

Module 5 Supporting Sustainable Businesses

Objectives

By the end of this module, you will be able to:

- ◆ List different support services you can offer your clients during the start-up phase of their business.
- ◆ Discuss and plan alternative business mentorship programs.
- ◆ Identify techniques to help your clients establish a realistic business that can grow over time.
- ◆ Plan an effective business coaching session.
- ◆ Describe strategies to assist non-progressing clients.



Activity #1 Business Start-up Support

Imagine that you have just completed your business plan and are starting your own business. What kind of support services would you find most useful?

If you are currently or have previously delivered a self employment training program, what kinds of situations typically come up with your clients during the start-up phase of their business? What support services would help in these cases?

The start-up phase of the business that follows the training program is a crucial transition stage for clients. Some clients will do well now that they are on their own, and may need you to act mostly as a sounding board and cheering squad. They may come to you for specific business expertise as they work their way through a variety of business decisions, for reassurance that they are on track, and for celebration as they share their success with you. Others may find it quite difficult to function without the same level of support and structure provided during the training schedule. They may even have difficulty leaving the training centre at first. They may need immediate one-on-one coaching sessions, weekly action plans, frequent check-ins, and a lot of encouragement to take the next step.



Most programs offer at least monthly business coaching services for a minimum of 6 months following the training program. More frequent contact is preferable. Follow-up support is extremely important, and in some cases can make or break your clients' success.

What kinds of business support activities can you offer or arrange?

What kinds of personal support services can you offer or arrange?



Check out the 10 great ideas in your toolbox!



Activity #2 Business Mentorship Programs

Business coaching services refer to one-on-one counselling provided to clients during the training program and continued during the start-up phase of the business. Agency staff generally delivers these services.

This is different than **business mentorship programs**. This typically starts once clients have established their business and have completed or almost completed the business coaching services offered by the delivery agency. Volunteers in the business community typically deliver these services.

The benefits of business mentorship programs are:

- ◆ Clients may not have access to the same business networks that you have, so this may be their quickest path to a successful businessperson.
- ◆ Clients and mentors can both thrive given the right experience.
- ◆ Your agency can offer a valuable volunteer opportunity to interested community members.
- ◆ This is an excellent method to develop a good reputation within the business community and to increase the business sector's participation and contribution to a social agency.

The realities of business mentorship programs are:

- ◆ Clients and mentors may not “click”.
- ◆ Coordinating a mentorship program is extremely time consuming and requires dedicated staff time.
- ◆ Your agency will need to provide a budget to cover costs for promotion, mentorship packages, staff time, recognition events, long-distance telephone calls, etc.
- ◆ Clients should not be matched with mentors until they have achieved a certain level of business readiness. You want the relationship to be successful, and do not want the mentor to be put into a position of having to pull the client along if they are still in pre start-up mode. Depending on the length of your program and your resources to free up staff time for graduate clients, you may not be in a position to offer this support to all of your clients if it takes them a long time to get started.
- ◆ Clients may continue to rely upon your agency as their primary source of support and have difficulty moving onto their own business networks.



Options include:**Client Directed Mentoring Program**

Encourage clients to identify their own mentors or pool of business advisors, and give them some tips on how to manage these relationships. Ask them to identify specific individuals in their business plan, their area of expertise, and the kind of support each individual will provide.

Examples: legal expertise, practical business know-how, moral support, and “tough friend” motivator. This approach is based on having clients take complete responsibility for finding and using mentors. It is important that your clients understand the benefits of asking a variety of different people to contribute to their business success, and that they get past the notion of relying on one individual to be the perfect, all-inclusive business mentor.

Partnered Mentoring Program

Offer a mentoring program that clients can manage themselves with some agency support. Hold a workshop with clients to help them to identify: what they want and need from a mentor; realistic expectations to have of a mentor; how to find a mentor; and how to ask someone to be a mentor. Your role as the agency will be to provide credibility to the mentoring relationship. Clients often find it easier to approach someone if they are able to say that they are participating in a small business training program, and that negotiating a six-month mentoring relationship is a legitimate and important part of the program. Once someone has agreed to be a mentor, you can then follow-up with them, send out a mentor kit and check in periodically with both parties to ensure things are working out. If desired, you can offer mentorship training to the mentors.

Agency Directed Mentoring Program

This involves setting up a formal mentoring program that you offer to clients once they have successfully completed the program and started their own business. Your agency will recruit, interview, and train mentors; train protégés (clients) how to work with their mentors; match mentors and protégés; have signed contracts by both parties; intervene as a mediator if necessary; actively monitor the mentoring process and relationship; and organize a mentor recognition event at the end of the program.

Regardless of which option or combination of options you choose, the questions on the next page will help you to think it through.



