



## **Mentoring relationships transform the workplace**

HR managers know that employee engagement is the key to high performance, but few organisations manage to effectively translate that knowledge into action. The Insurance Australia Group (IAG) introduced a structured mentoring program which achieved significant change through the use of external mentors for managers.

Wayne Gobert, National HR Manager from the personal insurance division of IAG, explained their mentoring program at the 17<sup>th</sup> Women, Management and Employment Relations Conference in Sydney in July 2005. His account was complemented by Lisa Miguel, who gave a participant's view of the program, and Jeff Jaratt, who was one of the external mentors.

### **The context for the mentoring program**

Wayne said that mentoring was an integral part of their approach to HR. High performance was part of the HR agenda. They believe high performance depends on the level of employee engagement. Without an active focus on engagement, organisations miss out on employees' discretionary effort. They see mentoring as a highly effective way of igniting engagement among employees.

Some research suggests that there is a significant gap between the discretionary efforts of employees who are not engaged and those that are. The benefits to the organisation of high engagement can be quite significant – and measurable. The Corporate Leadership Council (CLC) found that the discretionary efforts of engaged employees averaged 57% higher than that of employees who were disaffected.

Another benefit to the organisation is improved retention. Engaged employees are far less likely to want to leave – the same CLC study found that the intention of engaged employees to leave the organisation was 87% less than non-committed employees.

The HR department at IAG approaches engagement in an integrated way. Engagement has to be fostered through four types of HR actions:

- talent management
- leadership development
- performance management
- group engagement.

Effective mentoring can serve all four of these purposes. Talent management requires HR to identify the people who have the capability to take up leadership positions. It also requires HR to create career opportunities for those people through special projects and cross-skilling. These actions can occur as part of a mentoring program.

Leadership development includes the building of competencies in exercising authority, influencing people, team-building, coaching others and acquiring business acumen. Mentors can contribute to the development of all of these competencies.

Performance enhancement is at the heart of mentoring. The mentor encourages the person being mentored to examine the spectrum of skills they need to perform effectively, whether as a manager or a worker. Areas where lack of skills, knowledge and confidence have held the employee back can be addressed with the support and guidance of the mentor.

Group engagement is the further result of improved engagement at an individual level. When the confidence and skills of managers improve through mentoring and other initiatives, the managers are able to ignite that confidence and enthusiasm in others. Mentoring, as part of the leadership development program, gives managers the competencies and confidence to work with their teams to generate engagement at the group level.

Not only does mentoring serve a number of purposes, it is effective in delivering performance that is sustained. One of the major criticisms that is made of training programs is that the learning is not retained and applied back in the workplace. Or, it may be applied initially but behaviour reverts back to old patterns after a short time.

This is especially true of learning that deals with new concepts, understandings and attitudes. If change is to be persistent, the learner has to make it through a period of uncertainty and lack of confidence. Coaching and mentoring can make a huge difference in this phase. The mentor (or coach) is there to give feedback, guidance and reinforcement, enabling the person to move to successful adoption of the new competencies.

The mentoring program at IAG mingled the terms “coaching” and “mentoring”. Although there are differences between the two, Gobert found that the main point was to promote the program in a way that employees and executives could relate to quickly. In their case, the term “coaching” had more resonance and was the term used for the most part.

The common ground between coaching and mentoring is that they both focus on individualised support for learning by matching an employee with a person who has skills in fostering learning in a one-to-one relationship. There is much debate about what the differences are, and people who call themselves mentors or coaches often disagree among themselves. The initiatives at IAG included a mixture of activities that probably crossed the boundaries between the two.

IAG set out from the beginning to be able to measure the benefits of the mentoring program. It collected data that enabled it to assess both tangible and intangible outcomes. The tangible outcomes were measured in terms of the economic value of improved performance and retention against program costs over a period of two years. The return on investment (ROI) of tangibles was 162%. When intangibles were

added – this included factors such as improved efficiency, team morale and reduction in conflict – the ROI was estimated at 192%.

