of carefully scoping an internal program by linking the program with a very clear task. The opportunity to serve as a coach was not seen as a developmental assignment, given that the program’s success was essential to the business as well as the long-term viability of coaching at Wachovia. An extensive training program was required of those participating as coaches. An investment was also made in the coaches’ ongoing development. First and last, the program was intimately linked with important business drivers for Wachovia, including the need for an expanding and highly diverse leadership pipeline. We start with that part of the story.

The Wachovia Executive Leadership Program

Wachovia Corporation is headquartered in Charlotte, North Carolina. With 93,000 employees, it is the fourth-largest bank-holding company in the United States and the third-largest full-service brokerage firm, based on client assets.1 In addition to organic growth, the corporation has also grown through merger activity, the largest being the merger of First Union Corporation and Wachovia Corporation, in 2001. Such a substantial increase in the sheer size of the corporation created a long-term and ongoing need to intensify thinking about and acting on the development of a substantial leadership pipeline.

Both legacy corporations had different experiences with coaching and leadership development. Legacy Wachovia had made considerable use of external executive coaching and had also developed a cadre of internal
coaches. In contrast, leadership development programs at legacy First Union had focused on efforts to create a more diverse leadership pool. Legacy First Union had had little experience with coaching for the purposes of leadership development.

The ELP had actually been pioneered in legacy Wachovia, with a coaching component not dissimilar to that which we describe here. However, the merger required a rethinking of existing efforts from both legacy firms. Coaching had to establish itself as a legitimate activity to legacy First Union leaders (who constituted the majority of those in leadership roles in the newly merged organization), who, while not necessarily against the building of a coaching capability, simply had less familiarity with the concept and what it could offer. The internal coaching program thus had a complex set of requirements when viewed strategically. Its success was critical to addressing a major business need, the accelerated development of a diverse leadership pipeline, as well as the credibility of future coaching efforts, given that this would be a highly visible program.

The Decision to Build an Internal Coaching Capability

Fortunately, much of what had been learned through the initial efforts at legacy Wachovia could be used, with appropriate modifications, in the new Wachovia. The choice to build an internal coaching capability to support this effort, as opposed to using external coaches, was driven by a number of factors. One factor, of course, was costs. As discussed previously, an internal coaching program appears to compete effectively from a cost perspective with the use of external coaching resources in a well-defined, time-limited, managed coaching initiative. However, internal coaching is not a panacea from a cost perspective. Wachovia found that there were significant costs associated with building an internal coaching program as well, as will be clear from the investments discussed below.

There were, however, additional drivers that supported the development of an internal coaching cadre. There was an explicit desire to partner with senior HR generalists as one way of educating the larger community about the value of coaching and the need to approach coaching from a developmental and strategic perspective rather than a remedial perspective. Bringing some of those HR leaders into the coaching program could obviously be of help in that regard. Through their participation in the internal coaching cadre, they would be well positioned to assess and respond to a wide variety of situations in which coaching could be a useful tool.
There was also a strong desire to leverage the knowledge that the internal coaching cadre could bring regarding Wachovia’s emerging culture and the challenges associated with development in that culture. It was felt that those familiar with the culture of the firm would be well positioned to help high-potential employees learn to more effectively work within the culture to achieve the desired business results. Finally, given that the time span of the coaching engagements themselves were to be relatively brief, ease of access between coach and coachee was a consideration.

Program Design Elements

As discussed in previous chapters, a coaching capability ideally works with a set of learning goals or competency requirements thought by organizational leaders to be important for current and future success. These serve to guide assessment, goal setting, and evaluation within the coaching process for the coach, coachee, and the coachee’s manager. At Wachovia, as was the case at Whirlpool, a leadership model served this function. Cambria Consulting was engaged to build the leadership competency model for the new Wachovia, a function they had played in legacy Wachovia. There were significant changes from the leadership competency model that had been developed for legacy Wachovia, however. The leadership model developed for the new Wachovia Corporation balanced both internal and external factors (see Box 8.1). These served to define the learning goals for ELP and provided a framework for linking individual development and Wachovia leadership effectiveness.

