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Chapter **1**

Developing Employees through Coaching and Mentoring

As a business owner, if you have employees, you're by definition a manager. That may not be your goal when you first imagine starting your own business, but unless you can do everything yourself, you need people to help get the work done. Managing people can be tricky, and the ways in which it's been successfully accomplished through the years have changed dramatically.

One recurring theme of today's new management reality is the role of managers as people who support and encourage their employees instead of telling them what to do (or, worse, simply expecting them to perform). The best managers take time to develop their employees by staying actively involved in employee progress and development, helping to guide them along the way. The best managers also are *coaches* — that is, individuals who guide, discuss, and encourage others on their journey. With the help of coaches, employees can achieve outstanding results and organizations can perform better than ever.

Employee development doesn't just happen. Managers and employees must make a conscious, concerted effort. The best employee development is ongoing and requires that you support and encourage your employees' initiative. Recognize, however, that all development is self-development. You can really develop only yourself. You can't force your employees to develop; they have to want to develop themselves. You can, however, help set an environment that makes it more likely that they will want to learn, grow, and succeed. This chapter guides you through employee development, coaching, and mentoring, pointing to the large and small things you can do to help improve your employees' performance and position them for future success.



REMEMBER

As the maxim goes:

Tell me — I forget.

Show me — I remember.

Involve me — I learn.

Understanding Why Employee Development Is Important

Many good reasons exist for helping your employees develop and improve themselves. Perhaps the number one reason is that they'll perform more effectively in their current jobs. However, despite all the good reasons, development boils down to one important point: As a manager, you're the one person in the best position to provide your employees with the support they need to develop in your organization. You can provide them with not only the time and money required for training, but also unique on-the-job learning opportunities and assignments, mentoring, team participation, and more. Besides, you'll need *someone* capable of running things when you go on a vacation, right? Employee development involves a lot more than just going to a training class or two. In fact, approximately 90 percent of development occurs on the job.



REMEMBER

The terms *training* and *development* can have two distinctly different meanings. *Training* usually refers to teaching workers the short-term skills they need to know right now to do their jobs. *Development* usually refers to teaching employees the kinds of long-term skills they'll need in the future as they progress in their careers. For this reason, employee development is often known as *career development*.

Now, in case you're still not sure why developing your employees is a good idea, the following list provides just a few reasons:

- » **You may be taking your employees' knowledge for granted.** Have you ever wondered why your employees continue to mess up assignments that you know they can perform? Believe it or not, your employees may not know how to do those assignments. Have you ever actually seen your employee perform the assignments in question?

Suppose you give a pile of numbers to your assistant and tell them you want them organized and totaled within an hour. But instead of presenting you with a nice, neat computer spreadsheet, your employee gives you a confusing mess. No, your assistant isn't necessarily incompetent; they may not know how to put together a spreadsheet on their computer. Find out! The solution may be as simple as walking through your approach to completing the assignment with your employee and then having them give it a try.

- » **Employees who work smarter are better employees.** Simply put, smarter employees are better employees. If you could help your employees develop and begin to work smarter and more effectively — and doubtless you can — why wouldn't you?

No one in your organization knows everything there is to know. Find out what your employees don't know about their jobs and then make plans for getting them help with what they need to know. When your employees have achieved their development goals, they'll work smarter, your business will reap the benefits in greater employee efficiency and effectiveness, and you'll sleep better at night — all good things when you're a business owner.

- » **Someone has to be prepared to step into your shoes.** Do you ever plan to take a vacation? Or do you need to travel for your business, to seek new suppliers or attend conferences? How are you going to go anywhere or do anything outside the office if you don't prepare your employees to take on the higher-level duties that are part of your job? Some owners are so worried about what's going on at the office when they're on vacation that they call in for a status update several times a day. No matter where they are, they spend more time worrying about the office than they do enjoying themselves.

The reason many business owners *don't* have to call their offices when they're on vacation is that they make it a point to develop their employees to take over when they're gone. You can do the same, too. The future of your company depends on it — really.



REMEMBER



REMEMBER

» **Your employees win, and so does your business.** When you allocate funds to employee development, your employees win by learning higher-level skills and new ways of viewing the world — and your company wins because of increased employee motivation and improved work skills. When you spend money for employee development, you actually double the effect of your investment because of this dual effect. Most important, you prepare your employees to fill the roles your business will need them to move into in the future.

