Coaching for Performance in the Banking Sector: A Case Study on the Lloyds TSB Bank Plc, UK

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ABSTRACT

This paper is an endeavor to critically assess whether coaching can enhance the performance of individuals working in the Banking Sector thereby enhancing corporate performance and to recommend it for future application. The research undertaken at Lloyds TSB Bank Plc confirms that the other practices are still out of line. The study concludes with the statement that for coaching to be successful, it has to be introduced with an all round approaches to human resource management including supporting procedures, structures and cultures and this needs to be supplemented with a long term strategy. Otherwise, isolated initiatives are likely to fail.

Keywords: Coaching, Performance and Banking.

INTRODUCTION

Some banks today are attempting to adopt a human resource management based strategy to enhance individual and business performance and thereby gain a competitive advantage in the market place. As a result, coaching has emerged in some organizations over the last few years as a management approach to improve an individual's personal development and increase their performance to achieve corporate objective. Downey (2006) defines coaching as "The art of facilitating the performance, learning and development of another". Coaching helps to draw out of the coachee their own solutions to an issue, encouraging original thinking and ownership of the outcome and is primarily about the achievement of enhanced business results through the personal development of the coachee. Turner (2000) advocates coaching methods and explains that coaching is not teaching, training or instructing but about helping people to learn and acquire skills.

RESEARCH OBJECTIVES

The coaching has emerged in some banks in the UK over last few years as a management approach to help improve an individual's personal development and increase their performance to achieve corporate objectives. As such this research has important and significant relevance to modern management. Whilst many firms are placing increased emphasis on personal development, continuous learning and building on effective interpersonal skills the traditional command and control leadership style has not disappeared and in most instances both styles are likely to exist alongside each other. The objectives of this paper is to critically assess to what extent coaching can enhance the performance of employees working in the Banking Sector thereby enhancing corporate performance and to draw a conclusion about its future applications.

RESEARCH METHODOLOGY

This paper is based upon a combination of opinions expressed by both academics and practitioners. The literature is mostly taken from the secondary sources such as journals, books, company's annual report, etc. Some models and frameworks were used to support arguments concerning specific issues and also as evidence to current practices regarding coaching. A case study on Lloyds TSB Bank Plc of UK was also taken into consideration for analysis. The case study approach was chosen in order to compare scholarly literature to practice and to show by examining the company's process if the many academic theories are used and how they are implemented in real situation. As case study is an " extremely flexible method" (Burton, 2000), a good tool for better understanding the dynamics of the company (Gummesson, 1991) and also allow the researcher to study many different aspects, examine them in relation to each other and view the process within its total environment.

WHY COACHING

Banks constantly look for ways to build a competitive advantage to enhance business performance. A key challenge is how to get the best out of the workforce. During the 1980s managers in Britain saw the emergence of human resource management as an alternative to traditional personnel management and industrial relation to manage and motivate people towards achieving goals. Storey (1992) argued that the traditional personnel and industrial relations style of management focuses on production and views employees as a necessary cost of this process. This approach which can be described as 'pluralist' adopts practices which promote different interest groups with different agendas. Management and employees would often have different objectives. Trade unions existed to manage this conflict and arbitrate between the two. Negotiation was therefore a prized management skill. This management approach belonged to the era of 'Scientific Management' which is characterized by task fragmentation, separation of planning and execution, minimal training requirements for single jobs and close supervision. Development of staff is limited to doing the task in hand and not beyond this. Communication with employees would generally be restricted and indirect. Aldisert (2001) acknowledges that banks have historically followed this 'command and control' approach with an extensive structure of hierarchy, fragmented task and substantial trade union involvement.

The human resource approach views employees as the key asset within an organization and the nature of relations can be described as 'Unitarist'. Sisson and Storey (2007) argue that it is people, which make the difference. Technology and capital can be acquired on varying terms. The real, sustainable competitive advantage, therefore, has to come from the way that human resources are utilized. The human resource management approach encourages behavior based on values and mission statements and prized management skills include facilitation rather than negotiation. Communications is increased and made directly with employees rather than trade unions. Focus is on teamwork rather than division of labour and training and development is based on a learning culture as opposed to strict controlled access to courses purely aimed at task completion. Whilst this view is debated by number of writers, concerning the nature of human resource management and differences from traditional personnel management is still controversial (Pitman, 2006; Mabev et al., 2006).