Box 8.1 The Wachovia Executive Leadership Model

1. Creating vision and direction
2. Executing on strategy
3. Communicating effectively
4. Assessing, leveraging, and managing risk
5. Focusing on customer satisfaction
6. Developing high-performing teams
7. Creating partnerships
8. Demonstrating integrity and personal excellence
ELP participants were carefully chosen. They included only individuals who were seen to have significant leadership potential for the future of the corporation. Experience has shown at Wachovia, as elsewhere, that a high level of participant motivation and organizational commitment is essential if the most value is to be gained from the corporation’s investment in individual development. It was hoped that those chosen to participate in ELP would have a significant commitment to improving the organization as well as their own skill sets. An effort was made to avoid using the program as a vehicle for attempting to repair badly damaged careers or those almost certain to leave the corporation when the chance arose. Of course, these participant criteria served to enhance the “coachability” of those participating in the coaching as well (Hunt & Weintraub, 2002a).

ELP itself is a process rather than a series of events. The program extends over a number of months, depending upon scheduling. All told, participants devote 12 days to in-class activities. A discussion of the classroom content is beyond the scope of this report, but the topics covered are aligned with the leadership model and the needs and directions of the business. Wachovia’s CEO and Operating Committee are involved as “executives in residence” and support the ELP faculty in developing the participants throughout. As such, ELP has a high level of visibility throughout the organization.

In addition to traditional classroom-based activities, each participant completes a 360-degree assessment using the Wachovia Executive Leadership Model. This activity forms the basis for personal development planning. It is at this point that coaching becomes relevant to the participants.

Participants are assigned a coach from the internal coaching cadre who provides 20 to 40 hours of coaching, spread over the course of 6 months, depending on the needs of the ELP participant. This, of course, represents a significant investment of time and energy, with the goal of assisting the participant in individualizing lessons learned in the classroom to his or her unique needs and context. As such, the matching of coach and coachee is made carefully, based on an extensive data-gathering process involving the coachee.

ELP participants are also oriented to the coaching activity in the classroom by the coaching practice leader at Wachovia. She briefs the ELP participants on what coaching is, how it can help, and its role within ELP. She emphasizes to the participants in ELP that unlike typical HR initiatives, the participants, not the coaches, are responsible for driving their own coaching engagements. This places maximum responsibility for the effectiveness of the coaching on the coachee. It is a given that those participating in ELP are busy. They need to make the time and put in the energy required to keep the coaching sessions from becoming interesting but ultimately
useless rituals. This orientation encourages the participants to really work on their development and use the coach as a tool in the process rather than seeing the coach as a leader of the process.

The coaching task is then clearly defined. In the training for internal coaches, this coaching activity is distinguished from coaching related to career transitions, acclimation, the development of a leadership agenda, and other kinds of coaching goals. While each coaching engagement may touch upon a variety of issues, particularly those related to diversity given the corporation’s larger strategic concern with this issue, coaches are asked to help the coaching stay focused on development planning, particularly as it emerges from the 360-degree-assessment results.

The Internal Coaches

Although there is widespread interest in a variety of coaching activities in the HR community within Wachovia, the opportunity to participate as a coach in the program was not seen as developmental in nature. Only seasoned HR professionals were recruited. Some had significant experience in organizational-development-related work. Over half had been through Wachovia’s Diversity Practitioner Development Program (an intensive yearlong experience) and had expert knowledge in that strategically important area. Most importantly, those chosen were able to demonstrate a high level of self-awareness, a factor that serves as a foundation for a number of the competencies described in ELP.

The opportunity to engage an ELP participant in a 360-degree debriefing coaching session was an “add-on” for those chosen and completing the training. They would do coaching in addition to their regular work duties. Thus, coaching represented a potentially challenging addition to their workload. Nevertheless, there was an enthusiastic response to recruiting efforts.