» **Your employees are worth your time and money.** New employees cost a lot of money to recruit and train. You have to consider the investment not only in dollars, but also in time.

When you have a trained employee, you must do everything to keep that person. Constantly training replacements can be disruptive and expensive.

When employees see that you have their best interests at heart, they're likely to want to work for you and learn from you. As a result, your business will attract talented people. Invest in your employees now, or waste your time and money finding replacements later. The choice is yours.

» **The challenge stimulates your employees.** Face it, not every employee is fortunate enough to have the kind of exciting, jet-setting, make-it-happen job you have. Right? For this reason, some employees occasionally become bored, lackadaisical, and otherwise indisposed. Employees constantly need new challenges and new goals to maintain interest in their jobs. And if you don't challenge your employees, you're guaranteed to end up with either an unmotivated, low-achievement workforce or employees who jump at offers from employers who will challenge them. Which option do you prefer?

Getting Down to Employee Development

Employee development doesn't just happen all by itself. It takes the deliberate and ongoing efforts of employees with the support of their supervisor — you. If either employees or you drop the ball, employees don't develop and your business suffers the consequences of employees who aren't up to the challenges of the future. This outcome definitely isn't good. As a business owner, you want your company to be ready for the future the moment it arrives, not always trying to catch up to it.

The employees' role is to identify areas where development can help make them better and more productive workers and then to relay this information to their managers. After identifying further development opportunities, managers and employees can work together to schedule and implement them.



REMEMBER

As a business owner who directly supervises employees, your role is to be alert to the development needs of your employees and to keep an eye out for potential development opportunities. You're also the one who determines where the organization will be in the next few years. Armed with that information, you're responsible for finding ways to ensure that employees are available to meet the needs of the future organization. Your job is then to provide the resources and support required to develop employees so that they're able to fill your company's needs.

Taking a step-by-step approach

To develop your employees to meet the coming challenges within your business, follow these steps:

1. Meet with an employee about her career.

After you assess your employee, meet to discuss where you see them in the organization and also to find out where in the organization they want to go. This effort has to be a joint one. Having elaborate plans for an employee to rise up the company ladder in sales management doesn't do you any good if they hate the idea of leaving sales to become a manager of other salespeople.

2. Discuss your employee's strengths and weaknesses.

Assuming that, in the preceding step, you discover that you're on the same wavelength as your employee, the next step is to have a frank discussion regarding their strengths and weaknesses. Your main goal here is to identify areas the employee can leverage — that is, strengths they can develop to continue their upward progress in the organization and to meet the future challenges your business faces. Focus most of your development efforts and dollars on these opportunities.



REMEMBER

Most important, you need to spend more time developing their strengths than improving their weaknesses. They can excel in an area that comes easy to them, resulting in more value for you and your organization than if you forced the employee to be merely adequate at tasks others excel in.

3. Assess where they are now.

The next step in the employee-development process is to determine the current state of your employee's skills and talents. Does Jane show potential for supervising other warehouse employees? Which employees have experience in doing customer demos? Is the pool of line cooks and expeditors adequate enough to accommodate a significant upturn in business? If not, can you develop internal candidates, or will you have to hire new employees from outside the organization? Assessing your employees provides you with an overall road map to guide your development efforts.

4. Create a career development plan.

A career development plan is an agreement between you and your employee that spells out exactly what formal support (tuition, time off, travel expenses, and so on) they'll receive to develop their skills and when they'll receive it. Career development plans include milestones. (See the next section for more on these plans.)

5. Follow through on your agreement, and make sure your employee follows through on theirs.

Don't break the development plan agreement! Provide the support that you agreed to provide. Make sure that your employee upholds their end of the bargain, too. Check on their progress regularly. If they miss a schedule because of other priorities, reassign their work as necessary to ensure that they have time to focus on their career development plans.

So when is the best time to sit down with your employees to discuss career planning and development? The sooner the better. Unfortunately, many organizations closely tie career discussions to annual employee performance appraisals. On the plus side, doing so ensures that a discussion about career development happens at least once a year; on the minus side, development discussions become more of an afterthought than the central focus of the meeting. Because of that limitation, along with the current rapid changes in competitive markets and technology, once a year just isn't enough to keep up.