Check out the mentor handbook in your toolbox!



Discussion Tool

Business Mentorship Program

#1 What kind of support do your clients typically need or want from a business mentor?

#2 What resources have you used with other volunteer programs that you can use?

#3 What internal resources can you access, such as staff, board and funder networks?
Training and materials?

#4 What community resources can you access?



#5 What Internet sources or written materials can you access?

#6 How can you help your clients to recruit or at least identify their own mentors or group of mentors?

#7 What challenges do you anticipate in establishing or managing your business mentorship program? What can you do to overcome them?

#8 What can you do to recognize the contributions of the volunteer mentors?



Activity #3 Establishing Realistic Businesses

An important contributor to your clients' success is to help them establish realistic business goals to begin with. There are 3 strategies you can use:

#1 During Client Selection

During the assessment activities when clients first apply to the program, emphasize that having a realistic business idea is one of the selection criteria to get into the program. Help clients to break their business plans into realistic and achievable goals. They may need to figure out how their business can be grown in phases, such as one, two, and three year goals. Ask them to explore options, such as leasing equipment instead of buying, or working from home instead of renting office space.

#2 During The Training Program

When clients develop their business plans, ensure that all of their goals are substantiated by reasonable assumptions. Consider their market research, their skills and knowledge, their motivation, their personal situation, and their physical, mental and financial health. Suggest that they develop three different cash flow forecasts based on a "wish for" goal, a "reasonable goal", and a worse case scenario, and ask them how they came up with the numbers. Make sure they have a reasonable plan on how to handle each scenario.

#3 During Business Start-up

Don't be afraid to ask clients to adjust their business plan if the reality of growing their sales is different than their original assumptions. It will be more motivating for them to continue working on something they can reasonably achieve than if they set themselves up for failure.



Activity #4 Planning Your Coaching Session

Successful business coaching is based on open communication, mutual trust and respect. To ensure your relationship gets off to the right start, plan how you will conduct your first coaching session. If you normally plan on holding one-hour sessions, it may be worth scheduling an extra 30 minutes at your initial session so that you and your clients can discuss your mutual expectations. Consider the following topics:

- ◆ The goal of the business coaching program
- ◆ The role of the coach
- ◆ Clients' expectations of you as a coach
- ◆ Your expectations of clients' business performance
- ◆ The importance of being open about business progress as well as challenges
- ◆ Disclosing business information and submitting regular reports
- ◆ Professionalism, such as respecting appointments and personal boundaries
- ◆ Consequences of non-performance
- ◆ Conflict resolution process
- ◆ Location and time of sessions
- ◆ Format of sessions

Sign a business coaching agreement that you can both work with. You may even want to give clients a pre-planning worksheet for them to complete prior to your first session to help them identify their goals, concerns and expectations of the coaching process. Suggested agendas for your initial and regular coaching sessions appear on the next page.



Check out the coaching toolkit in your toolbox!



Agenda

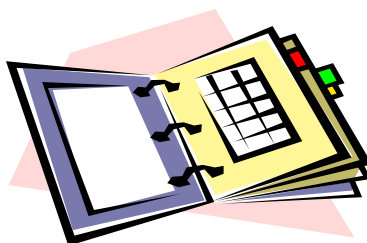
Business Coaching Sessions

Initial Session

- Establish session objectives and topic(s)
- Review purpose of coaching, goals, roles and expectations
- Review and sign a business coaching agreement
- Discuss session topic
- Complete action plan
- Plan next meeting

Regular Sessions

- Establish session objectives and topic(s)
- Review progress/updates/monthly business report
- Discuss session topic
- Complete action plan
- Plan next meeting



Activity #5 Helping Clients To Get Unstuck

Imagine that you are now well underway with the business coaching program. What do you do if your client is not progressing?

Example

What if your client ...

- ◆ Is depressed and unable to move forward?
- ◆ Is afraid to take the next step?
- ◆ Suffers from analysis paralysis and will not take action?
- ◆ Is withholding the truth from you about what is really going on?
- ◆ Is using personal challenges, real or not, as an excuse to avoid progressing?
- ◆ Repeatedly comes late or misses sessions?
- ◆ Refuses to disclose financial information?
- ◆ Is closed to suggestions and refuses your advice?
- ◆ Becomes overly defensive about his or her business actions?
- ◆ Is possibly engaging in illegal business activity?
- ◆ Has overwhelming personal issues that are influencing the business?

There are some things you can do listed on the next page.



Open Forum

Put aside your business coaching agenda. Put your pen down, move your chair back and invite client to tell you what's really going on. *Example:* "I'm sensing that there is something else happening right now that is important to you. Tell me what's going on."

