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## **Mentoring – Performance Management Tool<sup>1</sup>**

### INTRODUCTION

In today's hard economic conditions it is important for companies to be successful and competitive on the market. **Performance Management** represents a strategically oriented and integrated process enabling a company to be permanently successful and competitive both as a result of permanent improvement of work performance of the organization's employees and as a result of permanent extending and deepening of skills of individuals and team in the organization. The article points out an underestimated tool of performance management which mentoring is.

According to different international studies performed recently a system of management of performance is directly affected by the areas such as: financial results, productivity, quality of products/services, satisfaction of customers as well as satisfaction of employees.

### MANAGING PERFORMANCE

Competitiveness of organizations in the third millennium is based on efficient utilization of intangible assets – particularly of human resources, on employees' creativity and on their ability to apply their skills and knowledge on their day-to-day work to bring as big efficiency and satisfaction of a customer as possible. Financial and tangible assets are of course still necessary but that are often creativity, human inventiveness and long-term development of human potential which differentiates an organization and from the long-term point of view brings a competitive advantage. That means in practice to carry on development of human capital of a company emphasizing the talented and perspective employees.

The importance of intangible assets – particularly of human resources in a competition fight – explains why every organization and every manager needs a system, a process, to be able to utilize human resources in the organization as

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efficiently as possible. If the organization utilizes principles of performance management at human relation management, it brings different advantages such as the following:

- Shareholders register better recovery of their deposits because people in the organization try to achieve the key objectives of the organization (synergy),
- Managers are much more successful than before because their colleagues and subordinates do right things in a right way,
- Employees' experience and work confidence grow, bigger possibilities to develop carrier, higher motivation and perfect employees' performance occur.

The system of management of work performance can be specified as a main process which allows to transform basic strategic priorities, values and particularly objectives of the company into performance or into particular objectives of every employee. It is based on the principle of interconnection of company performance management which defines key measures of performance into the highest level of management up to the level of particular objects of management (organizational units, work positions) and an individual system of performance management which defines both particular work objectives and required work conduct on the level of particular work positions (employees).

Effective performance management is a permanent and flexible process. It is based on situational leadership, principle of agreement, it does not rely on directive commands and control. It makes partners from managers and employees with an agreement between them which says that the employees will do their best to achieve common goals with support of management. Performance management should be focused on planning of the future performance, not only an evaluation of the past period. Particularly the gradual development in time is concerned. That's essential for regular and frequent dialogues between a manager and a managed one, either an individual or a team is concerned. Feedback, recognition of contribution for the organization and identification of further opportunities are more important than financial remuneration. Development aspects of a personality are more important than financial remuneration although salary depending on performance is one of the tools of the performance management [Vodák, Tesarovičová, 2009].

Performance management should have a form of a flexible process which adjusts to changing an internal conditions. Most of successful organizations are based on a procedural organization which requires an ability of big flexibility. Therefore also performance management must be flexible and it should develop and adjust to circumstances.

On a strategic, corporate level performance management represents utilisation of ideas of Balanced Scorecard methodology which is able to increase effectiveness of internal communication by providing a necessary frame to it in a significant way. It is also significant because it has shown the importance of human capital regarding to achieving the highest corporate objectives to managers.

In the new global economy, knowledge is becoming a major factor in economic development. Economic growth is based on the ability of people to benefit from their knowledge, constantly working with new information, producing new knowledge and use them in practice. This increases the importance of human resources as a creator of new business value and as a decisive for its success [Gabryšová, 2009, p. 75]. The importance of intangible assets – particularly of human resources in competition fight explains why every organization and every manager needs a system, a process, to utilize human resources in the organization as effectively as possible. If an organization uses principles of the performance management at management of human resources, different advantages arise from that for it, for example that the managers are much more successful than before, since their colleagues and subordinates do the things right. The other aspect is that the employees' experience, their work confidence rise, bigger possibilities for carrier growth, higher motivation and excellent performance of employees are achieved.

## PERFORMANCE MANAGEMENT TOOLS

If we follow the ideas of M. Armstrong then efficient interpersonal communication, feedback (e.g. 360°), coaching, mentoring, counselling are the main tools of the performance management. Also competencies which an employee should dispose of to deal with the tasks which result from their job title play an important role.