TIP

Conducting a career development discussion twice a year with each of your employees definitely isn't too frequent, and quarterly is even better. Include a brief assessment in each discussion of the employee's development needs. Ask your employee what they can do to fulfill them. If those needs require additional support, determine what form of support the employee needs and when to schedule the support. Career development plans are best adjusted and resources best redirected as necessary.

Creating career development plans

The career development plan is the heart and soul of your efforts to develop your employees. Unfortunately, many business owners don't take the time to create development plans with their employees. Instead, they trust that, when the need arises, they can find training to accommodate that need. This kind of reactive thinking ensures that you're always playing catch-up to the challenges your organization will face in the years to come.

Why wait for the future to arrive before you prepare to deal with it? Are you really so busy that you can't spend a little of your precious time planting the seeds that

your business will harvest years from now? No! Although you do have to take care of the seemingly endless crises that arise in the here and now, you also have to prepare yourself and your employees to meet the challenges of the future. To do otherwise is an incredibly shortsighted and ineffective way to run your company.

All career development plans must contain at least the following key elements:

- » **Specific learning goals:** When you meet with an employee to discuss development plans, you identify specific *learning goals*. And don't forget, every employee in your organization can benefit from having learning goals. Don't leave anyone out.
- » **Resources required to achieve the designated learning goals:** After you identify your employee's learning objectives, you have to decide how they'll reach them. Development resources include a wide variety of opportunities that support the development of your employees. Continuing education classes, job shadowing, *stretch assignments* (assignments that aren't too easy or too hard and that involve some learning and discomfort), formal training, and more may be required. Formal training may be conducted by outsiders, by internal trainers, or perhaps in a self-guided series of learning modules. If the training requires funding or other resources, identify those resources and make efforts to obtain them.
- » **Employee responsibilities and resources:** Career development is the joint responsibility of an employee and their manager. A business can and does pay for training and development opportunities, but so can employees (as any employee who has paid out of their own pocket to get a college degree can attest). A good career development plan should include what the employee is doing on their own time.
- » **Required date of completion for each learning goal:** Plans are no good without a way to schedule the milestones of goal accomplishment and progress. Each learning goal must have a corresponding date of completion. Don't select dates that are so close that they're difficult or unduly burdensome to achieve, or so far into the future that they lose their immediacy and effect. The best schedules for learning goals allow employees the flexibility to get their daily tasks done while keeping ahead of the changes in the business environment that necessitate the employees' development in the first place.
- » **Standards for measuring the accomplishment of learning goals:** For every goal, you must have a way to measure its completion. Normally, the manager assesses whether the employees actually use the new skills they've been taught. Whatever the individual case, make sure that the standards you use to measure the completion of a learning goal are clear and attainable and that both you and your employees are in full agreement.



TIP

Coaching Employees to Career Growth and Success

Coaching plays a critical part in the learning process for employees who are developing their skills, knowledge, and self-confidence. Your employees don't learn effectively when you simply tell them what to do. In fact, they usually don't learn at all.

With the right guidance, anyone can be a good coach. This section considers what effective coaches do and how they do it so that you can coach your employees toward successful results.



TIP

Here are a few places online where you can find out a lot more about coaching:

- » The Coaching and Mentoring Network: www.coachingnetwork.org.uk
- » International Coach Federation: www.coachfederation.org
- » Find a Mentor: <http://findamentor.com>

Serving as both manager and coach

Even if you have a pretty good sense of what it means to be a manager, do you really know what it means to be a coach? A coach is a colleague, counselor, and cheerleader, all rolled into one. Based on that definition, are you a coach? Why or why not?

Surely you're familiar with the role of coaches in other realms. A drama coach, for example, is almost always an accomplished actor or actress. The drama coach's job is to conduct auditions for parts, assign roles, schedule rehearsals, train and direct cast members throughout rehearsals, and support and encourage the actors and actresses during the final stage production. These roles aren't all that different from the roles managers perform in a business, are they?

