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## Academic Paper

# The Contribution of Coaching and Mentoring to the Development of Participants in Entrepreneurial Development Programmes

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## Abstract

A significant need among small and medium enterprises is the transfer of skills, specifically business acumen, through mentorship and coaching. Despite the similarities between coaching and mentoring, it is important to understand the different contributions that coaching and mentoring can make to the development of entrepreneurs. The findings of this qualitative study acknowledge the different contributions of coaching and mentoring to participants at the University of Stellenbosch Business School's (USB) Small Business Academy. It is therefore recommended that coaching and mentoring should be defined separately and differently within the context of the USB Small Business Academy's Development Programme and similar entrepreneurial development programmes.

## Keywords

Coaching, development, entrepreneurs, mentoring, skills transfer,

## Article history

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## Introduction

For small and medium enterprises (SMEs) to fulfil their role in fuelling economic growth and job creation, skills development is required. An important consideration for entrepreneurship education is that the entrepreneurial learning environment should prepare participants adequately for practice whilst also embedding theoretical knowledge in an experiential and value-adding way. Therefore, entrepreneurship education should focus on the participation and experience gained by the participant (Mueller, 2012).

In the South African context, SMEs have the responsibility to address environmental and social issues in addition to economic sustainability challenges (Hind & Smit, 2012). It is strongly

suggested that entrepreneurial development programmes aimed at SMEs should follow a different approach to that of leadership and development interventions in corporations. In the entrepreneurial context there is seldom a separation between management and leadership responsibilities, which is why entrepreneurial development initiatives should aim to develop entrepreneurs to face their unique challenges (Leitch, McMullen & Harrison, 2009). In addition, the researchers have found that the context of SME business calls for different approaches to business challenges.

A significant need among SMEs in South Africa is the transfer of skills, specifically business acumen, through mentorship and coaching. This need was identified in research conducted by the Small Enterprise Development Agency (SEDA) on behalf of the Department of Trade and Industry (DTI) (SEDA Report, 2012). This finding is supported by the Research Unit of the Small Business Academy (SBA) at the University of Stellenbosch Business School (USB). During 2014, the SBA conducted research to identify the needs and challenges of SMEs in Khayelitsha, a low-income community in Cape Town. A key finding was that assistance from mentors and coaches was identified as an intervention that gave SME owners the opportunity to acquire skills and knowledge (SBA Research, 2014).

USB launched its Small Business Academy (SBA) in 2012 to support the growth and development of SMEs in previously disadvantaged communities in the Western Cape. The SBA offers an entrepreneurial development programme called the SBA Development Programme. The participants are part of the USB SBA for a period of nine months, after which they graduate with a National Qualifications Framework (NQF) level 5 certificate from Stellenbosch University. During the programme, the participants must participate in a minimum of 12 hours of mentoring with a matched mentor. The mentoring is provided by qualified mentors from USB's alumni. The role of mentors in the SBA is to assist participants with the transfer of learning from the classroom to their businesses (USB, 2015).

The relevance of coaching for entrepreneurs is confirmed by Bell (2014), who stated that many business owners, who have not done any external learning, can use coaching to unlock their learning ability. A potential benefit of coaching is the creation of a learning context that equips entrepreneurs with the skill to find immediate solutions while also solving problems on their own, in order to address future problems that might arise (Audet & Couteret, 2012).

Mentorship and mentoring are acknowledged as development and support initiatives for SMEs in South Africa (Business Partners, 2015). SME owners do not operate in a team or corporate environment with access to resources, which helps to explain the high failure rate and slow growth of such enterprises. However, experiential learning with the help of a mentor can guide SMEs towards success by assisting them to develop professional networks or link up with support networks (Amandla Development, 2009).