Elements of human resource management have emerged in many banks with both a 'soft' and a 'hard' approach. Storey (1992) refers to the 'hard' approach as being quantitative, for example in managing headcounts. By contrast the 'soft' approach emphasizes communication, motivation and leadership. Coaching falls within the soft approach to human resource management. Higgs (2006) in his research found clear links between effective human resource strategic approaches and increased quality and productivity. Human resource, however, is a scarce commodity and leveraging resources, therefore, has become an important strategic task for many organizations. Hamel and Prachalad (1993) refer to a 'strategy of stretch' when trying to bridge the gap between firm resources, capabilities and its ambitions. Hamel and Prahalad (1993) again stress to two basic approaches to achieving greater resource productivity, the first is downsizing, cutting investment and headcount in the hopes of becoming lean and mean – in essence, reducing the buck paid for the bang. The second approach is resource leveraging, seeks to get the most out of the resources one has – to get a much bigger bang for the buck, resource leveraging is essentially energizing while downsizing is essentially demoralising". Segal–Horn (1999) compares the traditional strategic approach to that of Hamel and Prahalad as shown in the Table I:

Table I. Resource Strategy

Traditional approach	Hamel and Prahalad
Strategy at fit	Strategy as Stretch
Resource allocation	Resource leverage
Portfolio of business	Portfolio of Competencies
Competition as confrontation	Competition as Collaboration

Coaching can play an important part in leveraging resources through developing and enhancing the performance of employees. However, such an approach will require a paradigm shift for many banks. Without commitment and passion, change will be difficult to achieve. Downey (2001) argued that passion is probably the single prerequisite to cultural change. With man different interest groups within banks creating passion amongst them all will pose a major challenge to the coaching approach. Coaching has been going on in the world of sport for decades now. Often replacing the role of trainer or manager, coaches have established themselves in various sporting disciplines such as Tennis, Golf, Football and Athletics. Top performers such as golfer Tiger Woods constantly spend time, and probably a great deal of money, on the services of a professional coach to develop their skills and focus their mind in an attempt to enhance their performance. Clearly different styles of coaching can be equally effective depending on the circumstances and individuals role.

Coaching in the workplace has evolved from the sporting arena and has actually developed over the last decade or so into a number of forms. An executive coach is a coach from an external company and is employed to coach individuals or teams in the workplace. Line managers within companies also use coaching techniques themselves with their employees. Both can have a role to play and in both instances the goal is to close the gap between an individual or term's present level of performance within the company and the desired one. The satisfaction theory suggests that people are motivated when they are happy with their fellow workers and senior management. However, whilst Handy (1999) acknowledges that employee satisfaction could lead to a reduction in absenteeism and turnover. There is no strong evidence that this alone, necessarily leads to higher performance. He also suggests that a reason for this may be due to Hertzberg's findings. Hertzberg's theory was based on the factors that either satisfy or dissatisfy someone. Hertberg believed that the dissatisfying factors are things to do with work conditions such as supervision, physical conditions and policy. He thought that "Hygiene' or 'Maintenance' factors were the necessary conditions of successful motivation. He referred to satisfying factors as being areas such as recognition, responsibility and fulfillment.

Incentive theories are based on the premise that employees will be motivated to increase performance in order to gain a reward such as a bonus or pay increase. Whilst this can be effective in some circumstances there can be a danger that some employees will not see the reward as being sufficient in terms of the increased commitment required to earn it. Others, particularly in relation to pay increases may see this as an enhancement to their normal conditions and any motivation for higher performance or increased effort may be short lived. Intrinsic theories are based on the assumption that certain human needs become motivators when they are unsatisfied. However, Handy (1999) refers to Maslow's suggestion that human needs are met in a certain order and become a motivator when not satisfied and fall away as a motivator once the need has been met. Whitmore (2005) also refers to Maslow's work when highlighting importance of coaching to help motivate individuals. In the 1950's Abraham Maslow, an American psychologist, studied motivated individuals at different stages of their lives and careers. One of the result of Maslow's work was to create the hierarchy of needs model.

The principle of Maslow's model is to argue that there are various stages, which motivate human behavior starting with the very basic requirement of having sufficient resources for food and water. The next stage is to secure proper housing to provide shelter and safety. After that the human social need to feel a sense of belonging, which can be achieved through the family or, say, a part of a team at work. The next stage of 'prestige' is where people are motivated by seeking esteem from others such as friends or colleagues. 'Self-esteem' follows and is where people look within themselves for fulfillment. Achievement is driven from within and measurement is based on inner criteria and standards. The highest state of motivation is 'self-actualisation'. This is where people are no longer driven by the need to prove anything to themselves or others but feel the need to add value and meaning to their lives through work as well as perhaps in their personal lives. Whitmore has adapted Maslow's model to indicate that management coaching is effective when used with staff who are motivated at the 'self-esteem' and 'self-actualisation' levels. On self-esteem Whitmore (2005) argues "It is built when someone is seen to be worthy of making choices, in other words by genuine empowerment and by having the opportunity to express potential. This is the very stuff of coaching. Telling on the other hand negates choice, dis-empowers, limits potential and de-motivates.