Coaching a team of individuals isn't easy, and certain characteristics make some coaches better than others. Fortunately, as with most other business skills, you can discover, practice, and improve the traits of good coaches. You can always find room for improvement, and good coaches are the first to admit it. Following are key characteristics and tasks for coaches:

- » **Coaches set goals.** Whether a small business's vision is to become the leading pizza franchise in the city, to increase revenues by 20 percent a year, or simply to get the break room walls painted this year, coaches work with their employees to set goals and deadlines for completion. They then go away and allow their employees to determine how to accomplish the goals.



REMEMBER

- » **Coaches support and encourage.** Employees — even the best and most experienced — can easily become discouraged from time to time. When employees are learning new tasks, when a long-term account is lost, or when business is down, coaches are there, ready to step in and help the team members through the worst of it. “That’s okay, Kim. You’ve learned from your mistake, and I know that you’ll get it right next time!”
- » **Coaches emphasize team success over individual success.** The team’s overall performance is the most important concern, not the stellar abilities of a particular team member. Coaches know that no one person can carry an entire team to success; winning takes the combined efforts of all team members. The development of teamwork skills is a vital step in an employee’s progress in a company.
- » **Coaches can quickly assess the talents and shortfalls of team members.** The most successful coaches can quickly determine their team members’ strengths and weaknesses and, as a result, tailor their approach to each. For example, if one team member has strong analytical skills but poor presentation skills, a coach can concentrate on providing support for the employee’s development of better presentation skills. “You know, Mark, I want to spend some time with you to work on making your viewgraph presentations more effective.”
- » **Coaches inspire their team members.** Through their support and guidance, coaches are skilled at inspiring their team members to the highest levels of human performance. Teams of inspired individuals are willing to do whatever it takes to achieve their organization’s goals.
- » **Coaches create environments that allow individuals to succeed.** Great coaches ensure that their workplaces are structured to let team members take risks and stretch their limits without fear of retribution if they fail.



REMEMBER

Coaches are available to advise their employees or just to listen to their problems, as needed. “Carol, do you have a minute to discuss a personal problem?”

- » **Coaches provide feedback.** Communication and feedback between coach and employee is a critical element of the coaching process. Employees must know where they stand in the company — what they’re doing right and what they’re doing wrong. Equally important, employees must let their coaches know when they need help or assistance. And both parties need this dialogue in a timely manner, on an ongoing basis — not just once a year in a performance review.



WARNING

Firing someone doesn’t constitute effective feedback. Unless an employee has engaged in some sort of intolerable offense (such as physical violence, theft, or intoxication on the job), a manager needs to give the employee plenty of verbal and written feedback before even considering termination. Giving employees several warnings offers them opportunities to correct deficiencies that they may not be able to see.

Identifying a coach's tools

Coaching isn't a one-dimensional activity. Because every person is different, the best coaches tailor their approach to their team members' specific, individualized needs. If one team member is independent and needs only occasional guidance, recognize where they stand and provide that level of support. This support may consist of an occasional, informal progress check while making the rounds of the office. On the other hand, if another team member is insecure and needs more guidance, the coach must recognize this employee's position and assist as needed. In this case, support may consist of frequent, formal meetings with the employee to assess progress and provide advice and direction as needed.



REMEMBER

Although you have your own coaching style, the best coaches employ certain techniques to elicit the greatest performance from their team members:

- » **Make time for team members.** Managing is primarily a people job. Part of being a good manager and coach is being available to your employees when they need your help. If you're not available, your employees may seek out other avenues to meet their needs — or simply stop trying to work with you. Always keep your door open to your employees and remember that they are your first priority. Manage by walking around. Regularly get out of your office and visit your employees at their workstations. "Do I have a minute, Elaine? Of course, I always have time for you and the other members of my staff."
- » **Provide context and vision.** Instead of simply telling employees what to do, effective coaches explain the why. Coaches provide their employees with context and a big-picture perspective. Instead of spouting long lists of do's and don'ts, they explain how a system or procedure works and then define their employees' parts in the scheme of things. "Chris, you have a very important part in the financial health and vitality of our company. By ensuring that our customers pay their invoices within 30 days after we ship their products, we're able to keep our cash flow on the plus side, and we can pay our obligations such as rent, electricity, and your paycheck on time."
- » **Transfer knowledge and perspective.** A great benefit of having a good coach is the opportunity to learn from someone who has more experience than you do. In response to the unique needs of each team member, coaches transfer their personal knowledge and perspective. "We faced this exact situation about five years ago, Dwight. I'm going to tell you what we did then, and I want you to tell me whether you think it still makes sense today."
- » **Be a sounding board.** Coaches talk through new ideas and approaches to solving problems with their employees. Coaches and employees can consider the implications of different approaches to solving a problem and role-play customer or client reactions before trying them out for real. By using active listening skills, coaches can often help their employees work through issues