Free Writing

Ask client to write down everything on their mind for 5 minutes on a piece of paper. Then, ask them to go over everything and pick the top 3 things that are concerning them. Deal with each one individually.

Free Association

Ask client to say everything that pops into their head when you verbalize the thought that is scaring them. *Example:* "What do you think of when I say cold call?" Then, break these concerns down and deal with each one.

Time Capsule

Remind client of their original dreams and goals when they first joined the program. If they wrote down or drew a picture of their dream business at the start of the training program, invite them to tell you about it. Get them to describe their dream again, to put it in writing, and to leave it with you in a sealed envelope for a specified amount of time. Tell them you will then mail them this sealed envelope so that they can see how well they did. Ask them what they need to feel inspired again, and develop an action plan.

Could It Be

Gently probe about possible causes. *Example:* "Could it be that you are afraid of success?"

Find, Found, Will Find

Make a safe comparison to other clients. *Example:* "I often find that people get a bit scared once they are out on their own and actually have to make some sales calls. I have found that breaking this down into manageable chunks, such as just making 1 call a day to begin with really helps. I'm sure you will find this will work for you to."

Role Play

Let your client practice their skills with you. *Example:* Invite your client to telephone you and do a mock sales call. You can either do this in person or over the telephone.

Be A Role Model

Be professional in your own conduct and expect the same of your client. *Example:* Start and finish your sessions on time. Be prepared and focused, with client's file and previous month's action plan in front of you.



Site Visit

Arrange a business coaching session at your client's place of business. This may stir up some action as they will be motivated to get things ready to show you, and can offer you some good insights into their business readiness and day-to-day challenges.

Business Reports

Go through the past two or three business reports together, and look for trends. *Example:* I notice that you tend to spend about 15 hours per week on administration and 1 hour on sales. Can you tell me more about this?

Business Clinic

If you have several clients who are not progressing, invite them all in for a business clinic. Tell them to bring in whatever their business concerns are, and discuss these as a group. You can choose to facilitate this session, or leave the clients to facilitate themselves. They may find it useful to spend some time working on each other's business plans. You may wish to suggest that they arrange to stay in touch regularly.

Sounding Board

Go to your colleagues for some objective advice and ideas. They may know something about your client that you don't. At the very least, they can give you some moral support. Perhaps your client could spend some time with them to get a fresh perspective.

Call It Like It Is

Be direct with your client. Tell them that you have observed the following set of behaviour and patterns, and remind them of their commitment to the program and the contents of the learning contract. Ask them what they plan to do about it and draw up an agreement. Be clear about consequences of non-performance.

Refer For Counselling

Keep the primary focus of your sessions on business, with listening time at the end for personal support. Refer your client to appropriate counselling or other community services for non-business related issues.



Food For Thought



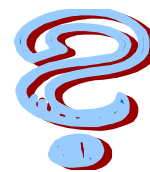
Lessons Learned

- #1 Mentorship programs should be flexible and focus more on creative and multitudinous ways of meeting clients' various and unique needs. Sufficient organizational resources must be available in order to establish and manage a successful mentorship program, whether clients are matched with a mentor by the agency or are supported while seeking their own mentor.

- #2 Sufficient time and budget must be allocated for business coaches to conduct in-person sessions, to do telephone follow-ups in between appointments, and to coordinate coaching activities. Every time a client is late or misses an appointment, re-arranging sessions can be time consuming.

- #3 Business support is often most effective when a variety of approaches are implemented at the same time, such as access to business events, specialty clinics and private coaching.





Discussion Questions

Individually and/or with your team members, discuss the following:

- #1 Your client has cancelled your last two sessions, saying that he has had the flu. When he finally comes in, you notice that he is looking less polished than usual and is having trouble looking you in the eye. He tells you that he spends lots of time cold calling, and that people seem to be away on holidays or don't bother to call him back. What do you do?
- #2 Your client is doing well, is making lots of sales, and really seems to look forward to your sessions. However, she has yet to submit a business report, and is always 10 to 15 minutes late for your sessions. What do you do?
- #3 You are in your third month of coaching, and your client has still not made any attempts to make a sale. She is always on time for your sessions, is really excited about her business, and keeps coming up with all sorts of research and new ideas. The business changes from month to month, and in your view your client is not making any progress. What do you do?
- #4 Under the parameters of your program funding, you can afford to offer business coaching services to your clients in your current intake for three more months, and then you will only have resources to provide services to the next group coming in. Most of your current clients are progressing well with their businesses, but you sense that about a quarter of them might falter or even go out of business without your active support. What do you do?

In Your Toolbox

- ✂ Business Coaching Toolkit
- ✂ Mentor Handbook
- ✂ 10 Great Ideas – How to Support Business Start-ups