Part of the appeal of the role of internal coach was that it gave people an opportunity to use their skills in a new way, working with an individual in a customized fashion that was nevertheless very results oriented. However, the fact that this is an “add-on” for coaches does create a risk factor that has been closely monitored. The coaches have to respond quickly when a coaching opportunity emerges. If they are too busy with other activities, their ability to respond may be compromised and service to the client may suffer. It is important to stay in close touch with the coaching cadre around this issue and to be understanding of the fact that some coaches may have to opt out of the coaching role for a time.
There was also a concern that despite their expertise and seniority, internal coaches would not be given the same level of credibility as external executive coaches. Certainly, at Wachovia, credibility is also an important success factor in coaching effectiveness, and so it is an important factor in the selection of internal coaches. This meant that it was critically important that the selection process be rigorous. If coaches were chosen for political reasons, as a place to “park” an individual HR professional whose career was in decline or simply because that person held a leadership position in the HR organization or as a reward for past performance rather than for a person’s current and potential coaching competency, the quality of coaching offered by the program could be compromised. The criteria for selection thus focuses on current and potential competency to do the job. This seems to have done an adequate job of safeguarding the credibility of the program to date.

As already stated, the strengthening of a diverse leadership pipeline was seen as an essential goal by the leaders of the corporation. As such, an additional requirement for selection stipulated that candidates were required to participate in a series of diversity-related workshops and learning activities at which they address, among other things, the biases associated with consulting/coaching related to gender, race, sexual orientation, and dominant and subordinate group memberships.2

A final risk factor considered in the choice of coaches has to do with the all-important ability of the coach to “speak truth to power.” Much of the objectivity that organizations hope to gain from the use of external coaches stems from the ability (ideally) to be honest, direct, and unbiased in the feedback they provide. It can be tough to provide such high-quality feedback to someone with whom you have a complicated set of interdependent relationships. From the coachee’s perspective, an intertwining of relationships could impede the development of a coaching-friendly context. Imagine talking over serious concerns about your weaknesses with someone who next week may be consulting with your business unit leader about whether or not you should be promoted. The potential for role conflicts is obvious and may be even more severe than those experienced by the coaching manager.

Wachovia addressed this challenge in a fashion quite different from that executed by Steve Leichtman in Case 7.2, who formed an alliance with line management leaders to ensure that the program’s interests were aligned with theirs. His work, though highly focused, did not take place in the context of a larger executive development program. He also had access to decision makers at the highest possible level on a routine basis.

Wachovia addressed this challenge by arranging coaching assignments such that no internal coach ever works with someone from her or his own business unit. It is our experience that this offers the best of both worlds for
coach and coachee. Coaches still have familiarity with Wachovia culture and strategy, a strength of the internal coaching model. At the same time, they have some psychological and political distance from the coachees and their contexts. From the coachee’s perspective, a sense of safety is bolstered by the understanding that the coach will not likely be engaged in making decisions about the coachee’s future, at least in the near term. In fact, feedback from coachees suggests that they experience an internal coach from another business unit as though the coach were an external executive coach.

Training and Support for the Internal Coaching Cadre

The goal of the training of the internal coach cadre is to provide them with the guidance and skill enhancement necessary to execute the tasks of their role with the highest-possible level of quality. As a leadership development activity itself, it was our intent to create a development process for coaches, rather than rely solely upon event-based trainings, though the latter were also used. The program for coach development extended over roughly 6.5 months and included the use of readings, training workshops, and an ongoing “Coaches’ Coaches” support function, to be described below. Upon selection, each internal coach begins his or her training with a 2-day coaching workshop, conducted by Cambria Consulting. The ELP Coach Development Process is presented in Box 8.2.

**Box 8.2  ELP Coach Development Process**

1. Coaches are selected by HR directors within Wachovia, based on the criteria described in the text. In addition, candidates should have been exposed to at least two assessment tools from a list of personality assessment tools, such as the Myers-Briggs Type Indicator™, and attendance at an appropriate diversity awareness workshop.

2. Selected coaches are notified by the Executive Coaching Practice (ECP), the function within Wachovia responsible for managing the program. The ECP outlines expectations for the role to those selected.

3. ECP conducts four “virtual training sessions” in which the context of the coaching, the coaching model and process to be used, and details of the expectations of coaches are outlined. Through these sessions, coaches’ questions are surfaced and addressed.
4. ECP simultaneously sends out 6 monthly reading packets to participants with a variety of articles on a variety of carefully chosen topics related to the types of coaching they will be performing in this role (i.e., 360-degree debrief coaching and development planning). They also receive additional readings and self-assessment materials in the area of diversity so that they can get a better understanding of how far-reaching their coaching can be while still working within the defined goals of the program.

