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# MENTORING YOUNG ENTREPRENEURS THROUGH THE YOUNG ENTERPRISE PROGRAMME

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# Paper Presented at the 25th ISBA National Small Firms Policy and Research Conference: Competing Perspectives of Small Business and Entrepreneurship

# SUMMARY

Existing since before mentors took the title (Homer, tr. 1997), the process of mentoring has affected the lives and careers of many successful and unsuccessful individuals. With many Fortune 500 CEO's citing their mentor(s) as one of their keys to success, do mentors allow entrepreneurs develop to their full potential?

The Young Enterprise Programme, a charity operating in Britain's schools since 1963 (Curtis, 1999a), has championed the cause of our nations' youth in the development of business abilities and entrepreneurial skills. Throughout its operation, a considerable level of involvement has existed on the part of sponsoring companies, providing both funding and the availability of business advisors, without whom the programme would lose considerable value (BIC, 1988; Curtis, 1999b). Since the inception of Young Enterprise in the United Kingdom in 1959, with the first company operating in 1963 (Curtis, 1999a), over 25,000 companies are formed each year, with the aim of developing business skills in young people aged between 15 and 19 years (BIC, 1988).

A core component of the programme is the availability of mentors and advisors (BIC, 1988; Curtis, 1999b), without whom the programme would not exist and their involvement is greatly encouraged (DTI, 1988; BIC, 1988; Garavan & O'Cinneide, 1994; Curtis, 1999b).

Taking the role of a community Mentor (Parsloe & Wray, 2000), the impact of the mentoring role on the Young Achievers is assessed, drawing on research from current Business Advisors. A resulting series of recommendations are proposed for involvement of advisors within the mentoring of young people, together with recommendations for the Young Enterprise programme itself. These cover the advisor plus the relationship between the advisor and their protégés designed to improve the operation of youth enterprise programmes as a whole.

# **INTRODUCTION**

The Young Enterprise Programme has championed the cause of our nations' youth in the development of business abilities and entrepreneurial skills for four decades (Curtis, 1999a). Throughout its operation, a considerable level of involvement has existed on the part of sponsoring companies, providing both funding and the availability of business advisors, without whom the programme would lose considerable value (BIC, 1988; Curtis, 1999b). Since the inception of Young Enterprise in the United Kingdom in 1959, with the first company operating in 1963 (Curtis, 1999a), over 25,000 companies are formed each year, with the aim of developing business skills in young people aged 15 to 19 years (BIC, 1988).

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The key purpose of and reason for the existence of partnerships is to create an ethos of learning by experience (Curtis, 1999b), allowing the participants to develop skills amongst

peers with the guiding hand of their advisor (Project North East, 1989). The Young Enterprise Programme seeks to provide skills and experience to individuals with these being seen as a key component of the overall programme (Curtis, 1999b).

# THE ROLE OF THE MENTOR

Young Enterprise is reliant on mentors, acting in the role of Business Advisors (Jamieson, 1985). Without these volunteer individuals, the whole Company Programme falls (Curtis, 1999a), unable to sustain its' criteria of using real-life business people as guides. However, "mentoring is a very tiring, emotionally draining experience" (Bailey & Brankin in Wilkin ed., 1992: 60). So why do the Business Advisors mentor Young Enterprise companies each year in a wide range of schools? This question has never been answered, and is one of the research aims of this ongoing process of research.

#### **A Definition of Mentoring**

There are two basic schools of thought regarding mentoring. The first is that mentoring just happens, with the second regarding mentoring as being formed through a structured or facilitated process (Murray & Owen, 1991). The concept of a mentor has become confused with other terms such as teacher, sponsor and godfather; blurring the lines such that identification or key activities becomes difficult (Zey, 1991), helping individuals in their own learning (Parsloe & Wray, 2000).