Although the roots of coaching and mentoring are different, both coaching and mentoring selectively draw on similar narratives to describe the activity, resulting in the notion that coaching and mentoring are essentially similar in nature (Garvey, Stokes & Megginson, 2009). Both coaching and mentoring are based on the fundamental belief that people can change with the assistance of a coach or mentor (McCarthy, 2014). The researchers have found that, with the help of a coach or mentor, the transfer of learning from the classroom to the workplace is often the deciding factor to ensure implementation of new learning.

Through extensive experience in both coaching and mentoring, the author's share the following perceptions: Both coaching and mentoring have the development of people (coaches and mentees) at heart and they share core communication skills such as rapport building, questioning, listening in their approach. Coaching and mentoring use reflective means and tools to enhance insight and learning and both have the transfer of learning as a key outcome. In both coaching and mentoring reflection and learning are expected to be executed within a strong ethical-framework.

The authors also agree that the key differences between these two approaches are (i) the directiveness of the communication and (ii) their intent. Mentoring leans more towards directive communication as it involves the offering of guidance, support and often solutions to problems. In most cases the mentor is seen to be an expert, with experience and knowledge particular to the mentee's need for development. Coaching leans more towards indirective communication, since the main intent is to elicit the resourcefulness of the coachee to create or embrace learning and development opportunities that they are willing and able to execute.

Ultimately both coaching and mentoring contribute to the development of people, enhance relationships, support more effective problem-solving, increase awareness and insight into the recipients' own behaviour and the application of learning, all with the support of the coach or mentor.

Research to identify the success factors of coaching and mentoring in SMEs in the United Kingdom found that it is important for recipients to have a common understanding of what coaching and mentoring are (Peel, 2004). This corresponds with the findings of research conducted by Coaches and Mentors of South Africa (COMENSA) in 2010. The multi-contextual entrepreneurship environment in which SMEs operate plays a key role in South Africa's growth. However, despite the economic significance of SMEs, there is an absence of research on the impact of coaching and mentoring on SMEs (Gray, Ekinci, & Goregaokar, 2011).

In the experience of the authors, the participants attracted to USB's entrepreneurial SBA programme usually have limited funds and time as well as a lack of support. This makes experiential learning with the support of a coach or mentor even more important. These two forms of learning support have the potential to facilitate more effective transfer of learning from the classroom to the "workplace" for such entrepreneurs. Similarly, St-Jean (2012) identified that interaction with mentors and coaches can help to transform experience into learning in a time-efficient way.

Hence, the authors were interested to discover how the introduction of an integrated coaching and mentoring programme, within an entrepreneurial development programme, could enhance the development of participants, and how coaching and mentoring could help to overcome challenges and promote development.

The aim of this study therefore was to investigate the respective contributions of coaching and mentoring to participants in the Small Business Academy of the University of Stellenbosch Business School in South Africa, as well as to design programme-specific definitions of both coaching and mentoring. Insight into how an integrated coaching and mentoring approach could contribute to the enhancement of Entrepreneurial Development Programmes was the main point of interest.

## Literature Review

### **Entrepreneurial development and learning for SMEs**

Entrepreneurship requires multidisciplinary skills and competencies. To maximise learning outcomes, participants in entrepreneurial learning should actively engage in learning experiences and should possess a certain degree of autonomy in learning behaviour (Mueller 2012). SMEs require, among others, skills in business start-up and management, marketing, financial and human resource management, as well as technical, personal, leadership, social and interpersonal skills (Mamabolo, Kerrin & Kele, 2017, p. 5). As a result, development and support initiatives need to be developed and implemented to address the skills and competencies of those managing SMEs.

A climate needs to be created in which participants can examine their own beliefs and practices (Mezirow, 1991). According to Mezirow's transformative learning theory (1991), instrumental learning is what happens when learners engage and participate in task-orientated problem solving. For learning to take place, an important emphasis is on how the problem is solved and not on the outcome. Mezirow's theory is supported by Higgins and Aspinall (2011), who stated that SME owners learn through action, participation and reflection. Knowledge is gained through practice, as opposed to formal passive teaching. Through reflection, learners can look back on the procedures and processes followed to solve the problem (Jones, Sambrook, Pittaway, Henley & Norbury, 2014).