The tools to improve the work performance of an employee the performance of who does not meet the expectations which have been imposed at them or who is talented and has higher potential are an important part of the performance management which also contains creating of work tasks adjusted to a particular employee. To improve work performance of a unit or an organization in general the employees the work performance of who meets the agreed expectations are decisive. The main task of the performance management is to search for the reserves in performance and to search for the ways how to make good performance even better.

Intensive development processes for performance and human potential assessment form an inevitable basis. It is required to reveal hidden talents within the organization because they are not used much. Further plans and development activities in the future should follow the information obtained from this process.

## COACHING

An individual way of helping to an employee (talented employee) to improve their work performance and develop their abilities and skills – *coaching* is an important tool of the talent management. Coaching is applied at different

occasions, e.g. when delegating a power to the employee or when conferring a new task upon the employee, but mainly it is related to providing feedback to the employee. Coaching is nothing new in essence, it is only designation of a process which good managers have already been applying for a few years. Thus it is a very common part of a usual managerial work. The manager leads the employee to realize how they perform their work. The manager tries to direct the employee to think about their work and to think of how it can be improved. He should also ensure that the manager does not only know what is expected from him but also to understand what he needs to know to perform his work. The manager encourages the employee to think of the problems and to look for their solution. However, the employees should also understand that if they are to take more demanding tasks and to develop their career, they have to improve their abilities, knowledge, skills and conduct permanently.

Coaching is an interactive process through which managers try to eliminate faults in employees' performance through which they teach them the skills, they forward them the knowledge and instil them the values and required work conduct. It is an important method which consolidates human capital of the organization.

Good coaching results in better performance, satisfaction with work and higher motivation. It also helps to improve work relationships of a manager with his subordinates and facilitates the manager's work. The trainings of skills are another way to eliminate faults in performance and to increase abilities and qualification of employees.

As we have already mentioned above the development of skills and abilities of employees of the organization has big and irreplaceable importance in performance management because without effective education and investment in people no organization which wants to increase their performance and which wants to be successful can do. Successful managers realize what value the qualified employees which can cooperate purposefully, share the information and develop knowledge necessary for efficient work of the organization in today's globalizing and permanently changing world have for them.

## MENTORING

You will probably agree if I say that coaching is a more discussed topic than mentoring. Coaching is at a much higher place in awareness of managers than mentoring and that is one of the reasons why we have discussed it in more details in our papers. To a certain extent the chaos in the fact that when and how to use coaching and when to use mentoring is understandable. The used methods are in essence the same with slight differences and moreover either in coaching or in mentoring there are more alternative approaches.

To be able to solve this dilemma let's say more about mentoring as a tool of development of talented employees in a company and growth of a company as a whole. What is the mentoring in fact? If we want to use some usable definition, we could say that:

“Mentoring is about two people who have got to each other to help to each other to go forward in the work process to perform their work more easily and to organize their life.” However, when talking about mentoring, it should be added that:

- it is creation of a relationship which is focused on facilitating of growth (improvement) of the mentee at work, in career or life in general,
- a mentor can utilize a wide scale of suitable approaches and styles (depending on the particular situation), in order to support growth of the mentee as well as possible,
- appropriately motivated mentor is able to bring significant benefits for the company, particularly if mentoring is a part of wider development programs in the company.

If we want to take a think of the purpose of mentoring, we will find out that it is:

- Finding a pattern or example – from another person, who shows the prime behaviour to the person which is being mentored,
- Providing feedback – that means somebody who the mentee can discuss their ideas, opinions and problems with without any worries,
- Providing the source of information – advice from somebody who has already experienced the same situations thus who has real experience with the situation the mentee is meeting,
- Enabling growth and development regarding to the situation, that means develop work experience and knowledge of the mentee directly or indirectly,
- Getting an advocate – somebody who can help, represent or defend the mentee if necessary,
- Providing opportunities – if achieving and preparing the opportunities for the mentee are concerned,
- Providing personal development – help to the mentee with self-management and development of relationships to achieve personal and career goals.

In practice mentoring is not limited only into the above possibilities but it is adapted to limitations and expectations of the situation and character of cooperation at which the mentor and mentee agree in order to have it suitable for both.

Cooperation of the mentor and the mentee (that means approach one-to-one) is a typical and classical model of mentoring. Usually the mentor is in the following work position:

- A person with the widest experience,
- A person at the highest position in the organization,
- A person who is not directly superior towards the mentee,
- Somebody who has been trained in mentoring skills,

– Somebody who is motivated to help to the most junior person in the company or industry (a person from the parent company...).

