A GUIDING LIGHT

Mentors were once well-meaning oldies who, like Shakespeare's Polonius, dispensed wisdom which might have inspired but was not also practicable. The action has now moved to a new dynamic since then

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AS ECONOMIES AND OLD SUPPORT SYSTEMS change, so the Polonius style of mentoring has disappeared. In its place is a structured business mentoring approach that is becoming popular with business owners, entrepreneurs and executives.

In some cases, such as in businesswomen networks, business mentoring fills a gap that had previously not existed. Mentors fill the gap that falls between professional and informal peer discussions. Mentors don't teach, and they don’t sell associated professional services. They generally have all the expertise of the professional and the relevant experience of the peer, but their role is more that of a sounding board.

DEPTH NEEDED

Mentoring as a service has arisen to fill a need, according to David Cartney CA and director of International Business Mentors. “In the past, experienced senior people would foster promising youngsters through the ranks. Those days have gone. The management depth just isn’t there anymore,” he says. The facts back him up: the average age of CEOs has dropped and the average tenure of the top posts is now only three to five years.

Cartney’s business aims to find mentors who can help young CEOs of publicly listed and large private companies. They meet once a month for a three-hour session in which they discuss strategy, marketing, operations, people issues, problems arising from working with a Board, and finance matters. The relationship can last up to two years, and Cartney’s trained mentors, 18 in all, cost between $1000 and $4000 a month.

“The mentoree has their own reason for seeking out a mentor. But what they have in common is that they are in a transition phase in their lives. Whether it’s business, personal or financial, things are in flux and they need to be able to speak freely with someone who has already been there.”

LONELY AT THE TOP

The former financial analyst, consultant, banker and troubleshooter has mentored for 15 years, and started International Business Mentors in mid-2001 after he saw a need among CEOs. The business has thrived and he says that business mentoring is the “fastest growing sector in the US economy”. Cartney now spends most of his time recruiting and training suitably qualified mentors.

“The biggest factor [in the popularity of mentoring] is that it is really lonely at the top. A CEO cannot admit to anyone else in the organisation that they’re not feeling confident. They need someone with experience and knowledge who they can bounce ideas off without political ramifications.”

WHAT’S IN THE MENTOR MIX?

Cartney stresses that mentoring is quite different to coaching. Whereas coaching is goal-oriented and has a motivational bias, mentors are good listeners and ideas people. Mentors are also not consultants, according to Cartney. “A mentor does not do the job for the client,” he says.

Cartney and his fellow director, a recruitment professional, concentrate on finding mentors from a range of industries who have been CEOs or equivalent, and who have solid educational credentials and professional qualifications.

AT A GLANCE

- Modern-day mentors are not coaches, teachers, or consultants. They lend a confidential ear and act as a sounding board
- The best mentors have professional qualifications and expertise, relevant experience, and solid educational credentials
- Mentoring is available to CEOs and executives as well as small business owners. Outcomes can be personally and professionally rewarding


the TOP

The prospective mentors are put through the Kolbe Index instinct test: an even temperament and left and right brain strength are ideal attributes. Only then does the matching process start.

The mentorees are aged between 25 and 65, men and women are equally represented, and the subject of the discussion is not restricted to business. "It's more about them than their business," says Cartney, explaining one of the reasons that mentors are screened so meticulously. "They must be able to switch from deeply personal conversations to business issues."

Cartney continues, "A mentor will recognise where there is a problem; whether it's a productivity problem; or if it's the mentoree's problem. A good mentor can see whether the CEO has taken on responsibilities that they're no good at or don't enjoy, or if the problem lies with the lack of a proper strategic plan."

CORPORATE AND PERSONAL ISSUES

The issues that mentorees deal with are invariably linked to the personal, but they are also often about corporate governance, says Cartney. "A lot of what a mentor does is make sure they as the CEO are doing what they have been employed to do."

Three among Cartney's successes are a CEO who boosted profits from $2m to $4m within two years; a CEO/owner who stepped down, appointing professional management in their place and saw the business thrive; and the CEO/owner who sacked the board.

Cartney, also the author of *Financial Analysis & Cash Flow*, has found that Chartered Accountants seem particularly suited to mentoring CEOs because of their ability to make simple models out of complex financial problems, and he is currently training a 'bunch' of them.

"Our mentors need to have people skills," says Cartney, "but realistically, they also need strong financial skills. They have to be able to respond to the question, 'If I do this, what will it do to the bottom line?'"