Chimucheka's (2014) version of entrepreneurship education focuses on the development of competencies needed to successfully establish and manage an entrepreneurial venture. Competencies are the fundamental characteristics of an individual, which include motives, traits, skills, ability and knowledge that are essential to start and run a business venture (Bhorat, Asmal, Lilenstein, & Van der Zee, 2018). Mamabolo and her co-researchers defined entrepreneurial competencies as clusters of knowledge, attitudes and skills that lead to the achievement of excellent performance and results and, ultimately, maximum profit (Mamabolo, Kerrin & Kele, 2017).

Active engagement in all aspects of the entrepreneurial learning experience is seen as valuable (Mueller, 2012). The same applies to the autonomy of the entrepreneur in the learning process, since this facilitates the development of know-how and not just knowledge (Lecler & Kinghorn, 2014). Experiential learning, according to Blenker, Driesler, Faergemann and Kjeldsen (2008), plays a key role in the learning process of necessity-driven entrepreneurs.

## **Coaching**

Coaching provides entrepreneurs with the opportunity to think differently about the challenges experienced, rather than simply absorbing advice (Audet & Couteret, 2012). Coaches work with a process based on adult learning and experiential learning, and the coach's task is to help the client think through situations, utilising the client's own thinking, feeling and behaviour (Stout-Rostron 2014). A potential benefit of coaching is giving entrepreneurs the opportunity to probe a situation and to develop an appropriate solution, which means they are resolving the problem themselves (Gray et al., 2011).

Coaching can be effective an effective approach to facilitate learning within the SME context because its focus is on-the-job learning and development. Coaching can also be seen as a more personal, effective and convenient development option than traditional, classroom-based management development programmes. Coaching is flexible and can fit around the working day. The iterative nature of coaching allows the trial of new behaviours or approaches, followed by review and feedback during follow-up sessions (Gray et al., 2011).

## **Mentoring**

The literature has linked mentoring with cognitive development, emotional development, leadership and social integration, all of these rooted in an experiential learning philosophy. Mentoring can involve older and more experienced people engaging in discussions with younger and often less experienced mentees. The mentor's approach is to support discussion with reflective and challenging questionings, holding back from handing out uninvited advice (Garvey et al., 2014).

In order for mentoring and mentorship programmes to support entrepreneurs effectively, they need to meet certain criteria. For example, both mentee and mentor need to display certain behavioural characteristics in order to foster a co-creative relationship. Mentees must actively participate, open up to their mentor and be open to change. A high level of self-disclosure is considered as both an

indicator of the relationship's depth and part of the process that helps the relationship evolve. The availability and accessibility of the mentor has a direct impact on the frequency of meetings and the mentor's mentoring experience also influences the quality of the mentoring (St-Jean, 2012).

Mentors should be aware that the values and behaviour of entrepreneurs may be different to theirs, given their background and the context within which they operate. In an entrepreneurial mentoring relationship, the mentors are not content experts or specialists. Their role is to listen to the experiences of the mentees and to share their own experiences with the mentees. Consequently, discussions will revolve around events experienced by the mentees within their job settings so that the mentees can learn from their own experiences as well as those of their mentors (St-Jean, 2012: 203).

## **The similarities between coaching and mentoring**

Both mentoring and coaching practitioners draw on one-to-one development dialogue. The environment in which the coaching or mentoring takes place and the development objectives play an important role in the approach that the coach or mentor will take (Garvey et al., 2009). Another similarity between coaching and mentoring is the shared theoretical underpinning of adult learning. Adults learn through experience and making sense of their experience through reflection.

