

WHITE PAPER

WHY CORPORATE MENTORING? FIVE BENEFITS OF A WORKPLACE MENTORING PROGRAM

Successful companies large and small use mentoring to tackle complex human resource challenges such as increasing employee retention and improving workforce productivity. Corporate mentoring is on the rise and in fact, 71 percent of Fortune 500 companies offer mentoring programs to their employees.

This paper examines how successful corporations like Deloitte, Hartford Insurance, and Daimler Trucks have leveraged mentoring to improve employee onboarding, leadership development, and other important learning and development initiatives.



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Mentoring & Talent Development Solutions

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MENTORING OVERVIEW

WHAT IS MENTORING?

Traditional mentoring focuses on developing junior employees (mentees) by pairing them with more experienced and often senior staff (mentors) for several months. Although this form of mentoring remains popular, mentoring as a strategy has expanded to include different formats such as group and situational, and for more purposes such as diversity training or high potential development.

Today, smart organizations are realizing that a workplace mentoring program can serve the entire employee lifecycle. Mentoring new employees can improve new hire retention rates. Mentoring aspiring talent enables company succession plans. And reverse mentoring can ensure senior executives stay current with new business practices and technology.

Regardless of the form mentoring takes, it facilitates sharing knowledge, expertise, skills, insights, and experiences through dialogue and collaborative learning.

THE OBJECTIVE OF MENTORING

Because mentoring is goal oriented and promotes professional and personal growth among participants, it helps attract, motivate, develop, and retain profitable talent while increasing productivity. Companies often want mentoring programs for the following uses:

- ✓ Employee career development
- ✓ High potential development
- ✓ Diversity training
- ✓ Reverse mentoring
- ✓ Knowledge transfer

SUN MICROSYSTEMS released the results of a study that explored the value of mentoring. The study examined the financial impact of mentoring and how Sun could target its spending in this area. The researchers looked at data from more than 1,000 Sun employees over a five-year period. The study concluded that, "mentoring has a positive impact on mentors and mentees, producing employees that are more highly valued by the business."

The study also found that 25 percent of employees in a test group who took part in the company's mentoring program had a salary grade change, compared with five percent of employees in a control group who did not participate in the program. Mentors were promoted six times more often than those not in the program; mentees were promoted five times more often than those not in the program. In addition retention rates were much higher for mentees (72 percent) and mentors (69 percent) than for employees who did not participate in the mentoring program (49 percent).

SOURCE: <http://knowledge.wharton.upenn.edu>

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EMPLOYEE CAREER DEVELOPMENT

ENCOURAGING EMPLOYEE ENGAGEMENT

To retain skilled employees and develop future leaders, it's critical to understand employee career objectives and align them with organizational goals. Opportunity for learning and development is a top driver of engagement, and is more important than leadership, culture, and compensation (*Right Management*, 2012).

Mentoring serves as a platform for organizations to discuss career goals while offering development opportunities and guidance to employees who are willing to advance professionally. It also acts as a tool to enhance the quality of leadership within key individuals and the organization.

BENEFITS

By encouraging a learning culture through mentoring, companies ensure that employees take an active role in spreading knowledge and best practices throughout their organization. The collaborative nature of mentoring develops individuals and interpersonal links between individuals, which increases engagement. Mentoring enables both career development and leadership development to help employees develop new skills and feel engaged within the organization. These factors all lead to happier employees and a better retention rate for a stronger, more effective organization.

DAIMLER TRUCKS, with multiple offices spread across North America, decided to provide a mentoring program to all of their 4,000 office-based employees to improve employee development and begin building a leadership succession plan.

"Our aim is multipurpose mentoring," said Suz Hahn, Learning Architect for Daimler's Learning and Development. "We're providing career development and self-development of mentors and mentees. We're also using Chronus software to cultivate future leaders and talent within Daimler."

After witnessing more interregional connectivity, company engagement, and knowledge transfer, Daimler plans to add more mentoring tracks for corporate responsibility and new-hire onboarding to continue their goals of improving employee engagement, learning, and satisfaction. As Hahn said, "Today there is mentoring buzz at all levels, and Daimler realizes mentoring is key to the health of our organization."