Whilst many banks promote the concept that it is motivated employees and the competencies they possess that create competitive advantage. It is also a fact of life that staffs are also the most costly assets the firm have. The closure of many bank branches throughout the country over the last decade or so, even in the face of severe criticism from the public is a clear evidence of this. The introduction of successful coaching methods will, therefore, be a major challenge for many banks. Even if coaching can be introduced effectively, it alone is not a panacea, and for the 'soft' human resource approach to be effective, companies need to look at their supporting procedures, structure and culture and take a long term strategic view. The Model adopted from Neale (1991) below depicts a performance management model, which shows coaching as part of an overall process (Figure-1). This model shows that whilst coaching is important there are a number of other key factors that need to compliment one another to form an overall strategic approach including issues around performance related pay, succession management, strategy and objectives, performance measurement, staff appraisal and skills training for employees. When contradictions exist in any these approaches then the whole process could be severely weakened leading to unsuccessful implementation. Alignment of approaches is therefore critical.

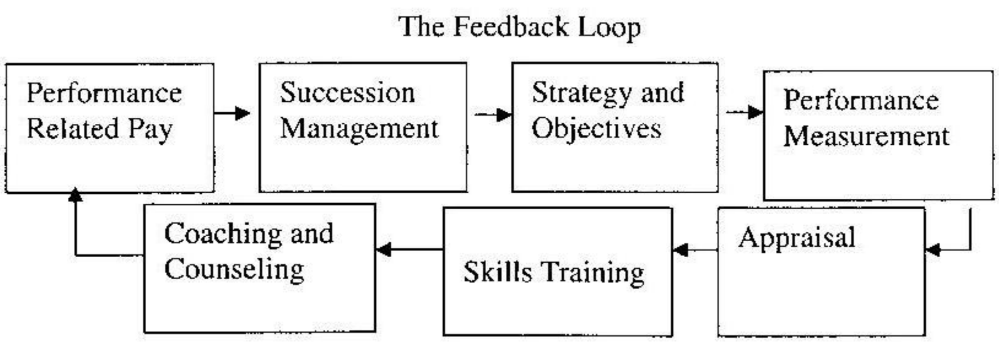

Figure - 1: The Performance Management Model

THE COACHING PROCESS

Coaching is a leadership style, which can take a range of forms, from directive coaching to non-directive coaching. The ultimate aim of either style is to increase the development and performance of the individual thereby enhancing the performance of the team or organization. Coaching can be used in a number of instances for example when an issue or problem has been identified and the manager's help is sought, during formal performance appraisals when discussing past performance and future business and personal objectives and during interim regular or ad hoc meetings. The type of coaching that takes place in the working environment depends on the situation and the individual needs of the coachee. Downey (1999) describes directive coaching or the 'push' technique as 'to direct', to tell, to instruct coachees. It is the form of education and management that we are most familiar with, and which we pick up in our earliest days of schooling." Parcels (2005) postulated that "the only way to change people is to tell them in the clearest possible terms what they are doing wrong ... if you want to get the most out of people you have to apply pressure, that's the only thing that any of us really responds to."

A 'Push' style of coaching can be effective when the employee requires or expects a lot of direction or when a decision has already been made and urgent action is required. For example in the Armed Forces, personnel, particularly new recruits expect to be provided with a lot of direction or when a decision has already been made and urgent action is required. This can applied in private sector organizations such as Banks. It would therefore, be unreasonable to expect the manager to have detailed knowledge of all matters and to have answers for everything. Also external coaches are unlikely to have detailed knowledge of the company and therefore a 'push' style of coaching would rarely be used by them.

