

SPRINGBOARD

Far from being a sign of weakness, turning to a “mentor” is becoming the norm for high-flying executives, as Amber Rudd explains

Words of wisdom



Mentoring. It sounds soothing and certain, as though it might be a gentle physical activity to smooth away anxieties. Indeed, by definition, a mentor “serves as a trusted counsellor or adviser to another person”. The word is bandied around in professional environments to cover a variety of arrangements: informal networks, advisers to new recruits or relationships among more senior executives. It is different to coaching, however, in that a mentor brings direct skills and experience to the party – things that will prove to be directly relevant to the “mentee’s” role.

The mentoring market is booming – a direct consequence, perhaps, of globalisation now that our lives are more complex and we need to respond to more demands. Life is faster and the price of failure is higher. Bankers can be on the phone to America until late at night and up again with Tokyo early in the morning. There is less time and more pressure. Mentors help to release some of that pressure by helping executives think through and consider decisions and strategy.

Many executives will have informal networking groups to get advice as they take on new challenges.

But in addition to this natural networking, there is a formal process – the key difference being that the first is a voluntary arrangement and the second is paid. One vital aspect of the paid variety is that the mentors are external. Executives need to be able to unwind and discuss plans and ideas with an independent adviser – not a rival in their own environment. Mentors can be trained business psychologists from all walks of life, but the key skill is listening. And their presence is increasingly becoming the norm for many professionals.

Business psychology consultancy Nicholson McBride works with six of London’s largest investment banks and one quarter of the top 20 law firms. Its chairman John Nicholson has witnessed the mentoring market’s business growth: “Twenty years ago we had two competitors. Now there are hundreds,” he says. “I would estimate there is 80 per cent penetration in the FTSE companies.”

His firm employs mentors from a variety of backgrounds, including former GPs, priests and even a former detective. “There is a demand from senior executives, particularly when a change is taking place, such as a takeover or new boss,”

he says. “Our mentors help executives develop different approaches to recurring problems. It’s always based on the judgement of an individual’s willingness to experiment with new techniques.”

Mentors work with the most senior executives. Their mandate is to help the individual “put their best foot forward”. Sometimes they are brought in to guide an executive with a specific role. The larger headhunters often get involved as intermediaries in this type of mentoring service. Max Landesberg, partner at Heidrick & Struggles, believes the wealth of contacts headhunters have provides an ideal database for sourcing mentors: “We often provide top-level mentors for organisations, who recognise a gap in their skills or experience. For instance, we had a European bank who had promoted an executive to be head of corporate finance. He had excellent leadership skills but his technical skills were in other areas. We were able to introduce an experienced previous head of a corporate finance business to give the ‘mentee’ industry-specific advice.”

As the mentoring business has become commonplace, it has also now become accepted as a valuable part of a senior executive’s career development. One of the largest mentoring businesses in London, Merryck & Co, has on its website a quote from Barbara Cassini, former CEO of Go and head of the London 2012 Olympic bid: “Merryck & Co was my secret weapon – it made all the difference to my success.”

Mentoring, then, is the new bonus, the extra perk that is increasingly part of the most senior of packages. And correctly used, it can clearly be more lucrative and advantageous than the ubiquitous options package or other more traditional perks.

Caught in the act?

Illicit meetings with headhunters are part and parcel of many financial professionals’ lives. But while few would argue it can be highly beneficial benchmarking your worth in the marketplace, a meeting with a recruitment consultant can also be extremely damaging if you get caught out.

Enter a coffee bar and you will see executives with hunched shoulders – the target and the headhunter, furtively leaning over papers and discussing job opportunities. They plot the banker’s departure and the headhunter’s fat fee over lattes and muffins.

But discretion can be a problem. If a boss sees an employee with an embarrassed-looking “friend”, it can lead to instant suspicion and cataclysmic results. Charlie Avis, managing director of city headhunters

I-Search, advises that people should meet at a coffee bar sufficiently far enough away from the “host” employer. But there can still be problems. The key is to meet somewhere both parties are comfortable with and can have a frank and open conversation – but, he says, with the pressure of time always looming it needs to be somewhere near to the City.

So, why not Borough Market? Only a short walk across London Bridge and nestling behind Southwark Cathedral, it is a huge, open food market, with fresh food and informal cafes. Where better to be private than among a crowd? Candidates and headhunters can meet and chat, break the ice, and move onto the meat of the conversation sitting outside enjoying the variety of British sausages.

