

**DOD Mentoring Resource Portal**

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**THE BUSINESS CASE FOR  
IMPLEMENTING A MENTORING PROGRAM**

Mentoring Program Planning

# THE BUSINESS CASE FOR IMPLEMENTING A MENTORING PROGRAM

## **Purpose:**

To offer a set of points to guide the development of the business case to execute Mentoring Programs.

## **Audience:**

Mentoring Program Coordinators, Executives, Managers and/or Supervisors

## **Context:**

These set of points should be considered before the planning stages of the Mentoring Program.

## **Common Terms**

The following are common terms associated with the DOD Mentoring Resource Portal:

*Mentor*, also known as Advisor, is a trusted counselor or guide who is involved in the development and support of one who is less experienced.

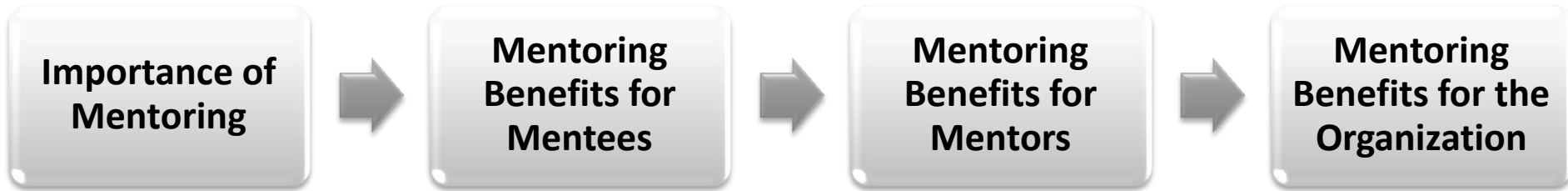
*Mentee*, also known as Protégé or Learner, is the more junior person being mentored.

*Mentoring Program Coordinator*, also known as Mentoring Program Manager, is responsible for the overall management of the Mentoring Program.

## **Information Source and Endorsement Disclaimer**

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# Business Case Presentation Agenda



# IMPORTANCE OF MENTORING NOW

Mentoring programs address challenges organizations currently face, including impending knowledge loss, increase in high-potential employee (HIPO) attrition, and shrinking successor pools.<sup>1</sup>

## Key Business Challenges Addressed by Mentoring Programs

### Loss of Critical Knowledge

As a significant portion of the workforce approaches retirement age, organizations risk losing the intellectual capital retirees possess.

**Case-in-Point:** Due to the retirement of employees in the Baby Boomer generation, 60% of new jobs in the United States will require skills that only 20% of the workforce possesses by 2016.<sup>2</sup>

### Increase in Turnover Rates

As the economy recovers, High Potential employees are more likely than other employees to leave their organizations in search of external career advancement opportunities.

**Case-in-Point:** Twenty-five percent of High Potential employees plan to leave their current organizations within the next year.<sup>3</sup>

### Lack of Successor Candidates

Organizations face potential leadership vacancies due to a lack of ready-now talent.

**Case-in-Point:** Less than 15% of business leaders' direct reports are ready for immediate transition into subsequent roles.<sup>4</sup>

<sup>1</sup>Kranz, Garry, "More Firms to Pay Mind to Mentoring," *Workforce Management*, <http://www.workforce.com/archive/feature/27/01/81/index.php> (January 2010).

<sup>2</sup>CLC Human Resources, *Global HR Trends Affecting the Workforce between 2006 and 2016*, Washington, D.C.: Corporate Executive Board, April 2006, p. 2.

<sup>3</sup>CLC Human Resources, *Employee Value Proposition Survey*, 2009.

<sup>4</sup>CLC Human Resources, *EVP Survey and Improving Business Leader Effectiveness Survey*, 2008.