Downey (2006) argues that the traditional model of sports coaching where the style is quite directive is not most conducive to high performance and learning. The most effective coaching style is facilitative and allowing the person to arrive at their own solutions. In fact, when a coach does not have a detailed knowledge of the subject it is sometimes easier for the coach to be objective and not to be distracted by details or opinions. Non-directive coaching described by Downey (2001) as a 'pull' technique is a leadership approach, which attempts to create a situation of self-discovery for the employee. The coach asks a number of questions to raise awareness of the issue being addressed. This provides the coach with a general understanding of the situation but, more importantly, it ensures that the employee verbalizes the problem and therefore, helps to crystallise the matter in their own mind. The employee is then asked by the coach for their opinion on how the matter might be solved. The 'pull' style of coaching can be more time consuming and require more skill from the coach but can be more effective in the development of the coachee. Eaton and Johnson (2004) confirm that asking questions and giving constructive feedback can encourage individuals to become more aware of their strengths and weaknesses. So, they are then able to take appropriate action. In respect of the 'pull' coaching method, Aldisert (2007) postulated that people feel more committed when they know that they are an integral part of a process rather than being told what to do and coaching brings managers and employees together to form partnerships. Basically the 'push' technique is consistent with the 'hard' traditional command and control management style and the 'pull' technique is the 'soft' human resources management approach.

Managers who apply a strong 'push' technique may very well appear successful by meeting short-term objectives. For years, managers in various organizations including banks have applied high degrees of direction and pressure in order to achieve goals and there is no doubt that this style of management can bear fruit. Short-term success through the use of this technique merely encourages this type of behavior to continue. If the organization also rewards achievement of short-term goals regardless of how this is done, then it is no wonder management may be reluctant to change their ways. However, short-term business goals may be achieved at the cost of reduced morale and low personal development for staff over the longer term. Oudtshoom (2003) argues:

> Many managers still operate on the assumption that the best way of getting the job done is to apply pressure without ceasing. This has the unfortunate consequence of appearing to be true in the short term. Not only is it unsustainable in the longer term, but also it betrays a fundamental misunderstanding of the psychology of motivation.

A coach will probably need to adopt both a 'push' and 'pull' coaching approach, depending on the situation. Coaches who focus more on the 'pull' approach to leadership often follow the process as outlined by the 'Grow Model' shown in the Figure-2.

This model provides a structure to the conversation between coach and coachee. However, whilst the process should have a framework to ensure effective coaching sessions, the key focus of non-directive coaching is that the subject is agreed by the coachee, as is the ultimate solution or course of action. However, in practice if an employee is seen to be choosing an inappropriate course of action then management should not just stand back and watch to see what happens. Clearly, in these circumstances the manager needs to provide challenge or additional direction to the employee. Under the

Grow Model a coaching session starts with the 'Topic'. The coach asks the employee what issue they want to talk about, this may be a project or objective related issue or a personnel matter which they need to resolve.

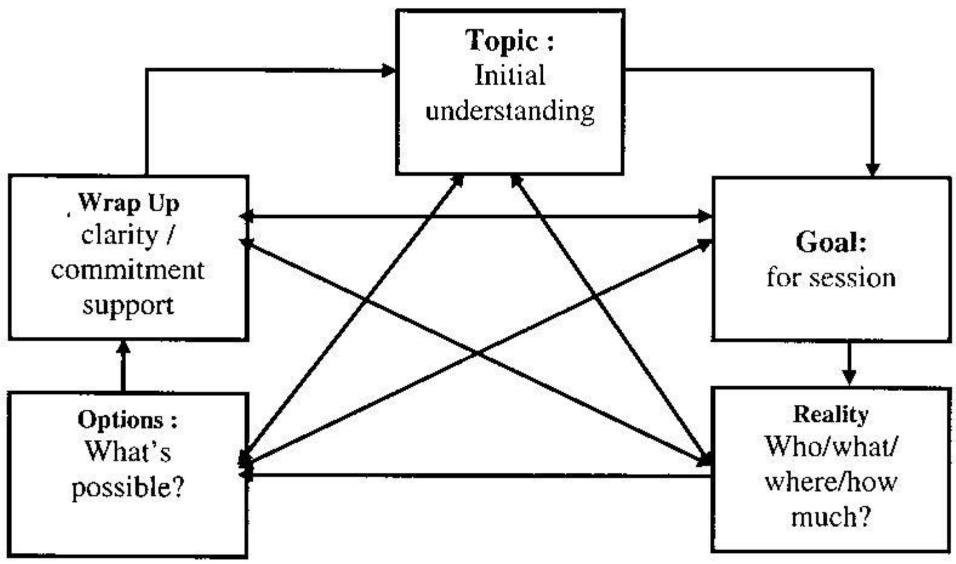

Figure – 2: The Grow Model

As management coaching is about improving the coachee's performance in the workplace, it might include addressing emotional challenges that affect their performance but it is not about counseling or therapy related to personal relationship issues.