and come up with the best solutions themselves. “Okay, Priscilla, you’ve told me that you don’t think your customer will buy off on a 20 percent price increase. What options do you have to present the price increase, and are some more palatable than others?”

- » **Obtain needed resources.** Sometimes coaches can help their employees make the jump from marginal to outstanding performance simply by providing the resources those employees need. These resources can take many forms: money, time, staff, equipment, or other tangible assets. “So, Gene, you’re confident that we can improve our cash flow if we throw a couple more clerks into collections? Okay, we’ll give it a try.”
- » **Offer a helping hand.** For an employee who is learning a new job and is still responsible for performing their current job, the total workload can be overwhelming. Coaches can help workers through this transitional phase by reassigning current duties to other employees, authorizing overtime, or taking other measures to relieve the pressure. “Phoebe, while you’re learning how to troubleshoot that new network server, I’m going to assign your maintenance workload to Rachel. We can get back together at the end of the week to see how you’re doing.”

Teaching through show-and-tell coaching

Besides the obvious coaching roles of supporting and encouraging employees in their quest to achieve an organization’s goals, managers as coaches also teach their employees how to achieve an organization’s goals. Drawing from your experience, you lead your workers step by step through work processes or procedures. After they discover how to perform a task, you delegate full authority and responsibility for its performance to them.

For the transfer of specific skills, you can find no better way of teaching, and no better way of learning, than the *show-and-tell* method. Developed by a post-World War II American industrial society desperate to quickly train new workers in manufacturing processes, show-and-tell is beautiful in its simplicity and effectiveness.



REMEMBER

Show-and-tell coaching has three steps:

1. You do, you say.

Sit down with your employees and explain the procedure in general terms while you perform the task.

2. They do, you say.

Now have the employees do the same procedure as you explain each step in the procedure.

3. They do, they say.

Finally, as you observe, have your employees perform the task again as they explain to you what they're doing.



TIP

As you go through these steps, have employees create a “cheat sheet” of the new steps to refer to until they become habit.

Making turning points big successes

Despite popular impressions to the contrary, 90 percent of management isn't the big event — the blinding flash of brilliance that creates markets where none previously existed, the magnificent negotiation that results in unheard-of levels of union-management cooperation, or the masterful stroke that catapults the firm into the big leagues. No, 90 percent of a manager's job consists of the daily chipping away at problems and the shaping of talents.



REMEMBER

The best coaches are constantly on the lookout for *turning points* — the daily opportunities to succeed that are available to all employees.

The big successes — the victories against competitors, the dramatic surges in revenues or profits, the astounding new products — are typically the result of building a foundation of countless small successes along the way. Making a phone-prompt system more responsive to your customers' needs, sending an employee to a seminar on time management, writing a great sales agreement, conducting a meaningful performance appraisal with an employee, meeting a prospective client for lunch — all are turning points in the average business day. Although each event may not be particularly spectacular on its own, when aggregated over time, they can add up to big things.

This is the job of a coach. Instead of using dynamite to transform the business in one fell swoop (and taking the chance of destroying their business, their employees, or themselves in the process), coaches are like the ancient stonemasons who built the great pyramids of Egypt. The movement and placement of each individual stone may not have seemed like a big deal when considered as a separate activity. However, each was an important step in achieving the ultimate result — the construction of awe-inspiring structures that have withstood thousands of years of war, weather, and tourists.

Incorporating coaching into your day-to-day interactions



REMEMBER

Coaches focus daily on spending time with employees to help them succeed — to assess their progress and to find out what they can do to help the employees capitalize on the turning points that present themselves every day. Coaches complement and supplement the abilities and experience of their employees by bringing their own abilities and experience to the table. They reward positive performance and help their employees learn important lessons from making mistakes — lessons that, in turn, help the employees improve their future performance.

