

## Next Generation Development with a Mentor Team

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Developing next-generation members for leadership is a challenging task for family businesses. A significant impediment in this process is the lack of an honest feedback to next generation members on their current performance and areas of improvement. The article suggests that this challenge can be overcome with the help of a team of expert mentors. The mentors can provide objective feedback and prepare the next generation members for effective leadership.

### **Significance of Mentors**

The most important role that an expert mentor plays is that of helping the mentee in objective identification of areas of improvement. The mentor also provides insights on what steps they need to take in order to rise to their true potential. Mentors are more effective in doing so because the family business leaders are often unable or ineffective in giving objective feedback to next generation members due to emotional reasons. Similarly, the non-family executives may also hesitate to point out where the next generation members need to improve. The mentor does not have these limitations because an honest assessment is integral to the mentor-mentee relationship. The next generation members are also more receptive of the feedback.

Another important contribution of the mentor is knowledge and experience sharing. The mentor becomes a trusted

advisor who educates the mentee in identifying and tapping opportunities. The mentor is an important resource to whom the next generation members can turn to seek answers to their queries and concerns.

### **Why Form a Mentor Team?**

The next generation members need to be given exposure and knowledge about several aspects that influence the family business. It is quite challenging to find the 'right' expert who can fulfill the role of a mentor. Therefore, several family businesses are now trying the option of developing a team of mentors who bring diverse expertise. The mentor team can be a combination of outside experts and senior long-term employees.

Compared to appointing a single mentor, a team of mentors helps in multiple ways. Senior experts from different fields add to the knowledge base accessible to the younger family members. For instance, an external expert can provide industry insights or deeper knowledge of a particular business/ management function. The long-term employee on the team could guide the mentees on how to arrive at the culture fit.

Another advantage of having a mentor team is that the feedback and suggestions that come from a group are perceived as honest and objective, and are therefore more acceptable to the mentee. The mentor team also helps in overcoming the limitations/

concerns in providing objective comments that a single mentor, viz. a long-term employee, may face.

### **Developing the Mentor Programme**

The mentor team must be formed with consensus either by the board of directors or by the family ownership group. The external experts on the team may include independent directors on the board or business leaders from other companies or other professional experts. Senior non-family employee selected for the mentor team must be a respected individual known for making objective assessments. The objectives of the team and the expected outcomes of the mentor programme must be clearly defined in terms of its scope and timeline. The mentor team must provide a periodic progress report to the board and/ or family ownership group. A family or non-family executive must be assigned to coordinate with the mentor team. In large businesses, the head of human resource department can coordinate the mentor programme.

A few mentoring sessions can be collective, while others may be more effective when conducted on a one-to-one basis. Using a combination of conceptual knowledge-building and practical sessions makes mentoring more effective. An important point to note for the family seniors is that the mentor programme need not limit them from providing additional knowledge and

guidance to the younger members. However, the oversight of the mentee's professional development must be with the formal mentor team.

Some family businesses chose to make the mentor programme less formal. However, the commitment of all parties to the mentor programme can be strengthened by making a formal contract. This may outline all the terms of engagements, objectives, progress assessment mechanism, means of ensuring programme effectiveness and the set of expected outcomes.

### **Practical Implications**

Mentor teams are beneficial for the development of next generation members as they provide honest and objective feedback. They provide rich and diverse knowledge resources and skills. They offer advice and counseling on diverse issues. For the family business boards or ownership groups the mentor teams provide assurance of dedicated support to the next generation's development objectives. They regularly communicate on their progress and provide an objective assessment of whether the developmental goals are being achieved.

A well-designed and -implemented formal mentoring programme conducted by a dedicated mentor team can become the most effective mechanism in developing the next generation members for family business leadership.

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*Source: Family Business Consulting Group (www.thefbcg.com), 2016.*