When identifying the topic to discuss, it is important that the initial understanding of the issue is clear and it has significance for the coachee. For example, the coachee may feel that chairing a meeting might be an area in which they wish to improve their performance. This might be because they have recently taken on a managerial role for which holding regular meetings with their staff will be necessary. A good coach will ask questions to clarify the topic for discussion and ensure that the coachee feels that this is important for them to enhance their performance. The next step under the Grow Model is to determine the 'Goal' for the coaching session. The goal needs to be specific, measurable and achievable and the coach needs to challenge the coachee to ensure that these criteria are met. In relation to chairing a meeting the coachee may wish to improve upon managing the structure and timing of the meeting being chaired to ensure that the issues are covered within the time scales allocated for the meeting. For coaching, particularly the non-directive-approach, to be effective the relationship between the coach and the coachee must be one built on trust with the desire to work together in partnership. An effective coach needs to be open and honest, respect confidence, and be patient and a good listener. For many Banks this may require a paradigm shift.

THE SCHOOL OF COACHING

In association with Myles Downey the School of Coaching at The Industrial Society was established in 1996. Their aim is to deliver programmes to raise awareness of coaching techniques and help to develop the coaching skills of senior management within organisations, thereby enabling them, to coach employees to higher ensure performance in the workplace. The School's programme has been approved for the award of a University of Strathclyde Certificate of Professional Development in Coaching. Their main Programme is made up of nine workshop days spread over three months. The total cost per employees for this programme, including accommodation etc., is currently £7,495 plus VAT.

The School employees approximate 8 coaches and since 1996 have had many corporate clients including several from the Banking Sector. Whilst the school acknowledges the need to use a directive style of coaching in some circumstances the main technique they advocate is the non-directive approach. In their current prospectus Downey (2006) acknowledges that managers today often have less expertise than the people they manage and this is why non-directive coaching can be more effective. Whilst they accept that directive coaching has place in the process, the responsibility for the solution to problems is seldom successfully transferred to the coaches using this technique. Regarding concentrating on non-directive coaching, the School focuses on the importance of reducing mental obstacles to increase individual performance. In this respect the School adopts the work of Tim Gallwey and his study into reducing self-interference, which he termed the 'Inner game'. Gallwey (1986) explains that the inner game is that which takes place in our mind and is pitted against feelings such as nervousness, self–doubt and lapses of concentration. Non-directive coaching techniques can be used to reduce self-interference and therefore improve focus and personal achievement.

Gallwey's (1986) work originally stemmed from the fascination of how inner obstacles prevented sportsmen from performing to their optimum. He believed that there were two forces at work in every individual. He termed these influences as 'Self 1' and 'Self 2'. 'Self 1' is described as the voice inside an individual's head which gives commands and makes judgments such as try harder, that was useless, that was a bad decision, and do not make the same mistake again 'Self 2' is the individual itself and the person who has the innate ability to learn from experiences. Gallwey (2003) also refers to the importance of 'focus of attention' in achieving excellence in both sports and at work. He argues that most of the mistakes made by individuals are caused by a lack of focus of attention, which causes self-interference to creep in. Once full attention is given to any sport or work situation then self-interference is said to be neutralised and performance potential therefore is increased. In this state self-2 is in control and actions become spontaneous.

Earlier in 2001 Lloyds TSB Bank plc approached the School of Coaching to arrange a series of workshops for their senior management team working in the compliance division of the group. The purpose of the workshop was to develop the coaching capability of the compliance senior team in order that they can support their teams in learning and performing to their best. The workshop covered areas including the 'Grow Model' and the approaches and application of the 'inner game' theory and how coaching fits in the workplace. The workshop highlighted that coaching management and leadership are all important aspects of a manager's role. Downey (1999) uses the model below to explain this overlapping relationship.

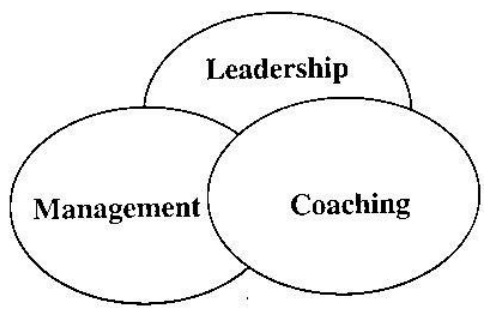

Figure-3: Leadership, Management and Coaching

Downey (1999) states that a manager will need to fulfill all three areas to a certain degree to ensure that employee performance and development is maximized for the benefit of the business. In the area of leadership the role is to create and promote a vision of the future and adopt values to which people should strive in order to achieve corporate objectives. The management role is mainly about delivering results through the achievement of the agreed objectives and working within organizational and regulatory requirements. The role of coaching is to ensure the learning and development of people in order that the goals and objectives of the individuals and the business are achieved in the most effective and sustainable way.