5. All ELP coaches are required to attend a 2-day workshop during the 6-month prep period on Introduction to the Enneagram and Applications in Coaching, a personality assessment system in wide use throughout the corporation.

6. These activities all lead up to the ELP coach workshop, cofacilitated by the leader of the Executive Coaching Practice and a partner from Cambria Consulting. This 2-day, face-to-face workshop again covers the coaching model, expectations, ELP, the 360-degree assessment (how to use and understand this tool and explain it to others) and diversity concerns in coaching. The phases of the coaching model presented in this workshop are described in Box 8.3.

7. In addition, participants are introduced to the continuing education component of the ELP coaching program, which is described further below. They hold their first meetings with those with whom they will be following up in the continuing education and support process.

8. Of note, participants are not automatically “passed” into the cadre if they complete all this work. Expectations are set at the beginning of the process that participants must show up and actively participate. Coaches who fail to attend parts of the various programs are removed from the potential cadre.

The selection and orientation process is thus lengthy and extensive. Throughout, experiential activities such as role-plays are the main vehicle for instruction. The process clearly requires a very great deal of motivation on the part of those interested in coaching. Goals are rigorously set, and a process for achieving those goals is set forth. It is obviously impossible to anticipate every challenge that the coaches will face. Furthermore, coaching is inherently customized learning at the individual level. As such, the coaches will still have to use their experience and intuition, as well as their skills, if they are to actively help coachees. The anticipated phases of the coaching process utilized in the ELP coaching program are described in Box 8.3.
Box 8.3 Phases of the 360-Degree Debrief Coaching at Wachovia

**Phase 1: Getting Started**
This phase addresses the relationship building and initial goal setting necessary for the coaching to commence. The goals of the coaching are discussed as well as the parameters of confidentiality and the commitments required of each party to the coaching engagement.

**Phase 2: Gathering and Analyzing Information**
In the buildup to the actual goal-setting phase for the coachee, 360-degree data are reviewed, and the coach also makes contact with the coachee’s immediate manager. An additional interview-based, 360-degree assessment is not performed. However, a variety of self-assessment tools, such as the Enneagram, may be used.

**Phase 3: Deciding What to Do**
Drawing on 360-degree data, self-assessment, and coaching conversations, coachee, manager, and coach define the developmental goals for the coming year.

**Phase 4: Making It Happen**
Follow-up coaching is directed at helping the coachee execute the development plan.

**Phase 5: Evaluating and Sustaining Progress**
As the coaching proceeds, coach and coachee explicitly evaluate progress toward developmental goals and discuss plans for sustaining positive change in the future. At this point, momentum has been established around the action plan, and the coachee is transitioned to the manager and the HR generalist for ongoing support.

**Ongoing Support and Development of ELP Coaches**
Given the unique nature of each coaching engagement, the challenge of putting concepts into action also suggests a requirement for coaching. To support the Wachovia internal coaching program, a cadre of Coaches’ Coaches (C2s) was developed. In groups of 10, the internal coaches work with a more experienced internal coach. During monthly conference calls, coaching engagements and challenges are reviewed. The internal coaches then have the opportunity to receive support from one another as well as their C2s. The Wachovia executive coaching practice manager supervises this group of senior internal coaches. These sessions are mandatory for active coaches,
those who have a current coachee with whom they are working. In addition, C2s provide the executive coaching practice manager with a “systems-level” view of what is happening with the ELP itself, making it possible to track organizationally significant trends (such as those relating to diversity) and intercede when appropriate to ensure that coaching engagements are successful.

In addition, the Wachovia executive coaching practice has created a coaching “community of practice.” Annually, internal coaches and external coaches working with Wachovia meet jointly to discuss what they have learned about the leadership development issues of the corporation and about coaching within Wachovia. This represents a significant venue for organizational learning, allowing the group of coaches to compare their experiences with individual leaders with the leadership goals of the corporation. This information is then appropriately shared with key stakeholders, such as the Operating Committee, including the HR director and the leadership development and organizational development functions, to inform corporate-wide strategy and interventions.