Using a definition from Zey, who defines a mentor as "a person who oversees the career and development of another person, usually a junior, through teaching, counselling, providing psychological support, protecting, and at times promoting or sponsoring" (Zey, 1991:7), this occurs in a number of areas, with a six-fold typology of mentoring activities being identified by Parsloe and Wray (2000):

- Business-to-business, allowing a large organisation to mentor a small or medium firm,
- Business-to-enterprise, where a mentor will guide new firms. Whilst Young Enterprise may apply here, it is more akin to schemes such as the Prince's Youth Business Trust,
- The Fair Deal programme, where those potentially with special needs to access employment,
- > Special needs and community projects, where mentoring develops personal skills,
- Business-to-education, where business volunteers work within an educational setting, mentoring employees and students. This is the typology of mentor utilised within the Young Enterprise programme,
- Graduate or undergraduate mentoring, helping guide students within the education programme.

Clearly mentors and mentees will cross boundaries during the mentoring relationship. However, all of these fit the all-encompassing mentoring definition by the European Monitoring Centre of "off-line help by one person to another in making significant transitions in knowledge, work or thinking" (Parsloe & Wray, 2000).

### The Origins of Mentoring

Mentoring has been used for several thousand years. In Homer's Odyssey, the adventurer Odysseus appointed a guardian to act as a teacher, adviser, friend and surrogate father to Telemachus, the son of Odysseus (Homer, tr. 1997). The name of the guardian was Mentor, often impersonated by the goddess Athena (Homer, tr. 1997; Bell, 1998). The Greek definition is that of a wise and trusted counsellor or one in an advisory capacity (Parsloe & Wray, 2000). The tradition of mentoring continued within crafts in the Middle Ages (Murray & Owen, 1991), where young boys were apprenticed to a master. History presents a number of significant examples of mentors, including that of Socrates and Plato, Haydn and Beethoven plus Freud and Jung (Shea, 1997). In recent fiction mentors are still evident, such as that of Frank Herbert's Mentat in Dune (Herbert, 1982).

Often considered one of the requirements for someone to succeed, considerable evidence exists to support the benefits of having a mentor (Zey, 1991) including the ability to view problems from a new perspective (Innovation Business, 2001).

#### The Benefit Accrued from Being a Mentor or Mentees

"Mentoring holds out considerable benefits for both the mentor and the protégé. It enables the protégé to find his feet more quickly and to establish a clear sense of career direction and purpose. It often rejuvenates the mentor and may advance his career, too." (Clutterbuck, 1991: 22). Often, mentoring activities can further both the development of mentees and also mentors (Mullen & Lick eds., 1999). The process of career advancement is asserted by Zey, along with such aspects as intelligence and an advisory role (Zey, 1991) plus a psychological effect. Within a survey, many Fortune 500 CEOs listed an effective mentor as one of the keys to their success (Bell, 1998) and mentors also experience a sense of pride in seeing their protégés progress (Clutterbuck, 1991). In addition, Bell highlights a benefit to mentors themselves as; "superior mentors know how adults learn. Operating out of their intuition or on what they have learned from books, classes or other mentors, the best mentors recognize that they are, first and foremost, facilitators and catalysts in a process of discovery and insight" (Bell, 1998: 7-8). Shea agrees, stating that "sound mentoring respect the uniqueness of the mentee and strives to enhance the special strengths of that person" (Shea, 1997: 22).

# **Qualities of Mentoring Relationships**

For the mentoring partnership to be wholly and truly affective, a number of qualities are required from both parties including balance, truth, trust, generosity, courage and a passion (Bell, 1998). Their life's experience becomes a mosaic generated through a number of mentoring experiences – creating a process of development based upon the satisfaction or non-satisfaction of their needs at one time or another.