The Figure-3 shows these roles overlapping to indicate that coaching fits in with leadership and management. However in some ways management and coaching are incompatible unless a relationship of trust exists. Downey (1999) states that if the coach is also the manager, it may be difficult, or simply unwise, to own up to a weakness because that manager has significant control over a staff member's rate of pay and career prospects. Coaching can only happen in a management relationship if there is trust. If there is no trust, do not bother coaching; instead build the relationship. Also non-directive coaching can only be effective if both the manager and the employee are willing participants in the process. For example, if the employee, for whatever reason, just wants to be told what to do then the manager will need to be more directives. The manager will also need to take a different approach when disciplinary procedures are required to be taken against an employee. Therefore, for non-directive coaching to be successful it seems that both the situation and the relationship need to be appropriate.

Gallwey (2003) also refers to focus of attention as a pre-requisite to high performance and when focus is lost individuals simply do not perform to their optimum. Coaching can help employees focus by getting them to be specific in relation to their goals and by getting them to come up with clear courses or action and setting review dates to gauge progress. Measuring the success of coaching can be easier in sport than it is in business. Sport can provide instant feedback through the observation of an individual's performance and whether they are winning or losing their matches. However, in business this observation is likely to have to be over a longer period of time and it may prove difficult for firms to attribute successes, in part or otherwise, to coaching. The School of Coaching realises that organisation often paying significant sums of money for their management to attend these workshops, want tangible evidence that their investment in this area is leading to increased performance in the workplace. Scoular (2006) at the School of Coaching conducted some initial in-house research into this area and the preliminary research is based on reviewing existing literature on the subject and conducting a series of interviews with 29 leading practitioners of coaching and senior managers with an active role in coaching within their firms. This included some representation from the banking sector. The results of their survey revealed that the two key areas in which practitioners were particularly interested are:

1. Impact on the bottom Line (53%)
2. Best Practice Information (36%)

'Impact on the bottom line' was the largest single need cited by 53% of respondents. Practitioners clearly want to see research around the positive impact of coaching and how this can enhance corporate profits.

Scoular (2006) also refers to some works carried out by the UK Department of Trade and Industry and The Royal Society for the Arts on the effect of firms achieving Investors in People status and whether this improved profitability. The results under these key financial indicators are shown in the Table II:

Table II. The Results under Key Financial Indicators

	National Average	Investors in People
Return on Capital Employed (ROCE)	9.38%	18.93%
Margin	3.03%	4.67%
Sales per employee	£77,400	£ 122,100

The results shown are for the national UK average for firms, compared with firms, which have been awarded Investors in People. The results are certainly interesting and potentially highlight the positive impact on firms, which are likely to be more involved in following a human resource based strategy. Clearly, coaching may feature in these organizations but this is by no means conclusive and more research would need to be undertaken to understand the results fully.

LLOYDS TSB BANK PLC CASE STUDY

Lloyds TSB Bank Plc was formed in 1998 through a specific Act of Parliament following the merger of Lloyds Bank Plc and TSB Plc and today it employs 76,000 staffs. The bank has followed a strategy of related acquisitions and in recent years has acquired Cheltenham and Gloucester and Scottish Widows in an attempt to gain market share. When analyzing the competitive environment in which companies operate, Grant (1998) refers to the work of Porter (1980) who developed a model known as Porter's Five Forces of Competition Framework. This model helps to analyze the potential success of an organisation based on five sources of competitive pressure. These sources are: 1) rivalry among existing firms. 2) competition from potential new entrants 3) Competition from substitute products 4) the bargaining power of suppliers and 5) the bargaining power of buyers. The banks making up the 'big four' in the UK have changed frequently due to various mergers and acquisitions. Currently, the 'big four' judged by market capitalisations are: HSBC (£80 Billion), Royal Bank of Scotland (£48 Billion), Lloyds TSB Bank Plc (£41 Billion), and Barclays (£36 Billion) as sourced by the Financial Times 26 November 2001.

