

## **Business Mentoring – Sharing the entrepreneurial experience, Canada<sup>1</sup>**

### **Rationale**

The primary goal of the business mentoring programme is to help new entrepreneurs acquire basic managerial skills, and to generate positive impacts for beneficiary organisations. In 66% of cases, the recipient firms' turnover improved following the mentoring experience. At the same time, 78% of the firms that received mentoring services were still in operation at the time of the survey and 70% had survived for five years or more, which is double the rate for unmentored entrepreneurs in Québec as a whole.<sup>2</sup>

With regard to the economic impacts of business mentoring, the statistics show that 1 260 of the firms are still in existence, compared to 550, more than CAD 25 million in bankruptcy losses have been avoided since 2000, more than CAD 11 million per year have been invested by mentors in the form of time, and lastly, business mentoring has helped maintain or create 6 000 jobs in the recipient firms.

### **Description of the approach**

The Fondation de l'entrepreneurship's Business Mentoring Service<sup>3</sup> is acknowledged to be the largest business mentoring network in Canada, with more than 75 local cells scattered throughout Québec's 17 administrative regions. The Service has created close to 2 500 business pairings since July 2000.

Business mentoring is currently regarded as one of the most effective ways of supervising and structuring the activities entrepreneurs and business leaders in every sphere of the economy. Through mentoring, entrepreneurs and business leaders are better able to acquire good managerial skills and ensure both the growth and survival of their firms. Mentoring helps break down the isolation that all new entrepreneurs and business leaders experience, preventing them from losing hope and making hasty, poorly thought-out decisions while enabling them to develop their full potential and determination to succeed.

Since it was first created in 2000, the Fondation de l'entrepreneurship's Business Mentoring programme has been adjusted to meet the needs of its clients. Eighty-three percent of respondents were satisfied with the Programme and would have no hesitation in recommending it to other entrepreneurs.

The Programme's mentors are people with business sense and business experience. Their role is to provide guidance and feedback. They are skilled listeners and communicators, and are available to help less experienced entrepreneurs.

The Programme's mentorees are the owners of companies that have been in existence for less than five years and have at least two employees. They are anxious to evolve, learn and develop their expertise and know-how thanks to advice from experienced entrepreneurs or managers (their mentors). Mentorees obtain many benefits from the process. Among other things, mentoring helps them to clarify their personal goals and the goals of their firm, confirm their choices, learn about new prospects, obtain access to a broader range of contacts, develop their

<sup>1</sup>Source: Nathaly Riverin (2007), in "Strengthening Entrepreneurship, Innovation and Economic Development at Local Level". OECD LEED Trento Centre.

<sup>2</sup>Mélançon and Alarie (2001), p. 25.

<sup>3</sup>[www.entrepreneurship.qc.ca/fr/accueil/mentorat.asp](http://www.entrepreneurship.qc.ca/fr/accueil/mentorat.asp).

business sense and improve their chances of success.

**Relevance of the approach**

One of the principal weaknesses of the entrepreneurial system in many emerging countries is the private sector and its ability to play a role in the emergence of an entrepreneurial culture in a healthy, prosperous environment. And yet, the private sector is the main source of entrepreneurial experience. It is therefore important to find a way of optimising and sharing its valuable knowledge.

Business mentoring is an excellent way of improving the expertise of youngsters over a short period, by using the knowledge of more experienced people. In addition, the decentralized structure of the programme would also be of benefit in these countries, which needs a system that would encourage local involvement.

**Reasons for success or failure**

The meetings between mentors and mentorees must be structured, confidential and governed by a code of ethics. Mentors do not have answers to everything, but they are able to provide considerable support within the limits of their own experience. They can also call on the resources available in their own circles. Ethics is therefore one of the key factors for success.

The specific goal of the Programme is to work on the development of the individual so that he or she can become a better entrepreneur and a better employer.

The support system developed by the Fondation de l'entrepreneurship, through a network of 75 cells, has enabled the Programme to take root in numerous local host communities.

**The obstacles that were faced and the quality of the response taken**

The Programme requires the cooperation of partners from a variety of communities, who act as local coordinators. Initially, the communities' response to the Programme was somewhat lukewarm. A significant educational effort was required to convince and then direct the coordinators.

Programme funding is another obstacle that enhances the fragility of the local cells.

**Considerations for adoption of this type of approach**

Mentoring is based on a formal, ethical commitment and a relationship of trust that allows for discussion. The Foundation's experience has shown that it is possible to create suitable conditions for discussion by carefully selecting mentors and mentorees, and providing information and ongoing training to both groups.

**Contact details and website for further information**

Web-site: [www.entrepreneurship.qc.ca](http://www.entrepreneurship.qc.ca)