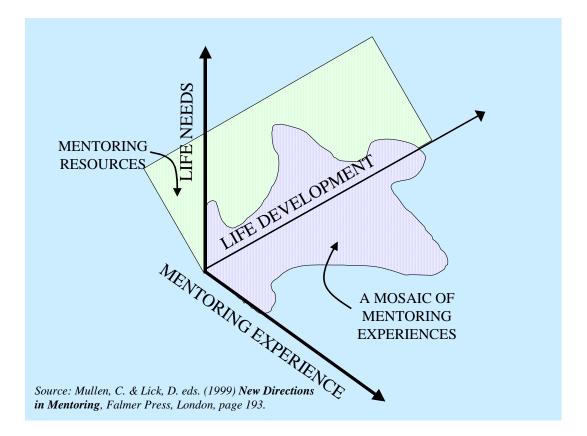


Figure 1: The Mentoring Experience

There appear to be three types of mentoring relationship; that of the corporate mentor, the qualification mentor and the community mentor (Parsloe & Wray, 2000). Acting as a guide, the corporate mentor guides an employee of the firm throughout their life with the organisation. A qualification mentor simply takes the role during a period of study with the relationship ending at completion of the programme or withdrawal from it. The third

relationship, that of the community mentor is of a friend, counsellor or advisor to individuals in a non-employment setting. Organisations such as the Citizens Advice Bureau take the form of community mentors, as do Business Advisors within Young Enterprise.

# **Methods of Mentoring**

Eric Parsloe defines the job description of a mentor: "To be a fount of knowledge and perfection embodied, while always remaining approachable. Requires the memory of an elephant, the patience of a saint and an unremitting sense of humour" (Parsloe, 1995: 89). This somewhat tongue-in-cheek approach may not be far from the truth. According to Conway, "good mentors come from different backgrounds and ages, but what seems to distinguish them is a belief in themselves and others and a proactive view of life" (Conway, 1998: 21).

However, this may be true. Mentors do have to give of themselves: advocated by Bell is a four-letter acronym; SAGE, meaning Surrendering, Accepting, Gifting and Extending (Bell, 1998). Detailed below, it shows the meanings of the method:

- Most leaders are socially conditioned to *drive* the process of learning; great mentors *surrender* to it.
- > Accepting is the act of inclusion; embracing, rather than evaluating or judging.
- Gifting means bestowing something of value upon another without expecting anything in return – an act of generosity.
- Extending means pushing the relationship beyond its expected boundaries knowing when to give up the relationship to allow growth.

(Adapted from Bell, 1998:11)

A mentor is likely to undertake a number of roles, including that of a sounding board, a listener, a counsellor, a critical friend, a career advisor, a networker and especially a coach (Clutterbuck & Megginson, 1999). However, "mentoring is about releasing the potential of individuals, not about cloning or copying" (Conway, 1998: 23). These roles will alter and change over time and objective – however the mentoring activity is always aimed at a certain focal point, whether they take the role of a community mentor or any other typology. Whatever situation a mentee finds themselves in, the mentors' and mentees' needs may differ. In terms of their relationship, considerable importance rests on the availability of the mentor in terms of time and other resources, as advocated by Shea (1997).

#### **Problems within Mentoring**

Within Young Enterprise, the mentor relationship usually lasts for only the period of the Company Programme. This correlates with the initial period of a mentor relationship (Clutterbuck, 1991) where "the young protégé may well hold an unrealistically ideal picture of his mentor" (Clutterbuck, 1991; 76). Problems arise where the mentor takes control, believing they know best (Bell, 1998), where they feel a need to provide 'assistance' (Bell, 1998) and where the mentor wants to be needed (Bell, 1998). Other issues concern the gossip surrounding a male:female mentoring relationship, even where such gossip is completely unfounded (Murray & Owen, 1991), and issues concerning measurement of the results of mentoring – this can prove to be complex (Innovation Business, 2001).

#### **Mentoring Schemes and Mentoring in Schools**

For those who manage the mentoring process, it is considered important that these link teachers are "highly qualified personnel with subject and management experience" (Bailey & Brankin in Wilkin ed., 1992: 59), with some status in the school. However, for Young Enterprise no background to the Link Teachers is known. They simply exist, facilitating the

process. A clear understanding of the essential nature of this component has arisen during the preparation for the research.