The type of industry that Lloyds TSB Bank Plc operates can be described as an oligopoly. An oligopoly is "a market where a small number of producers compete with each other. For an oligopoly like Lloyds TSB Bank PLC to continue it is important that barriers to entry remain high to deter potential new entrants. Most of the competitions for the main banks have come in the form of Building Societies such as the Halifax turning their focus from savings accounts and mortgages to other banking products such as credit cards and current accounts. It is perhaps easier for established building societies to enter the banking industry due to their network of branches and their large customer base. Other types of companies without this type of structure in place would find it extremely difficult and highly expensive to enter the market (Atkinson & Miller 1999).

However, over recent years, as customers' demands have increased, banks too, have concentrated on creating a competitive advantage through building brand recognition, the delivery of superior customer service and people development. Grant (1998) acknowledges that during the 1990s Proter's approach was undermined due to such issues and increased international competition, deregulation, technological advancement and increased customer and employee expectations. As a result of this an alternative strategic approach emerged during the 1990s promoting the theory that it is the interface between strategy and the internal environment of the firm that is important in achieving long-term competitive advantage including the management of human resources. Grant (1998) refers to the role of resources and capabilities of a firm as being prime determinant in the success of firms where competitive advantage can be gained. He devised a useful model to help examine how a firm can create unique organizational capabilities. Resources are split-into three categories; tangible intangible and human resources.

Tangible resources include financial and physical resources. For Lloyds TSB Bank plc this would include key financial indicators from their financial statements including measures such as profitability, debt to equity ratio and so on. Credit rating physical resources include building such as the 2500 branches throughout the United Kingdom and the numerous Head Office and Call Centre buildings. Intangible resources include areas such as technology reputation and culture. Their strongest intangible resource is arguably their reputation, which is primarily built around brand recognition of the Black Horse and the values such as strength and reliability. Brand strength can create powerful competitive advantage. Equally, however, if a brand image is destroyed then this can have dire consequences on a firm's profits. Human resources include the specialized skills, knowledge of employees, communication abilities and motivation. Competitive advantage can be gained here through the commitment and performance of employees. Gratton (2000) confirms that some companies view their people as the main source of sustainable competitive advantage. The role of coaching can therefore play a positive role in getting the best out of a bank's human resources. At Lloyds TSB Bank Plc the focus on people, performance and development is supported by their published vision and value statements which attempt to create an environment where staffs feel proud to work in Lloyds TSB Bank plc and are expert at meeting individual customer needs and thereby maximizing business performance. Some of their aims in meeting this vision include making staffs feel valued, recognized and rewarded that they are managed supportively to reach stretching goals, that 'inappropriate' management behaviors are tackled and that they look forward to coming to work.

In July 1999, Lloyds TSB Bank Plc set up their own 'University' to support the focus on training and development. The University's two main objectives are to make learning more accessible to staff within the Group, when and where the learner needs it; and to ensure a closer link between learning available and the needs of the business. The University provides training face to face, via 2000 multi media personal computers, through a network of cyber cafes and through links to libraries and other centre such as Ashridge College. During the Year 2000, the university recorded 17,000 hours of Internet usage, the equivalent of 2,400 man-days training. Face to face training, which used to be the virtually exclusive method of training, now makes up less than 45% of the total training and development activity. Several coaching courses are available, which take form of workshops, self study exercises and videos. Employees can also earn industry-recognised qualification including NVQs, through working with accredited learning establishments. These include the Warwick University Business School for Operational Skills, Sheffield Hallan University for Career Coaching and Nottingham Trust University for accreditation by the Chartered Institute of Personnel and Development.

In an HR review Wain (2006) referred to the University of Lloyds TSB Bank Plc and confirmed that it had earned many accolades from both within and outside the bank since its launch and is being watched with interest by the British Bankers Association. Other initiative implemented by Lloyds TSB Bank Plc that support the human resource strategy include areas such as: Investors in People accreditation for many of the divisions within the Group; focus on the Business Excellence Model as a way of measuring and improving performance; six monthly staff viewpoint surveys sent to all employees six monthly leadership surveys for management based on 360^0 feedback; personal development plans for staff; flexible working arrangements including part-time, reduced hours and a condensed working week; diversity workshops; work on the Blanced Scorecard and various coaching programmes.

Coaching skill is seen as an important management competence at Lloyds TSB Bank Plc and is featured in Leadership surveys on management to help measure effectiveness and identify trends and areas for improvement. Over the last few years Lloyds TSB Bank Plc have, therefore, considered various coaching programmes and initiatives to build competence in this area and embed the skills and approach within various management teams in an attempt to enhance employee performance and development. In May 2001 the Coaching Excellence Forum was created at Lloyds TSB Bank Plc to champion a range of management behaviours, focusing on non-directive coaching techniques, the approach favoured by the School of Coaching. The goals of the coaching Excellence Forum are to: expand the leadership/management coaching capability, capture new knowledge and learning about coaching; broaden understanding and application of coaching; build a resource of coaching expertise; promote the alignment of performance and development through coaching; show how coaching can be an enabler to shift the culture from 'push' to 'pull', promote visible role models of great coaching, gather feedback and evaluate progress and highlight where coaching delivers tangible benefits in the form of successfully development and improved performance thereby ensuring it remains high on management agenda.