PERSPECTIVE SUPPLIED

Mentoring is not only aimed at executives. There is just as much need for mentoring wisdom at the start-up or expansion phase of a small business, according to Sydney-based mentor Lynn Scott.

Scott, the highly successful owner of the Creative by Design company, has now mentored eight businesswomen through the New South Wales government's Women in Business Mentor Program. She says business mentors bring much needed perspective to business people who are so close to their business that they find it hard to see things clearly.

"A businessperson gains two things with a mentor: they realise that most people in business share their problems and they get to view their own business from another perspective."

There is a big difference between business coaches and mentors, Scott believes. "Coaches get involved in the business. A mentor doesn't work in the business or

IN REAL LIFE

"I stumbled across the person who would ultimately become my mentor at my first job," says Bronwen Levett CA of the mentoring component in her CA Program. "Over the years, he has been a huge support for me. While I continue to consult with my mentor, I now find graduates coming to me for assistance. I'm the one giving something back."

Bronwen's experience at accounting firm Stockford, Sydney has been shared by thousands of CA candidates over the years. The learning and skills developed through the program is complemented by the experience candidates obtain in the workplace. In fact, the mentor relationship is one of the most important parts of the CA Program. It offers candidates the benefits of professional guidance, regular feedback on their work and practical assistance.

A successful mentoring program also benefits the participating organisations. The CA Program candidates rapidly absorb the corporate culture and quickly become profitable employees.

Any experienced CA within an organisation can act as a mentor for CA Program candidates. A member of any international accounting body recognised by the ICAA can also be a mentor.

The role of the CA mentor is to:

- Meet regularly with candidates and discuss their work experience and progress in the CA Program
- Pass on practical experience, skills and technical information
- Provide professional guidance on work issues, study questions and career development
- Assist in the development of soft skills such as communication and negotiation, people management and networking
- Act as a guide, coach and role model.

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make decisions. Mentoring means discussing the issues, it doesn't mean setting a plan to change the business or person."

SOUNDING BOARDS

Scott's mentoring projects last for six months and they are backed up by workshops that the mentors themselves don't attend. She works with companies that range in size from micro businesses to organisations employing 20 people. In her experience, there are good mentors, and bad.

"Mentors are sounding boards and I think the good ones remember that. Bad mentors have a conflict of interest. They either say 'I can help you after this mentoring is over', or they steal good ideas."

Scott says all the businesswomen she has mentored needed input on two issues: business systems (reporting, measuring, benchmarks and so on) and holding people accountable.

"You have to focus on these two things so they don't become dependent. When the mentoring is over, they have to leave the nest. Entrepreneurs are usually full of enthusiasm and good ideas and they are often good at sales or marketing, but they are usually not good in these areas," she says.

Scott's mentoring clients have gone on to double the size of their businesses; sold their businesses for impressive amounts; or have moved on to run much larger companies. But regardless of where a businessperson goes after mentoring, she says the mentoring relationship can only thrive where there is no ulterior motive from the mentor.

GROUP WORK

Not all mentoring is one-on-one. The CEO Institute in Melbourne runs group mentoring programs in Melbourne, Sydney, Brisbane and Adelaide. The groups are divided according to the size of the business in which they work and a facilitator, a former CEO, is appointed to run each group.

"It's a group therapy approach," says Andrew Dalziel, chief executive of the CEO Institute. "They all sign confidentiality agreements. Nothing said in the meetings is repeated outside, and a CEO cannot join a group that already contains a rival."

The CEOs meet monthly for four hours to discuss a variety of issues that arise in the course of being a business leader. Specialist speakers are also drafted in to discuss anything from government regulation to sales and marketing.

"There are more than 600 members across the four cities, and it's growing," says Dalziel. "The CEO has a lonely job. At that level of responsibility, career issues and difficult experiences can only be shared with your peers. They are certainly not issues that you take to a board meeting."

Dalziel says the facilitator has to be carefully selected and there are always more wanting to facilitate than there are vacancies. "The facilitator is a retired CEO with broad experience. The good ones don't try to teach. They bring an outside-looking-in perspective."

THE PEOPLE FACTOR

The cost of membership ranges from $6000 to $12,000 per year, according to business size. The average length of membership is four years and the most commonly raised issues are rapidity of change, global markets, and information overload. Of primary importance is the need to interact with peers and swap experiences.

Whatever the model, mentors are in demand. Perhaps decades of trying to distill every issue to its bottom line has left the obvious residue: that business is still about people. CA