

4.0 DEMAND AND NEED - ISSUES AND FINDINGS

An objective of the research brief was to “assess the level of demand and need for mentoring for business in Wales”. However, the lack of a commonly agreed definition of mentoring makes this extremely difficult. Furthermore, there is the problem of businesses not knowing or recognizing what they need.

As mentioned in the previous chapter, mentoring is becoming one of the most popular and effective methods of developing people. The Chartered Institute of Personnel and Development’s (CIPD) *Learning, Training and Development Survey 2005*²⁰ reported that 75% of respondents thought the use of mentoring was set to increase over the next few years, while over 80% thought it either effective or very effective as an approach.

Recent surveys, notably by The Industrial Society²¹ and also by Ashridge Management College²², suggest that almost all of the top 500 UK companies have tried some form of mentoring, and have experience of formal coaching at some level. An increasing number of professional institutions, such as the Institute of Directors (IOD) and the Institution of Electrical Engineers (IEE), are promoting mentoring by and for their members.

Despite the broad recognition amongst academics and providers of the importance of mentoring in developing managers of small businesses, the managers of small businesses themselves do not always see the benefits of mentoring, and it is often not valued as a key ingredient of business success.²³ This is not specific to mentoring but reflects attitudes towards management and leadership development in general.

For example, mentoring is an integral part of the LEED Unit’s leadership development programmes and has proved to be one of the most valuable elements of the programme. However, at the start of the programme SME managers would not have recognised their need for mentoring.

For those that *do* recognise their need for mentoring, they may not know where to locate suitably qualified and experienced mentors. Furthermore, SMEs are typically constrained by time and resources, and very much focused on day-to-day issues. As such, the demands on SME managers are different from that of larger organisations. Mentoring offers a flexible solution for small businesses that provides opportunities for learning, and can determine the difference between success and failure.

There are a range of barriers to the take-up of business mentoring in Wales, especially a lack of knowledge of benefits and opportunities, and a lack of time, on the part of the SME managers. Some of these barriers were borne out in the focus group held with SME managers. Another key issue to emerge from the focus group was 'confusion' over what exactly mentoring is and how to access it in the marketplace. Participants who had no experience of mentoring were asked their reasons for not undertaking mentoring. Unsurprisingly cost and quality featured in the responses;

"Expensive"

"Finding a good one. There's a lot of rubbish out there"

"It wouldn't enter their [SME managers] head because they don't know it exists"

"Where to go and who to contact"

"How to enter onto the path in order to get there and without filling in five days worth of paperwork"

Compared to other regions of the UK there are relatively few opportunities for SMEs in Wales to benefit from publicly funded programmes.

Primary research was conducted with managers of existing mentoring programmes to obtain an indication of current demand for mentoring services in Wales. Programme managers from the identified mentoring programmes were contacted by telephone and asked for information regarding take-up levels and demand for their services. Unfortunately, in some cases this information was not forthcoming. Information obtained is detailed in Figure 2.

In Wales we believe there is a latent demand for mentoring (as for other forms of management and leadership development). In order to stimulate demand for mentoring, the current confusion needs to be addressed and the market re-educated.

4.1 Strategy

It is clear that, in Wales, there are different types of businesses with different attitudes towards training and development, which is reflected in the typology of businesses developed by ELWa (and now adopted by DELLS).

Our own research indicates that businesses that perform well recognise the importance of investing in training and development including management and leadership development. It is, therefore, these types of firms with growth potential that are more likely to undertake, or at least be more open to, receiving mentoring. In line with ELWa's (now DELLS') business groupings, we argue that different strategies need to be developed to target the different types of businesses.

To maximise demand for mentoring, efforts should focus initially on getting some 'quick wins', targeting those businesses who are most likely to be open to mentoring and will generate significant benefits from it. These individuals can then be utilized as 'champions' to 'spread the word' about the real benefits of mentoring to other SMEs, including those with little awareness and/or no interest in training.

Ongoing awareness raising of mentoring is taking place through, for example, the WMC, which has held two conferences on mentoring: one in South Wales in 2004 (with the Institute of Leadership and Management) and the other in North Wales in 2005 (with the Management Development Network).

Despite this, it would appear that there is substantial scope for improving SME managers' awareness of the benefits from, and opportunities for, business mentoring. Increased awareness-raising activities are necessary to increase take-up of business mentoring opportunities in Wales.

The specific approaches developed for mentoring programmes are presented in Chapter 7 of this report. They reflect the different typologies of businesses in Wales.