Ed Bathgate of headhunters Longbottom (specifically a headhunter for headhunters) agrees with the advantage of the “cover” of such a location. For the anxious candidate, a sighting at Borough Market in the company of a “friend” is much less likely to set off alarm bells with the boss than one at a coffee bar. “And of course,” he points out, “everyone is on foot, so any possible awkwardness can be avoided by a swift change of direction or sudden interest in the Austrian salami counter.”

So there it is: Borough Market – the City’s food market that should be the venue for the people market, with the advantage that whatever the outcome, no one has wasted their time as everyone can leave with some delicious fresh produce.

BADGE OF HONOUR

Brian Bollen talks to Nick Morrill, managing partner of turnaround specialist Rutland Partners, about the firm’s investment and exit from Interfloor Group



What were the deal details?
We formed Interfloor in May 2002 following the acquisitions of Duralay from Cinven and Gates Consumer & Industrial from Tomkins for a combined purchase price of £60m. The opportunity came about following a direct approach to Cinven.

The transaction process was multi-faceted and complex. Post-acquisition, we merged the two firms and began an intensive restructuring of Interfloor’s integrated operations to realise the complementary strengths of the combined business.

This included elements of site rationalisation and cost reduction. The changes resulted in a significant improvement in Interfloor’s profits and established a strong, market-leading business.

In August 2005, we sold Interfloor to a management team backed by European Acquisition Capital for £84.1m. Rutland had invested £21.2m in Interfloor, doubling its original investment.

Who were the key advisers?
In 2002, Rutland’s advisers were Ernst & Young (E&Y) (corporate finance), PricewaterhouseCoopers (due diligence), Taylor Wessing

(legal), Bank of Scotland (debt) and ERM (environmental). On the realisation in 2005, E&Y and Taylor Wessing again acted for Rutland. The EAC advisers were Clearwater Corporate Finance and KPMG Transaction Services (financial) and Norton Rose (legal).

What was your firm’s role?
We were the controlling equity investor and were actively engaged in planning the basis for the restructuring of the merged business and its implementation during the first 18 months.

Why is this a favourite deal?
It was a challenge on many levels but a worthwhile one because we were acquiring simultaneously two fiercely competitive businesses and, post-investment,



as it was both a merger and restructuring challenge.

What does it say about Rutland?
It demonstrated our ability to manage highly complex change; to implement change at all business levels while being flexible enough to adapt to events; and to enter and exit via a successful secondary buy-in and buy-out. It also reflects an important element of our investment focus: an ability to improve businesses at all stages of their development.

Why is the deal interesting?
Probably in that it comprised two unexciting and, on the face of it, rather small businesses to create an interesting larger opportunity. This required some lateral thinking and a recognition of issues across the sector.

Are there any particular lessons to be learnt from it?
I think we learnt it is very important to give full financial and human resource to such a complicated restructuring and to challenge the “accepted” way of doing things if you are truly going to change a business’s culture.

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Nick Morrill, Rutland Partners

Raise a toast to Toastmasters

The explosion in the number of self-development coaching programmes on offer today is a reflection of the recognition that good communication skills are vitally important in today’s ultra-competitive business world.

The truth is, however, that many are expensive – indeed, a cost-benefit analysis on the underlying quality is difficult to undertake without first parting with the registration fees. Furthermore, it can be difficult to sustain future performance as the effect of a one-off turbo boost to confidence and competence can begin to fade with the passage of time.

Despite this, there is one global not-for-profit organisation that can help “ordinary” people and business practitioners greatly improve their speaking and presentation skills for only a few pounds a month.

Toastmasters International challenges members to undertake a series of public speaking and leadership projects and modules. What results is the acquisition of speaking, leadership and organisational skills and a range of “soft” people skills that help improve the quality of private and professional lives.

The speed and extent of the transformation are directly related to the effort put in by the individual member. Toastmasters learn by “doing” – not by parroting theory – and the more members put in, the more they get out.

“Public speaking is a soft but important skill. But if I could master it and become very proficient at it, then that would really increase my chances of progressing well throughout my career,” says one recent recruit, who works at PricewaterhouseCoopers (PwC).

“I met a colleague at PwC who was a member of a Toastmasters club in London and when she told me about it, I thought it sounded ideal,” he says.

“I went to a meeting at the Berkeley Square club because it was very convenient. I took part in the improvised speech section and I found it so interesting that I went to a meeting on the following Monday – of the Elder Gate Toastmasters club in Milton Keynes, which is nearer my home in Bedfordshire.

“I again took part in the improvised speeches and decided to join the very next day. Since then, I have already been assigned a mentor and am looking forward to making my first ‘prepared’ speech in the next few weeks.”

See www.toastmasters.co.uk for details on how to find a club near your work or home.