## **A participant perspective on mentoring**

Lisa Miguel was the manager for a claims centre with 180 staff. She was selected to participate in the mentoring program as part of her leadership development. She worked with an external mentor for almost 12 months and found the experience transformative. Her initial impressions of mentoring were tentative but positive, because it was placed in the context of a leadership program. She was not being singled out because she “needed coaching”.

The mentor began by getting her to focus on herself as a person, set some goals for personal development and be prepared to be open to challenges. They talked about the mentoring process and discussed the expectations each party had. The mentor gave her a book to read – Robert Heller’s *The Naked Manager*.

The essence of Heller’s book is that if managers are to be effective, they have to remove their protective layers and be ready to be “authentic”. Managers (and people in general) are usually afraid to do this, as it means facing the feeling of one’s own vulnerability. But acting authentically is the only sound basis for genuine relationships and powerful performance.

Miguel found her first clues for self-improvement in the book. She realised the ways in which she was hiding behind a façade and the kinds of situations she was afraid of. She discussed this with the mentor. At this stage, information from a 360-degree feedback was fed into the process, so she also had the chance to see how others saw her. This reinforced her awareness of the factors that were holding her back.

One of the issues she wanted to address was her reluctance to speak up in meetings and to build networks with other people. She had frowned on these qualities before. Now she realised that this had been partly to do with blindly copying the wrong role models and partly due to fear of failure. She felt intimidated in groups of other managers.

With the mentor she set herself some challenges and discussed how she would develop these qualities. He shared some of his experiences and gave her different perspectives on the situation. For example, they discussed whether other managers might feel the same way and were perhaps compensating by acting aggressively. This was an important insight for her and helped her to embark on asserting herself and valuing her own contribution in management meetings.

Another important factor in the mentoring activities was the feedback Miguel received from the mentor. It was honest, insightful and supportive. She realised that she had the capacity to do greater things, and the experience of the mentor gave her the confidence to continue.

At intervals there was a three-way meeting between herself, the mentor and the manager to whom she was responsible. This was helpful because she received some external confirmation that she was indeed making progress. The mentor also obtained

feedback from her colleagues about her progress, and this also boosted her confidence.

Miguel summed up what she had learned from the mentoring experience. Through it she made major personal and professional shifts in confidence and competence. She was able to go outside her comfort zone and consider different approaches to her role. She realised and overcame many fears that had hampered her effectiveness. She was able to practise more effective ways of managing through the safety of the mentoring relationship, where support was available when needed.

The shifts that Miguel made in her own capability affected the way she worked in her team too. She became more open in her interactions with others. Seeking feedback from others became part of her way of working. She continued to challenge herself with new goals and celebrated successes with colleagues.

### **The mentor's perspective**

The mentor for Lisa Miguel was Jeff Jaratt, an ex-Deputy Commissioner of Police in New South Wales. Since leaving the Police, Jaratt has worked as a mentor, coach, mediator and negotiator.

Robert Heller's *The Naked Manager* articulated important breakthroughs in his own life. He said that the greatest issue in self-improvement was to believe in our own capabilities. He said that the people who had figured most in helping him professionally were people who believed in his capabilities more than he did himself. It was only in retrospect that he realised that their persistent belief in him had enabled him to achieve goals that he had never thought possible. He would never have even considered attempting some of those goals except for the fact that they had suggested he did have the capability.

Jaratt said that the key to all of the mentoring and coaching work he did was addressing self-assurance. Most people hold themselves back because they doubt their own ability and, because of this, they shield themselves from feedback. The mentor seeks to liberate people's potential by giving them a safe context to examine themselves honestly and come to terms with feedback from others. Mentoring then moves onto tackling the person's fears about acting out of this sense of their greater potential. It offers support for the person to remain committed and persistent while they test out this expanded way of living and discover its rewards.

The mentoring process takes place in a confidential environment. The mentor does not divulge to the organisation what is said in meetings. Reporting relates to the outcomes of mentoring over the period of the program. The organisation sets its goals in terms of what it wants to achieve in improved team relationships and effectiveness, and devises measures that target these outcomes.

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