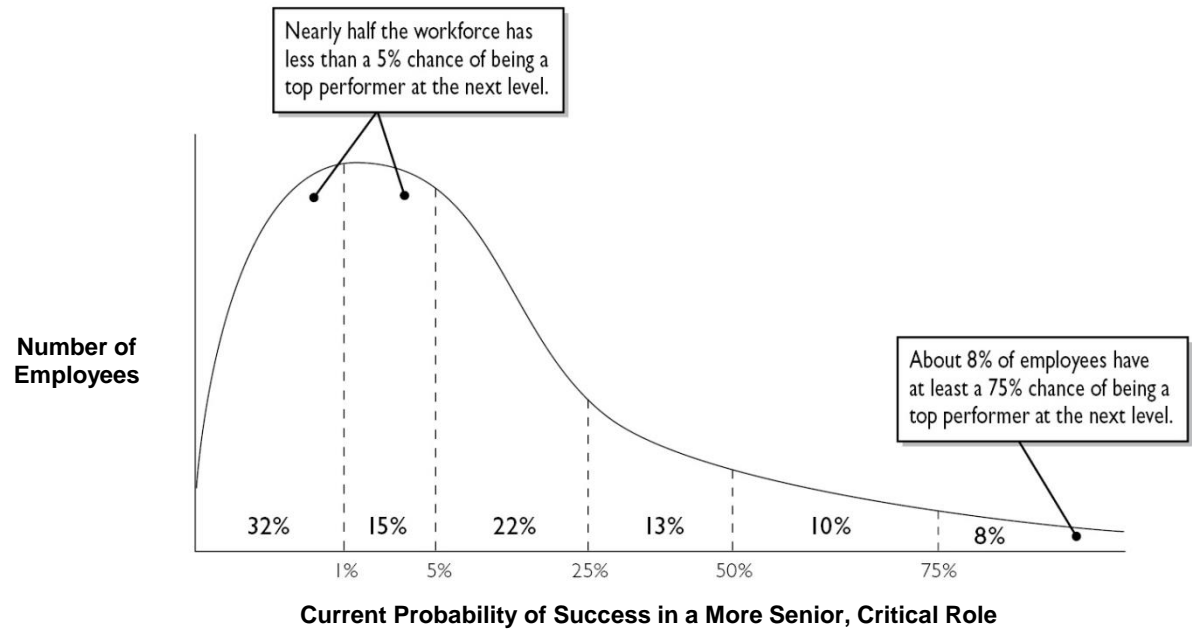
# Importance of High Potential Employees Development and Retention



Organizations must strategically develop High Potential employees given their high business impact, increased retention risk, and relative scarcity.

High Potential (HIPOs) employees can enhance business outcomes by more than 50% (compared to non-HIPOs), as they exhibit 21% higher performance levels. However, HIPOs are much harder to retain than core employees due to the attractiveness of their skill sets in the market. Additionally, very few employees are high-potential, as detailed below:<sup>1</sup>

### Distribution of Workforce Probability of Successfully Performing in a More Senior, Critical Role



<sup>1</sup> CLC Human Resources, *Realizing the Full Potential of Rising Talent Volume I: A Quantitative Analysis of the Identification and Development of High-Potential Employees*, Washington, D.C.: Corporate Executive Board, 2005, p. 19.

# MENTORING BENEFITS FOR HIPOs



Mentoring increases networking opportunities, accelerates development, and increases job satisfaction of the Mentees.<sup>1</sup>

## Mentoring Program Impact on Mentees

<b>Increases Networking Opportunities</b>	<p>Mentors provide HIPOs with a network of qualified senior leaders who help them do their jobs better and keep them informed about the organization, thereby driving employee potential.</p> <p><b>Case-in-Point:</b> Developing internal job-focused networks increases potential by up to 32%.<sup>2</sup></p>
<b>Accelerates Development</b>	<p>Mentoring offers Mentees focused development of core skills required to succeed at the next level.</p> <p><b>Case-in-Point:</b> Feedback and relationship programs, such as mentoring, are more effective leadership development strategies than both experience- and education-based programs.<sup>3</sup></p>
<b>Increases Job Satisfaction</b>	<p>Mentoring provides HIPOs with career guidance and a sense that the organization values fostering a learning environment, thereby driving job satisfaction.</p> <p><b>Case-in-Point:</b> Mentees at Sodexo experienced a 94% increase in job satisfaction after attending the Mentoring Program.<sup>4</sup></p>

Additional Benefits of Mentoring to HIPOs	
<ul style="list-style-type: none"><li>▪ Expand leadership abilities</li><li>▪ Receive regular feedback</li><li>▪ Identify alternate career paths</li></ul>	<ul style="list-style-type: none"><li>▪ Receive career guidance</li><li>▪ Increase self-esteem and confidence when dealing with senior leaders</li></ul>

<sup>1</sup> Triple Creek Associates, *Mentoring's Impact on Mentors*, [http://www.3creek.com/resources/research/Mentor\\_Impact.pdf](http://www.3creek.com/resources/research/Mentor_Impact.pdf) (2007).