Internal research to date has shown that awareness of coaching techniques has been significantly realized and that management generally accept that this approach can increase employee motivation and commitment. Abbott-Deane (2006) is a coach at Lloyds TSB Bank Plc and completed some research into the effectiveness of coaching by senior management within the Branch operation. Coaching had been introduced to this management population several months earlier and some of the key issues, which surfaced, include the following.

- Coaching behaviors are abandoned when management are behind on targets.
- Some working practices and processes such as commission payments, incentives and short term targets, can contribute to the misalignment between development and achievement of objective.
- The coaching approach is seen as time consuming and therefore is not followed consistently or at all when management are too busy.

LESSON FOR BANGLADESH

In the most banks of Bangladesh where a human resource approach is present this is often hand in hand with elements of command and control practices. This is probably a sign that management is not yet ready to fully embrace the new concept for fear of giving up control and perhaps an indication that short term goals, which can be achieved through instruction and applying pressure, are sometimes more important to management who may be 'fire fighting' than long term strategic goals. Coaching employees to enhance performance is a fairly new phenomenon in the Banking Sector and judgment on the success of this approach will need to be deferred until this approach has been given a chance to embed. Because coaching people whether be time consuming or expensive, organisations want to know that they will get a pay back on their bottom line from their investment. Now the question is can coaching for performance in The Banking Sector of Bangladesh be successful? The answer is a guarded 'yes'. For many multinational banks in Bangladesh the effective introduction of coaching behaviours will be quite a challenge and will require a cultural shift and changes to their supporting procedures and structure. Lloyds TSB Bank Plc in the UK has made a reasonable start but it is too early to talk of success yet. Success will require commitment from the management and a long-term strategic approach. However, banks in Bangladesh are unlikely to adopt a full human resource management model in the short term where coaching is adopted. It is likely therefore to live, uncomfortable perhaps, alongside some of the traditional command and control practices for some time to come. This is particularly to be the case if banks continue to be driven by short-term pressures to reduce costs by reducing headcount and by short-term sales and income targets rather than a long term people approach.

CONCLUSION

Since the 1980s and in particular over the last decade many organizations in Britain have declared their intent to move away from the traditional personnel and industrial relations way of management due, in most part, to fiercer competition and changing customer and workforce expectations. The strong union based workforce and the command and control management approach in some organizations including banks have been reduced and have been supplemented by a 'soft' human resource management approach focusing on the employee as an asset rather than a cost and involving and motivating staff to enhance business performance. One result of this shift in approach has been the recent emergence of coaching from the world of sport into some organizations. Coaching can be described as the process of closing the gap between individual's present level of performance and the desired one. Whitmore (2005) when referring to the benefits of coaching acknowledges that many businesses are beginning to recognize that, in times of constant change, they need to become learning organizations if they are going to stimulate and motivate their staff to higher performance levels. In some banks including Lloyds TSB Bank Plc, coaching has emerged as desired management skill and attempts have been made to embed this within the culture. For example Lloyds TSB Bank Plc has introduced some initiatives to support the 'soft' human resource management, internal and external coaching progarmmes, internal coaching forums and the establishment of an in-house University offering recognized industry qualifications. Recent Feedback from the Investors in People re-accreditation review indicates that, within the compliance division, motivation and employee satisfaction is high and this has coincided with the achievement of business objectives.

The research undertaken at Lloyds TSB Bank Plc, however, confirms that the other practices are still out of line. For example, short term sales and income targets can cause management to adopt more autocratic and directive techniques. Also for coaching to be successful it has to be introduced with an all round approach to human resource management including supporting procedures, structures and cultures and this needs to be supplemented with a long term strategic approach. Without this isolated initiatives are likely to fail. Trust is also seen as critical for coaching to work. If trust is broken between the coach and coachee then the environment for effective coaching is lost as the coachee could become sceptical and demotivated. This can be a particular challenge in the Banking Sector where traditional command and control management techniques often surface in times of pressure to meet increasingly challenging targets and where branch closures and voluntary redundancy appears at times to be more important objective.

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