# **The Effect of Partnerships**

It has been recognised that the use of participant:advisor relationships in enterprise activities has beneficial effects (Project North East, 1989; Carter & Jones-Evans, 2000), both of a financial basis (Buxton, 2000) and also of a qualitative nature, benefiting both participant and advisor (Curtis, 1999b). Within the European Union as a whole, this relationship is being encouraged on a greater level (Garavan & O'Cinneide, 1994) with the sole purpose being to create a more competitive Europe for the 21<sup>st</sup> century.

The use of advisors has also led to conflict occurring at a number of levels. The first of these is that there is often a rosy picture painted of a situation by an advisor (Project North East, 1989), leading to a misguided participant. In addition, the age gap between participants and advisors was also seen as detrimental to the relationship (Project North East, 1989). However, despite this, the British government still has an aim to promote the use of advisors in enterprise activities due to the beneficial effects perceived to occur (DTI, 1988; Garavan & O'Cinneide, 1994; Carter & Jones-Evans, 2000).

# The Impact of the Young Enterprise Programme

Founded in 1959 by the late Sir Walter Salomon, the aim of the Young Enterprise Programme is to provide young people with practical business skills, together with the assistance of a mentor in the shape of business advisors who are often a part of such programmes – referred to as "learning by doing" (BIC, 1988; USSBA, 1997; Curtis, 1999a; Curtis, 1999b). Young Enterprise is only one of a number of initiatives operating to enable young people gain valuable business experience whilst in education (BIC, 1988). However, in order to gain a

clear focus on the development of entrepreneurs, this phase of the research examined only the Young Enterprise Programme and not initiatives such as Project Trident which seeks to provide only a short period of work experience to the student.

Similar programmes have operated throughout the world for many years, with programmes in the United States including the Young Entrepreneur Programme, Junior Achievement and Boys & Girls Clubs – creating a new generation of entrepreneurs referred to as kidpreneurs (Gite, 1990). This experience is able to directly contribute towards the aspects required to make entrepreneurs operate successfully (Osborne, 1995). Research has been limited in all of these programmes, with little empirical evidence available to support the effectiveness of such schemes (Crowley et al, 1995). Should the research prove that the programme is effective, this would provide the evidence required for Young Enterprise to emphasise its importance to potential participants, schools and companies, ensuring that the programme continues to be available to all who wish to participate in the future.

# **Research Problem**

Within the Young Enterprise programme there is no current evaluation of the impact of Business Advisors. Therefore the research problem proposed for this component of the research was:

"Business Advisors recognise and value the benefits they provide to Young Enterprise"

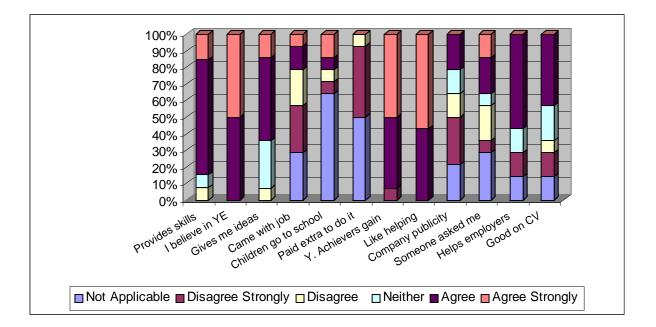
# **Investigative Methodology**

The research methodology for this phase took the place of a range of detailed and comprehensive questionnaires being sent to Business Advisors within the Leeds Area Board of Young Enterprise. There are approximately 50 advisors within this area from a range of backgrounds and each advisor received a questionnaire with a pre-paid envelope. The

questionnaire contained a range of questions designed to identify their motivation for taking on the voluntary role of Business Advisor and their perception of the benefits of the Young Enterprise programme. Additional questions examined their employment history, their perception of entrepreneurs, the contribution of Young Enterprise to the creation of entrepreneurs and their own employment plans. Questions were designed on either a Likert scale or a range of available options for the more detailed questions.