Other model is represented by group mentoring which is used where there is lack of experienced and trained mentors. They are for example the situations when two mentors lead a group of people who discuss different problems which the mentees have regarding to the topic of the meeting. This approach enables a bigger group of mentees to achieve advantages of mentoring and to utilize different knowledge and experience of several mentors.

A variant of this approach is a situation when the people who are on the same level play the mentors and they share their experience in a specific area. That is for instance the situation when experienced managers of the same big organization from different organization units are in a role of mentors. Sharing the information, looking for new ideas and inspiring suggestions from businessmen between the companies of a particular size (experienced owners of a group of mid-sized businesses mentor other colleagues from the companies with different activity) may be concerned as well.

Of course the same principle can be used also between two people in a company who are at the same level when one helps to another one – for example to a new colleague to adapt to a new position. Other case can be in help to a proposed candidate to a new position. This enables inter alia learning from each other, sharing the challenges of the work environment and eliminates feelings of insulation.

In today's era of wide-spread information and communication technologies it is possible to utilize them to intensify and shorten the process of mentoring and more efficient achieving of required goals. It depends on the type of a problem and situation. A variant of utilization of information and communication technologies can be a case intended to have an unknown mentor who helps to the mentee in this position.

**Styles and Used Techniques of Mentoring.** As there are many different mentors, there are also many different styles of mentoring. It should always follow higher level of suitability and thus also of acceptance of different approaches, adopting upon the situation, personality prerequisites of the mentor and the mentee.

In fact it is a choice of a suitable, more or less directive approach. A less directive approach is built particularly on active listening, reflecting back, summarizing, paraphrasing and asking questions to improve mutual understanding.

More directive approach is typical with orientating on suggesting solutions, providing feedback, open leading and giving instructions step by step. It is also important to what extent the mentor is able to stimulate mentee's learning using different challenges and support in harder situations which represent learning under load and sometimes can be quite stressful. It is not only a question of attitudes and personality of the mentor. It is usually very profitable if the mentored person is able to realize their behaviour in a stress situation and to take an important lesson from it. That is possible only at less directive approach. If we use a more directive style which leads

the monitored step by step and there is some extent of freedom missing there, we cannot speak about an effect of learning at own behaviour or faults.

Of course there are the situations where the more directive style is more appropriate. Particularly they are the situations when it is necessary to find the solution of a problem very quickly or to negotiate on the problem and to direct the player in a right direction. In such cases asking the clarifying questions when using a non-directive style would be frustrating for the mentee. There are the situations when the mentee must face the situation which is a challenge for them and other time they need support and confirmation that they have taken the right way. What contributions can be thus expected from high-quality mentoring?

Particularly a skill of efficient interpersonal communication emphasizing active listening with all its attributes belong to basic techniques used at mentoring. It is particularly encouraging, paraphrasing, summarizing, and postponing the evaluation and physical attention. Also the art of asking which requires knowledge of question types and knowledge of when to use which one and to use them in the right time form a part of active listening. Properly asked question in the right time is one of the strongest tools in mentor's hands. Besides the technique it requires also impersonal view, elements of a system and strategic approach from him. A specific issue is the ability to provide feedback. It should be honest but not harming, it should be impersonal, balanced regarding to positives and negatives, specific when looking at the problem and constructive – that means focused on solution and future. Regarding to common techniques of problem solution particularly brainstorming, cause-and-effect diagram (fishbone), mind maps, power analysis, De Bon's roles of team problem solving etc. are concerned.

**Contributions in Mentoring.** Regarding to the mentored employee e.g. the following can be concerned:

- Increasing self-confidence and realization of own value (to esteem yourself),
- Increasing the ability to analyze and solve problems,
- Opportunity to think of different situations which he has not been to yet (or to see them from a different point of view),
- Increasing confidence, motivation and desire for results which he will present to the mentor,
- Extending of the horizons of knowledge and growth of aspirations,
- Increasing utilisation within the company,
- Faster learning using advice and leading of the mentor,
- Opportunity to build new career,
- Better orientation in the topic thanks to the mentor's experience,
- Better understanding of the higher management's thinking,
- Connection to a person (mentor) who is respected in the company,
- Getting an example who has been successful in the company, who has been proven (therefore he is a mentor),

- Better dealing with work situations which contributes to better satisfaction with work and life,
- Decreasing stress load and making the achieved results of higher quality.

