

## CREATING A BUSINESS MENTOR PROGRAM

by [Steve Brown](#)

A Mentor Program (MP) is an initiative that can achieve a myriad of benefits for your bank, including alignment to company objectives, growth in productivity and the creation of a strong network of opportunities that will shape the company's culture and boost employee retention. These programs are also a great way to help cement the goals and objectives designed during strategic planning sessions. When compared to a training plan, the MP encompasses a much broader scope. In effect, informal mentor-mentee relationships exist in most companies in the absence of an official program. However, such programs give banks a great way to capture most of the benefits described above. Initial challenges in creating an MP vary, but most revolve around the selection of the group of employees that will function as mentors. Program success depends highly on these team members and weak mentors can hinder program credibility. This can also trigger disruptions in employee relationships, so the MP should be carefully drafted with the assistance of a human resources expert. Mentors do not necessarily need to arise from the senior management team and mentees' peers or colleagues with a specific set of skills can also become mentors. In recent years, certain companies created what is usually referred to as "reverse mentors," in which employees with advanced skills in technology mentor senior managers that need such expertise. Consequently, employees from different areas of the organizational chart can contribute, as long as they have the expertise and the ability to create a path that will help others in their career goals. These are most effective when carefully aligned to the bank's objectives. A decisive requirement for mentors is that they should also be highly motivated individuals with the eagerness to make contributions to others. At the same time, bankers should take due care to identify individuals that will become mentees. This could be done by selecting certain groups (i.e. managers with a specific background or experience) or by choosing individual employees (suggested by managers and based on your strategic plans). Mentees should be motivated and looking to expand their skills or to grow within the bank. They should be willing to receive constructive feedback and to implement change. They could have a definite set of goals or topics that they would like to work towards. Some typical MPs include a set of rotations throughout the bank to enable mentees to have a broader vision. This will help them build leadership skills, as they learn from each step of the rotation process. The path designed for mentees will be dependent on your bank's strategic mission and quantifiable goals and objectives for your bank. Once these are aligned with the mentee's expectations, a strategic plan will produce the foundation on which the MP can be designed. To be truly successful, be sure to have clear and written communication of details that drive the mentor-mentee relationships. Some of the features of this document include the frequency of meetings, the process for defining goals, progress tracking, training and prospective rotation. The plan should also include descriptions surrounding the trust factor, which is a crucial feature in any MP. Mentees should be at ease knowing their mentors will not betray their confidence and share information about opinions, career aspirations or work performance with managers or other employees. This is crucial to build a long term program. Finally, mentees should receive recognition for achievements not only at the end of the program, but also as they progress through the process. This should involve a tangible reward for achieving key milestones, as well as verbal and succinct feedback. Ultimately, your MP will act as a means for stable corporate governance in your bank and help your business growth, even when facing turbulent markets.

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**BANK NEWS****M&A**

Glacier Bancorp (\$7.6B, MT) will buy Wheatland Bankshares (\$280mm, WY) for \$38mm in cash and stock.

**Job Cuts**

JPMorgan has announced it will cut \$1B in costs and eliminate 4,000 jobs.

**For Sale**

Royal Bank of Scotland (U.K.) is reportedly preparing to announce an IPO to sell a 15% to 25% stake in its Citizens Financial Group (RI). RBS is 81% owned by the U.K. Gov't.

**Job Cuts**

Reuters is reporting that Goldman plans to cut jobs in its equity trading and fixed income trading business lines as it seeks to reduce costs and generate more return.

**Less Negative**

Zillow reports the percentage of homeowners with negative equity (owe more on their homes than the home is worth) fell to 27.5% as of the end of 2012 vs. 31.1% at the end of the prior year (nearly 12% better).

**Bon Jour Bailout**

The EU said it will provide guarantees totaling \$24B as part of a restructure of French bank Credit Immobilier de France (saddled with bad real estate).

**Rule Change**

The NCUA has approved a rule amending the rural district definition for credit union membership. Areas qualify as a rural district if the population does not exceed the greater of 250,000 people or 3% of the population of the state in which the majority of the district is located. The rule effectively allows rural districts of up to 250,000 people in all states, up from the current 200,000 threshold.

**Fed Comments**

St. Louis Fed President Bullard said the FOMC will keep monetary policies easy and rates low "for a long time."

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