# **Research Findings**

A total of 14 Young Enterprise Business Advisors participated in the research. These represent approximately 30% of the advisors within the Leeds Area Board. None of the advisors was in their first year of advising and all bar one were employed, four of whom ran their own firm. Only one advisor had been a Young Achiever, this being over 10 years previously. Four of the advisors saw themselves as being entrepreneurs – each of whom owned their own business.



#### Figure 2: Reasons for Being a Business Advisor

Mentoring Young Entrepreneurs Through the Young Enterprise Programme

Business Advisors took the role due to four main reasons: Firstly because they like helping others, also they believed in Young Enterprise and that by participating, the Young Achievers benefit through the skills and experience gained. No adviser was paid more to take the role, although 2 advisors' children attended the school they advised in. However, 3 advisors stated that the role of adviser came with their job.

When considering skills development, Young Enterprise was viewed by advisors as developing a range of skills, particularly planning and teamwork. In addition, general business, management and presentation skills were provided. It was evident, as shown in Figure 3, that advisors believed a wide range of skills were being developed through the programme – concurring with their earlier response regarding skills development.

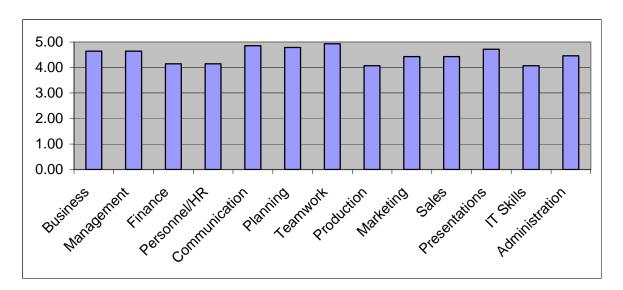


Figure 3: Does Young Enterprise help develop skills?

When asked "What makes an entrepreneur", a good idea together with being a visionary were viewed as key aspects. The influences of education, money and childhood were viewed as of little importance. An adviser or mentor was seen as influential by 38% of respondents.

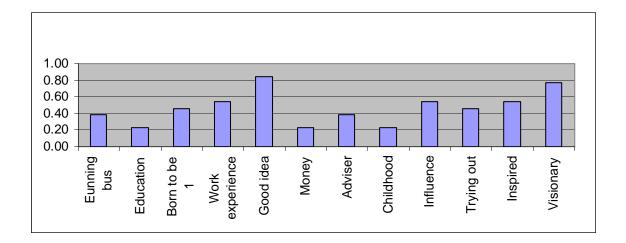


Figure 4: What Makes an Entrepreneur?

However, when asked "What would make you become an entrepreneur?", their views differed slightly. The influence of a mentor dropped to 8% and money gained important – rated by 46% in this question, compared to23% previously.

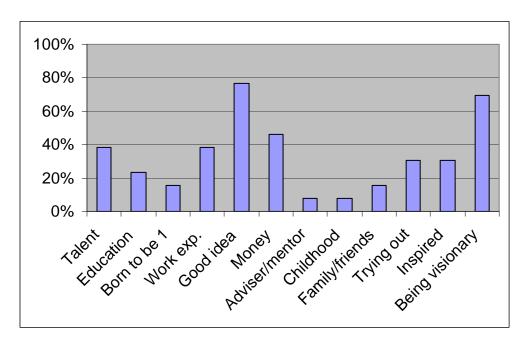


Figure 5: What Would Make You Become an Entrepreneur?

Mentoring Young Entrepreneurs Through the Young Enterprise Programme

When asked "How do people become entrepreneurs?", the role of an idea took prominence (92% of responses) – followed by inspiration of others (62%) and work experience (54%). This would concur with their perspective of the role of a mentor. Only 8% viewed an entrepreneur as "just happening", being forced into it or directed into entrepreneurship through education – going against the current wave of entrepreneurship education programmes. None of those who either owned their own firm or stated that they were an entrepreneur saw education as creating an entrepreneur.