The quality of the relationship has a significant impact on the value of both coaching and mentoring for the client. Both are dyadic relationships in which confidentiality is fundamental to success. Trust, commitment and active involvement are also elements required for a successful relationship (Garvey et al., 2014). A significant overlap between coaching and mentoring is the shared purpose and value of the relationship. The quality of the relationship is central to the success of both coaching and mentoring. Both coaching and mentoring can help clients to set goals in a personal or professional capacity and to assess whether these goals are aligned or in conflict. The coach and mentor can help to achieve the alignment that will result in improved productivity and a sense of fulfilment (McCarthy, 2014).

## **The differences between coaching and mentoring**

The ambiguity in defining mentoring and coaching is reflected in the inter-changeability of language used within practice and literature. If differences exist between mentoring and coaching, other than the inter-changeability of the language, mentoring is perceived as less formal in nature, while coaching is more focused on performance and alignment with business objectives (Walker-Fraser, 2011). In mentoring, students or mentees observe the expertise of their mentors. In coaching, the coach and client work together to turn challenges into victories, and the client is held accountable for reaching the desired goals (Scheepers, 2012).

Coaches use question frameworks and coaching models to help clients to solve specific issues, while mentors simply act as advisors, directly sharing experience, expertise, advice and wisdom with mentees (Stout-Rostron, 2014). Passmore (2006) said that coaching assists clients to uncover their own knowledge and skills, whereas mentoring is more about guidance and sharing experience.

One of the key differences between mentoring and coaching is that in mentoring it is acceptable for the mentor to give advice and share expertise, while this is not commonly accepted as best practice in coaching. In the mentoring relationship, the development goals are determined by the mentees; in the coaching relationship, the goals and objectives are mutually agreed upon between coach and client (McCarthy, 2014).

# Research Methods and Design

## Research methodology

The study was exploratory in nature and followed a phenomenological approach. Exploratory research was undertaken to satisfy the researcher's curiosity and desire for better understanding (Babbie, 2010). A phenomenological approach allows the researcher to explore, describe and analyse the meaning of the lived experience of individuals – in this case the mentors and mentees of the University of Stellenbosch Business School's Small Business Academy (Marshall & Rossman, 2011).

The overall methodology was qualitative in order to understand, and not to explain, the behaviour of the participants (Babbie & Mouton, 2012) and their making of meaning. The qualitative nature of the interviews allowed the researcher the opportunity to interact and engage directly with the participants (Babbie, 2010).

## Population and sample

This study focused on the 2013 and 2014 SBA participants and their mentors, who therefore served as the research population for this study. The sampling was purposive because the population was selected based on knowledge of the population, its elements and the purpose of the study (Babbie, 2010).

Mentoring and coaching form an integral part of the SBA, and both the mentors and mentees are familiar with the mentorship programme due to the mentor-mentee training sessions that precede the commencement of the SBA Development Programme. The criteria for mentors and mentees to be included in the research sample were specified. Mentors needed to have both coaching and mentoring skills, knowledge and experience. Mentees in the sample were defined as mentees who had been mentored by mentors with both coaching and mentoring skills, knowledge and experience. The sample size of the study consisted of:

- Seven mentors from the 2013 and 2014 SBA programme whose mentees had successfully completed the programme
- Seven mentees from the 2013 and 2014 intakes who had successfully completed the SBA programme.

The reasons for the relatively small sample were as follows: Firstly, the participants came from previously disadvantaged backgrounds, stayed in townships and lacked their own transport. Throughout the programme, transport was provided between the campus and the townships. Similarly, the researcher drove to the various townships to do the interviews, which had time and safety implications. Secondly, this was only the second and third year of offering this programme. As such, small numbers of participants were selected to help ensure meaningful and relevant learning. Thirdly, in terms of the mentor sampling, mentors who were qualified in both mentoring and coaching were included in order to obtain their feedback on the usefulness and application of mentoring and coaching in USB's SBA programme.

## Data collection

Primary data was collected by the researcher through semi-structured face-to-face interviews. The rationale for using interviews as a data collection method in this study is validated by Rowley (2012), who recommended the use of interviews for understanding the experiences, opinions and values of participants.