<sup>2</sup> CLC Human Resources, *High-Potential Management Survey*, 2005.

<sup>3</sup> CLC Human Resources, *Voice of the Leader*, Washington, D.C.: Corporate Executive Board, 2001, p. viii.

<sup>4</sup> Author Unknown, "Achieving ROI to Sustain and Expand Your Mentoring Initiative," Human Capital Institute, March 2008.

# MENTORING BENEFITS FOR MENTORS



Mentoring increases senior leaders' visibility across the organization, improves their leadership skills, and expands their professional networks.<sup>1</sup>

## Mentoring Program Impact on Mentors

<p><b>Increases Visibility Across the Organization</b></p>	<p>Mentoring provides a platform for Mentors to be recognized by employees throughout the organization as advocates of people development.</p> <p><b>Case-in-Point:</b> Senior leader credibility for leadership, business/management, and functional skills drives effective employee development by 43%, 41%, and 37%, respectively.<sup>2</sup></p>
<p><b>Improves Leadership Skills</b></p>	<p>Mentoring provides an opportunity for senior leaders to build their teaching and coaching skills.</p> <p><b>Case-in-Point:</b> Skills developed through mentoring, such as inspiring others and problem solving, enhance senior leaders' performance by as much as 14% and 12%, respectively.<sup>3</sup></p>
<p><b>Expands Professional Network</b></p>	<p>Mentoring connects senior leaders to more junior employees and helps leaders learn about what is going on in other parts of the organization.</p> <p><b>Case-in-Point:</b> Expanding professional networks increases leaders' likelihood of reaching and succeeding at the next level by an average of 14%.<sup>4</sup></p>

<h3>Additional Benefits of Mentoring to the Mentors</h3>	
<ul style="list-style-type: none"> <li>▪ Increases self-awareness through discussion of past experiences</li> <li>▪ Increases job satisfaction and effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increases perspective and knowledge of different functions</li> <li>▪ Increases self-esteem and self-confidence</li> </ul>

<sup>1</sup> Triple Creek Associates, *Mentoring's Impact on Mentors*, [http://www.3creek.com/resources/research/Mentor\\_Impact.pdf](http://www.3creek.com/resources/research/Mentor_Impact.pdf) (2007).  
<sup>2</sup> CLC Learning and Development, *Leaders Who Develop Leaders: Strategies for Effective Senior Leader-Led Development*, Washington, D.C.: Corporate Executive Board, 2006, p. 95.  
<sup>3</sup> CLC Human Resources, *Creating Talent Champions (Volume I)—Profiles of Successful Business Leaders: A Quantitative Analysis*, Arlington, VA: Corporate Executive Board, October 2008, p. 47.  
<sup>4</sup> CLC Human Resources, *High-Potential Management Survey*, 2005.

# MENTORING BENEFITS FOR THE ORGANIZATION



Mentoring drives organizational success by building bench strength, enhancing employee performance, and improving retention.<sup>1</sup>

## Mentoring Program Impact on the Organization

<b>Builds Bench Strength</b>	Mentoring increases leadership bench strength by providing a structured and focused approach to developing leadership skills. <b>Case-in-Point:</b> Leaders with strong leadership skills are 50% more likely to substantially outperform revenue expectations and 80% more likely to outperform profit expectations. <sup>2</sup>
<b>Enhances Employee Performance</b>	Both Mentors and Mentees can utilize their relationships to address work-related challenges effectively and efficiently, thereby driving performance. <b>Case-in-Point:</b> Mentoring facilitates strong communication channels, which can increase employee performance by as much as 34.4%. <sup>3</sup>
<b>Improves Retention</b>	Mentoring helps retain Mentees, as they see senior leaders demonstrating sincere commitment to their career growth and enhancement. <b>Case-in-Point:</b> Mentoring program participants are 41%–47% more likely to stay with their current organizations as compared to employees who are not in mentoring relationships. <sup>4</sup>