SOURCE: <http://chronus.com/resources/daimler-trucks-reinvents-corporate-mentoring-program>

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HIGH POTENTIAL MENTORING

LEADERSHIP & CAREER PLANNING

High potentials are an incredibly valuable asset to any company, but they're often difficult to retain. With careful cultivation, companies can increase retention to ensure they'll be able to appoint suitable leaders at the top when needed—which is crucial to the health and future of every organization.

However, because high potentials are so important, it's imperative to engage them while also exposing them to different areas of the business, developing their leadership skills, and ensuring they're learning what they need to excel in prospective new roles.

BENEFITS

Mentoring is an effective strategy to reward high potentials with personal attention and guidance, which leads to nurturing an organization's leadership chain. By connecting high potentials with leaders, top performers, and each other across the company, learning spreads throughout the organization. This results in improved engagement while leveraging internal resources, which keeps costs to a minimum.

DELOITTE's Emerging Leaders Development Program connects high-potential managers from underrepresented groups to formal mentors. When forming these pairs, Deloitte factors in geography, service line, growth opportunities, what gaps the mentee has and where he or she needs visibility. These mentoring pairs then work at building trust between each other so they can form a strong, influential relationship, which lasts for a minimum of two years. "It gives the most senior leaders in the firm an opportunity to engage with a cross section of leaders that they normally wouldn't see in their day jobs," says Kathy Hannan, managing partner for corporate responsibility and diversity. The program also shows mentees possible future careers.

Linda Bohnert, Senior Manager of Inclusion, says, "People are different. You need to come from a place where you want this person to succeed. Make this person your own, invest in them." By following their own advice, Deloitte's high potentials feel appreciated and continue adding their value to the company.

SOURCE: www.diversityinc.com

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DIVERSITY

DIVERSITY INITIATIVES

A diverse workforce is required to stimulate innovation, cultivate creativity, and steer business strategies. Mentoring empowers a diverse range of employees to share their opinions, ideas, knowledge, and experiences on a level playing field.

Through diversity initiatives, employees learn cultural awareness to create an inclusive corporate culture and learn of their own importance to their company.

BENEFITS

Mentoring creates an environment of trust, belonging, understanding, support, and encouragement for a diverse workforce. It gives employees an opportunity to voice their concerns, overcome hurdles, and find solutions. As a result, it inspires employees to perform to their highest ability.

Mentoring not only helps organizations develop and retain diverse talent, but it also helps build a robust community of diverse talent for the future. The effects of diversity mentoring help corporations differentiate themselves from their competitors and gain new clients while providing long-term support for their employees.

DEUTSCHE BANK found that in the aftermath of the financial crisis, a diverse workforce had become even more of a priority for financial service companies. Internal company research revealed that female managing directors who had left the firm did so because they were offered better positions elsewhere. In response, Deutsche Bank created a sponsorship program aimed at assigning women to critical posts. The company paired female executives with executive committee members who served as mentors. This not only raised the women's visibility, but also ensured that they would have a powerful advocate when promotions were being considered. As a result of this mentoring program, one third of the participants were in larger roles, and another third had been deemed ready to move up by senior management.

SOURCE: <http://www.forbesmedia.com>

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REVERSE MENTORING

ENCOURAGE CONTINUAL LEARNING

Popular among companies that believe everyone has something to bring to the table, reverse mentoring partners an older, more experienced employee with a younger, less experienced newcomer. It differs from traditional mentoring because it's the new employee who serves as the mentor, providing senior members of the organization with up-to-date information on the latest business technologies and workplace trends.

Reverse mentoring is generally a two-way street, with a partnership that provides the younger employee with a chance to see the larger picture as well as macro-level management issues.

BENEFITS

Because many millennials are unsure of what they can bring to the table and their future career options, reverse mentoring can be an excellent way to continually engage them within the organization.

Reverse mentoring also provides senior executives with the satisfaction of sharing knowledge with a different generation, increasing multi-generational engagement and reducing conflicts throughout the organization.

HARTFORD INSURANCE observed the changing habits around shopping for insurance with nervousness. They saw that to reach new customers, they would have to encourage older employees' familiarity with social media while also increasing company-wide usage. They were also concerned regarding the changing demographics of the company. With baby boomers set to retire in their company and a nationwide millennial attrition rate of 15%, they knew they would have to do something to engage their workforce.