The annual gathering of the community of practice also serves as an additional vehicle for supporting both internal and external coach cadres. Internal and external coaches make proposals for providing development to each other, and other external educational opportunities are also provided. The annual community-of-practice meeting helps generate additional enthusiasm and momentum for the coaching practice.

Comments on Being an Internal Coach From HR

It is logical to look to the HR function as a source of internal coaches. HR professionals routinely engage with line managers and employees about development. Informal coaching is one of the most important tools of their trade. Nevertheless, the role of the HR professional is complex. He or she may have to manage a high-profile compliance issue one minute (such as a sexual harassment claim) and the next talk about staffing and recruiting needs and the next engage in a high-level strategic-planning activity. In this section, we briefly describe lessons learned regarding how to help senior HR professionals engage with the coaching role.

HR professionals bring considerable expert knowledge to their various tasks and are often called upon to render expert opinions. The requirements for effectiveness as a content expert and a developmental coach are, however, quite different. Content expert HR professionals are routinely confronted with demands to provide that expertise in telling other people what
to do. They must be action oriented and often work with a sense of urgency. Developmental coaches fundamentally guide coachees in seeking out their own solutions to self-determined developmental challenges. They may offer advice, but one of the most important activities of developmental coaches is to assist their coachees in reflecting on action and coming up with their own responses. The developmental coach often operates in a way that is the opposite of the action-oriented manager. Thus, the effective internal HR coach must be able to transition comfortably between these very demanding yet very different roles and sets of role requirements.

Internal coaches at Wachovia cite as helpful in this regard the relatively high level of structure in the program, the ongoing support systems such as C2, and the intensive training they receive via their participation in the program. In addition, the change in venue offered by the fact that they are coaching outside their own business units supports this role transition as well. When working outside their own business units, internal coaches can’t typically jump in and take action.

Finally, internal coaches cite significant personal rewards and satisfaction that accrue from their participation. Exposure to other parts of the business and the careful selection of ELP program participants (meaning that most coachees are eager to engage in the coaching activities) make the opportunity to step back and reflect on coachees and their contexts very satisfying. Coaches frequently receive positive feedback from other coaches, because they are able to help coachees (and themselves) engage with the role of learner.

There has been no evidence to date that coachees have been reluctant to engage with internal coaches with an HR background. It is possible to imagine a problem complementary to that described for the coach, the fear on the part of the coachee that the coach, as an employee of the company, could possibly take action that would harm the coachee. The coaches and coachees report no such concerns. In fact, the intensity and importance of the connection between the coach and coachee, as reported through channels such as C2s, has surprised the coaches. It does seem clear, however, that it is important for the coach to take the time to build rapport and explain to the coachee the level of confidentiality associated with each coaching engagement. It also appears critical to demonstrate an ongoing level of integrity in the coaching process in order to safeguard the coaching-friendly context.

**Evaluation of the Program**

The internal coaching program has rather quickly established a high level of credibility within the leadership ranks of the new Wachovia Corporation.
Anecdotal evidence from senior managers and ELP participants points to satisfaction with both the process and the outcomes of the coaching effort and the investment required to make these happen. It should be stressed, however, that satisfaction alone is not sufficient to substantiate the ongoing investment required to maintain a quality coaching effort, either internal or external. Ultimately, behavior change and business results are necessary. Wachovia is now involved in a major effort to systematically gather data regarding various coaching practices in that regard.

What are some of the limitations of the coaching program described in this chapter? Perhaps the most important limitation has to do with the level of competence that can be sustained by the internal coaching cadre when coaches are engaged in only one coaching engagement at any one time due to the constraints of their schedules. As described previously, this is an “add-on” assignment for these very senior individuals. As such, they may find at times that they are unable to make the commitment required of a coaching relationship. It is necessary, then, for the coaching practice manager to be concerned about both maintaining the competence levels of those who coach and the need to refresh the cadre of coaches as some move on. External coaches have to take personal responsibility for maintaining their competence themselves (though some firms, such as Wachovia, actively help them out in that regard). Internal coaches need their host organization’s help to keep their skills sharpened to maintain their motivation to participate as part-time coaches.

Notes

2. Elsie Y. Cross Associates, Inc.