For example, suppose you have a young and inexperienced, but bright and energetic, sales trainee on your staff. Your employee has done a great job of contacting customers and making sales calls, but they haven't yet closed their first deal. When you talk to them about this, they confess that they're nervous about their own personal turning point: They're worried that they may become confused in front of the customer and blow the deal at the last minute. They need your coaching.



TIP

The following guidelines can help you, the coach, handle any employee's concerns:

- » **Meet with your employee.** Make an appointment with your employee as soon as possible for a relaxed discussion of the concerns. Find a quiet place free of distractions, and put your phone on silent or forward it to voice-mail.
- » **Listen!** One of the most motivating things one person can do for another is to listen. Avoid instant solutions or lectures. Before you say a word, ask your employee to bring you up-to-date with the situation, their concerns, and any possible approaches or solutions they've considered. Let them do the talking while you do the listening.
- » **Reinforce the positive.** Begin by pointing out what your employee did right in the particular situation. Let your employee know when they're on the right track. Give them positive feedback on their performance.
- » **Highlight areas for improvement.** Point out what your employee needs to do to improve and tell them what you can do to help. Agree on the assistance you can provide, whether your employee needs further training, an increased budget, more time, or something else. Be enthusiastic about your confidence in the employee's ability to do a great job.
- » **Follow through.** After you determine what you can do to support your employee, do it! Notice when they improve. Periodically check on your employee's progress and offer your support as necessary.



REMEMBER

Above all, be patient. You can't accomplish coaching on your terms alone. At the outset, understand that everyone is different. Some employees catch on sooner than others and some employees need more time to develop. Differences in ability don't make certain employees any better or worse than their co-workers — they just make them different. Just as you need time to build relationships and trust in business, your employees need time to develop skills and experience.

Finding a Mentor, Being a Mentor

Someone who's already been there and seen what it takes to succeed and who takes a special interest in helping someone else learn what you should and shouldn't do as you work your way up is called a *mentor*. As a new business owner, you may want to find an established business owner to advise you. And as you become established, you may want to help out someone else who is just starting out.

Isn't a manager supposed to be a mentor? No. A mentor is most typically not someone's boss. A manager's job is clearly to coach and help guide employees. Although managers certainly *can* act as mentors for their own employees, mentors most often act as confidential advisers and sounding boards to their chosen employees and, therefore, aren't typically in the employee's direct chain of command.

The day that a mentor takes you under their wing is a day for you to celebrate. Why? Not everyone is lucky enough to find a mentor. And someday you'll be in the position to be a mentor to someone else. When that day comes, don't be so caught up in your busy business life to neglect to reach out and help someone else find their way up in the business.

Here are some of the things mentors do:

- » **Mentors explain how the business really works.** Mentors are a great way to find out what's really going on. There is often a difference between what's formally announced to employees and what really goes on in the business. A mentor can convey that knowledge (at least, the knowledge that isn't confidential).
- » **Mentors teach by example.** A mentor has likely already seen it all and can help an employee discover the most effective and efficient ways to get things done. Why reinvent the wheel or get beaten up by the powers-that-be when you don't have to? This aspect of mentoring is particularly relevant if you choose to seek out an established business owner to be your mentor.

- » **Mentors provide growth experiences.** A mentor can help guide someone to activities above and beyond formal career development plans that are helpful to growth as an employee. For example, a mentor may strongly suggest joining a group such as Toastmasters to improve public-speaking skills. A mentor makes this suggestion because they know that public-speaking skills are important to future career growth.
- » **Mentors provide career guidance and discussion.** A mentor knows which career paths are dead ends and which offer the most rapid advancement. This knowledge can be incredibly important to an employee's future when making career choices. The advice a mentor gives can be invaluable.



TIP

Within a business, the mentoring process often happens when a more experienced employee takes a professional interest in a new or inexperienced employee. Employees can also initiate the mentoring process by engaging the interest of potential mentors while seeking advice or working on projects together. Recognizing the potential benefits for the development of their employees, many organizations have formalized the mentoring process and made it available to a wider range of employees than the old informal process ever could. You may want consider doing the same in your business.