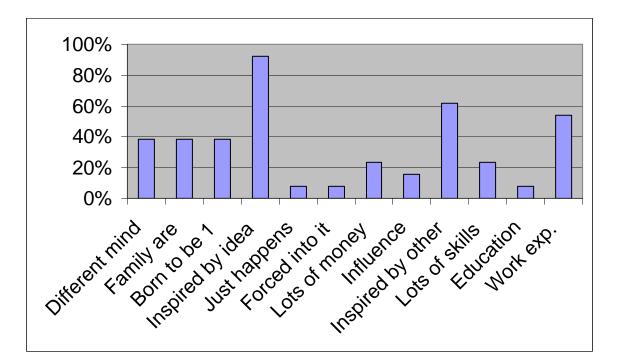


Figure 6: How do People Become Entrepreneurs?

When asked "Does Young Enterprise create entrepreneurs?" no respondent was against the prospect – with three citing actual evidence of a continuation of the mentoring relationship beyond the stated role. All three of these mentors had continued their relationship with the Young Achievers following the termination of the eight-month company. The examples given were of small but growing firms, created and managed by the now ex-Young Achievers, who were continuing this relationship in an informal capacity.

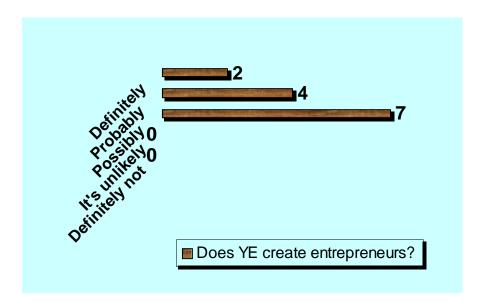


Figure 7: Does Young Enterprise Create Entrepreneurs?

Given their responses regarding the importance of mentors in creating entrepreneurs, together with the benefits of having a mentor on the Young Enterprise programme, it is unsurprising that there is a belief regarding this aspect. Whilst the evidence provided is low, this demonstrates a continuation of the mentoring role outside that of the formal relationship.

#### RECOMMENDATIONS

As a community mentor, the Business Advisor enters the school and provides advice in a nonemployment setting, clearly identified by Parsloe & Wray (2000). Here the function must be one of facilitation – with Business Advisors being clear of their role within the firm. As the new Young Enterprise company starts, this role will be vital to ensure the success of the firm not just in terms of financial figures, but in the skills and experience the Young Achievers gain from the process. Those participating in a youth business programme may never have been in a traditional business setting prior to the start-up of their firm. Therefore common knowledge should not be presumed and advice should be encouraging and directional. In addition, a formal mechanism needs to be developed by Young Enterprise to manage the transition process for ex-Young Enterprise companies into the real business world. With companies being formed from this process, Young Achievers need to be clear of the stages required outside of the Young Enterprise support structure.

Finally, with few of the Business Advisors being recruited through others, Young Enterprise needs to actively utilise the Business Adviser network to recruit future advisors. Current advisors see the key external benefit being new ideas for themselves – other advisors may value aspects such as company publicity or an addition to their CV. As such, the benefits gained should be clearly stated on the Young Enterprise website and in literature. Networks of advisors outside of the Area Board structure would also be beneficial for the transfer of knowledge and ideas.

#### CONCLUSIONS

Mentoring here clearly has its' benefits. As a Business Advisor in a mentoring role within the Young Enterprise programme, Business Advisors do recognise and value the benefits they provide to Young Enterprise.

The second phase of the research will consist of widening the research area to include three other Yorkshire Area Boards. In addition, it is planned that a series of focus groups will be held for advisors to gain their view of the impact of the Young Enterprise programme. The experience is two-way, both providing skills and experience for the participants together with insights and the sense of a worthwhile contribution for advisors. Attention should and will be paid to the qualitative aspects of advisory assistance in addition to the financial outcomes for the companies themselves identified by more traditional means.

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