If mentoring is meant as a targeted program of development which is systematically used in the company, the benefits are significant for the whole company. Some possible gains which result from performance of the programs of mentoring of employees for the company:

- Faster and larger transfer of knowledge of individuals and groups in the company,
- Higher level of employees' competencies,
- Higher potential to increase productivity,
- Better comprehension for the needs to learn and making the gaps in skills smaller,
- Higher level of understanding of the questions of responsibility for development.

**Prerequisites to Utilize Mentoring in a Company.** In order to make mentoring useful for the company, some level of culture, relationships and approaches to employees' development is necessary. Without such a level of this base mentoring cannot grow and cannot bring the desired effects to the company. For successful application of mentoring it is suitable if:

- The company supports all employees that way that they are interested in their development within their position towards higher performance themselves,
- The corporate culture is sufficiently open and able to accept faults as a price for development and looking for new approaches,
- Open and mostly informal relationships between the employees work,
- Employees are proud of the company and aware of the sense of investments to personnel for success of the company as a whole,
- Mentoring is supported by company management downwards as a part of learning and development strategy.

One of the remaining challenges is a question how to implement mentoring in a company in a best and non-violent way and when to use it in the best way.

## COMPARISON OF MENTORING AND COACHING

These terms are often confusing or overlapping. That is due to the lack of knowledge of their real mission and purpose. Therefore we consider suitable to distinguish them from each other using the below stated basic characteristics. Each of them has its specific purpose at which it brings the best results both for individuals and for the company. Popularity of mentoring has been growing despite the fact that no few resources are necessary for it and thus the matter of ensuring the necessary gains has become more important. Brief comparison has been shown in the table below.



**Table 1. Comparison of selected aspects of mentoring and coaching**

	Coaching	Mentoring
context	Orientation on problems related to work, tasks and performance	Issues related to work, career and personality
relationship	A coach is often a line manager, trainer or external coach	Usually a service-senior experienced colleague from the close work group
expertise	A coach can and does not have to be experienced in the area where he is coaching	Mentor has usually more knowledge and experience on the issue than the mentee
approach	A coach supports achieving of new goals, he wants the coached one to find his own solutions	Bigger acceptance of the mentor leads to bigger directiveness, role of a counsellor and enables the mentee to share and learn from the mentor's experience
meetings frequency	According to the agreed schedule	More oriented to immediate needs of the mentee
content, nature of meetings	Focus on agreed goals and achieved advancement	Informal discussion regarding to work, personal and career issues
arrangement	Mostly unless the required goals are achieved	Can represent a long-term issue (especially in case of career counselling)

Source: [Beevers, Rea, 2010] modified.

## CONCLUSION

Demanding situations in business or in life can be deemed as a hit of fate or as a challenge. Crises and recessions will pass away and the company which will be more prepared for situations which will follow will be successful. The intellectual capital and the most important part of it – human capital – will become a key factor of success in the future more and more. Only skilful, able and motivated employees can develop a company. Wise managers develop them also in time of discomfort and therefore their companies are more successful. The papers have tried to point out the basic features of one of the performance management methods which is unfairly not as popular as the other ones. The intention was to state the most important features and principles and thus to contribute to spreading of mentoring in practice and to support success of our companies by the approach of performance management.

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### Summary

In this article author discusses achieving success of a company through Performance Management, especially with focus on human capital. From a wide variety of performance management tools article focuses on mentoring as a valuable method which is less known than coaching. This article discussed reasons for using mentoring in a company, benefits for mentee, company and mentors. In addition, it shows what aspects play a key role in good implementation of this method and compares mentoring and coaching.

## Mentoring – narzędzie zarządzania działalnością

### Streszczenie

W artykule przedstawiono możliwości osiągnięcia sukcesu przez organizację dzięki Zarządzaniu działalnością, ze szczególnym uwzględnieniem kapitału ludzkiego. Spośród wielu różnorodnych narzędzi zarządzania działalnością w opracowaniu zaprezentowano mentoring jako wartościową metodę, która jest mniej znana od coachingu. W artykule dyskusji poddano przyczyny wykorzystania mentoringu w firmie, korzyści dla podopiecznego, firmy i mentora. Ponadto zwrócono uwagę na kluczowe czynniki właściwej implementacji tej metody oraz dokonano porównania mentoringu i coachingu.