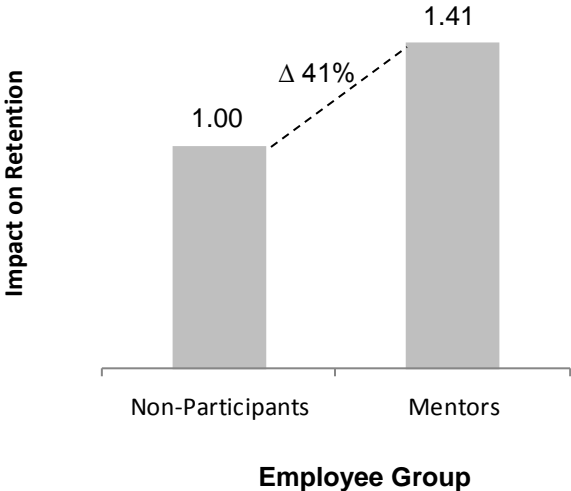
- ### Additional Benefits of Mentoring to the Organization
- Promotes diversity
  - Onboards transitioning employees
  - Provides low-cost development opportunities for senior leaders and Mentees
  - Builds synergy within teams
  - Helps share and retain knowledge
  - Creates a culture of development
  - Increases cross-organizational communication

<sup>1</sup> CLC Human Resources, *Mentoring Programs*, Arlington VA: Corporate Executive Board, 2009, p. 5.  
<sup>2</sup> CLC Human Resources, *Improving Business Leader Effectiveness Survey*, 2008.  
<sup>3</sup> Learning and Development Roundtable, *Emerging Mandates for the Learning and Development Function*, Washington, D.C.: Corporate Executive Board, 2002, p. 55.  
<sup>4</sup> Triple Creek Associates, *Mentoring's Impact on Mentors*, [http://www.3creek.com/resources/research/Mentor\\_Impact.pdf](http://www.3creek.com/resources/research/Mentor_Impact.pdf) (2007).

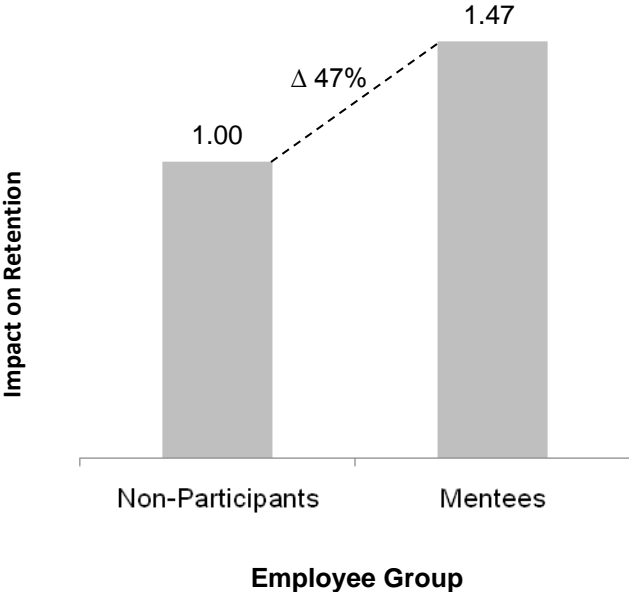


# IMPACT OF MENTORING ON RETENTION<sup>1</sup>

Mentoring Improves Mentor Retention by as Much as 41% (Indexed)



Mentoring Improves Mentee Retention by as Much as 47% (Indexed)



<sup>1</sup> Triple Creek Associates, *Mentoring's Impact on Mentors*, [http://www.3creek.com/resources/research/Mentor\\_Impact.pdf](http://www.3creek.com/resources/research/Mentor_Impact.pdf) (2007).