Hartford Insurance implemented a reverse-mentoring program to help address this need. Their program consisted of a group of senior managers and junior employees who were paired into mentoring groups. These mentoring interactions have saved the company both time and money through improvements in planning campaigns, advancements in the company's internal electronic communications network, and newly engaged millennials who are eager to make a difference at their company. This group has also emphasized the need for the company to become more fluent in social media, mobile computing, the cloud, and other digital technologies so that Hartford Insurance will remain a competitive company in the years to come.

SOURCE: http://www.bc.edu/content/dam/files/research_sites/agingandwork/pdf/publications/hartford.pdf

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KNOWLEDGE TRANSFER

CREATE A CULTURE OF LEARNING

Helping employees acquire necessary knowledge, skills, and expertise is essential for any organization. Mentoring is an effective approach to organize, create, capture, and distribute knowledge. It supports short- and longer-term situational as well as topical learning between individuals and groups. It also reduces the time required for knowledge transfer by providing direct access to a range of experts and peers who can share the required knowledge and skills in an environment that promotes rapid learning.

BENEFITS

Because 80 percent of learning is informal (as commonly cited by Bersin), mentoring empowers learning in ways that manuals, intranets, and training programs can't. It shortens the learning curve, enhances productivity, and helps employees align to business strategy. In addition, knowledge transfer fuels succession planning, ensuring that once executives retire, someone with plenty of company knowledge will be ready to step into place.

KPMG started its "Leaders Engaging Leaders" program because they wanted to expand opportunities for a diverse group of managers. Their mentoring program pairs 60 top managers with members of the management committee, the board of directors, and national managing partners.

This program provides their employees with an opportunity to engage with a cross section of leaders they wouldn't normally see in their day jobs, which expands knowledge transfer within the company and encourages their leadership goals.

Several people in Leaders Engaging Leaders have taken on more significant leadership roles, including one who has joined the board of directors. KPMG is currently looking to expand the program. "The goal is ultimately to drive it down deeper into the organization," Hannan says. "It really helps with retention [...] and gives folks a line of sight to a number of opportunities across the firm."

SOURCE: <http://management.fortune.cnn.com>

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CONCLUSION

In today's volatile business world, it's extremely important for organizations to engage employees both intellectually and emotionally. Through mentoring, employees identify themselves as a vital part of the organization while creating a heightened level of ownership. By improving employee engagement and retention along with other company initiatives, mentoring helps the company's bottom line while also ensuring that employees feel committed to accomplishing their work in accordance to the vision of the organization.

NEXT STEPS

This paper has outlined the many benefits of mentoring throughout an organization and the employee lifecycle. Easily adaptable, mentoring can address multiple talent and career development initiatives. It's a proven, cost-effective way to develop employees of all levels and is an engagement tactic that shouldn't be overlooked.

However, setting up a program requires thought, planning and effort. If your program will have more than 50 participants, consider using software. Software makes it easy to start and manage a corporate mentoring program. Additionally, software can provide in-depth metrics on the health of your program plus demonstrate how your program helps achieve business goals like employee engagement, development, and retention.

Learn more about mentoring programs and software at www.chronus.com.

ABOUT CHRONUS SOFTWARE FOR MENTORING

Chronus software for mentoring makes it easy for your organization to start, manage, and measure mentoring programs. With Chronus software, you can drive program success through increased participant engagement and simplified program administration. This configurable, cloud-based solution is ideal for use by employers, universities and associations. Visit www.chronus.com to learn more.



See how [Chronus software](http://www.chronus.com) helps you easily start, manage, and measure a corporate mentoring program.



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ABOUT CHRONUS

Chronus is a global provider of talent development software solutions. Leveraging mentoring, coaching, and other guided learning approaches, Chronus software empowers a variety of programs for employee career development, leadership training, new hire onboarding, student mentoring, and more.

Chronus cloud-based solutions are easy to start and easy to manage, saving customers time and effort while improving learning and development program effectiveness. Leading organizations including MetLife, Staples, UC Berkeley, the U.S. Department of Transportation and the American Diabetes Association rely on Chronus.

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