Two 'interview guides' were prepared for the mentors and the mentees who were participating in this research study. The 'interview guide' for the mentors set out the questions that they would be asked about how their coaching and mentoring skills and experience contributed to the development of the participants. The interview guide for the mentees set out the questions that they would be asked about how the overall mentorship contributed to their development and where the mentorship support had the biggest impact on their development during the SBA programme. The researcher needed to be prepared with follow-up questions or prompts for clarification and to extract additional views (Turner, 2010).

All the participants were asked the same open-ended questions (Gall, Gall & Borg, 2003) to illicit a richer response. To ensure relevance, the interview guides were pre-tested with people who have the same demographic profile as the participants (Babbie & Mouton, 2012). The interviews were conducted by the researcher at a location and time convenient for the participants.

## Data analysis

The data analysis was inductive, moving from a set of observations to a pattern that represents a degree of order (Babbie, 2010). Thematic analysis that described and interpreted participants' views of the phenomenon or experience was conducted by systematically searching for patterns to provide an illuminating description of the phenomenon. This led to the development of meaningful themes without explicitly generating theory (Smith & Firth, 2011: 54).

The themes generated from the data gathered from the mentors and mentees were linked and related to the respective interview guides.

## Ethical considerations

The researchers received ethical approval in line with Stellenbosch University's Framework Policy for the Assurance and Promotion of Ethically Accountable Research and the Policy for Responsible Research.

## Findings

This section presents the main findings of the study. This study included seven mentors (MO1 to MO7) and seven mentees (ME1 to ME7) who completed either the 2013 or 2014 SBA programme.

This section focuses on the different contributions of coaching and mentoring to the development of the SBA participants. To gain a better understanding of the findings, it is important to provide an overview of the questions posed to the respective groups. For the mentors, the questions focused on the contribution of coaching and mentoring to the development of the participants. For the mentees, the questions focused on whether they could describe how the mentors and overall mentorship programme contributed to their development. Mentors and mentees acknowledged the contribution of mentorship to the development of the mentees in the SBA programme. Table 1 highlights the key findings.

**Table 1: The contributions of coaching and mentoring to the development of SBA participants**

Contribution of coaching	Contribution of mentoring
Personal development	Successful completion of the SBA
Relationship building and trust	Translation of theory into practice
Discovering their own solutions	Improved business performance
Creating a long-term vision	Exposure to networks

## Coaching

### Personal development of the mentees

The findings show that the personal development elements of the programme supported the mentees to improve their self-esteem and gave them confidence to achieve the programme objectives. This insight is consistent with Leitch et al. (2009) who stated that within SME contexts, a coaching contributes to the personal development of the SME entrepreneur. According to both mentors and mentees, the communication skills, relationship management and general engagement of the mentees improved during the mentorship programme. This quote from the interview with MO7 underpins this finding:

*Addressing personal issues helped to address low self-esteem – lifted esteem and confidence, motivated the mentee to continue with both their business and SBA, it removed the limiting assumptions of the mentee.*

The focus of the mentor was on understanding the person first, before addressing the business needs. This is supported by Audet and Couteret (2012) who stated that a coach should take a personalised approach with entrepreneurs by focusing on the entrepreneurs as individuals instead of only addressing business issues. The improved self-esteem as a result of the coaching assisted the mentees to be more confident about themselves, their businesses and their own abilities as students as well as entrepreneurs. This is supported by ME7:

*I changed my view from self-employed to a business woman.*

The finding that coaching is a contributor to the personal development of SME managers is substantiated by Gray et al. (2011) who concluded that coaching had a more profound impact on the participants' personal development and to a lesser extent on their business performance. Coaching skills, listening and questioning allowed the mentors to develop an understanding of the mentee as a person and in the business context. MO1 described how this was achieved:

*Listening and questioning skills are necessary to understand the mentee during the setting of objectives and the first meeting at the mentee's business. Coaching skills made the mentoring more effective.*

The coaching skills and background of the mentors enabled them to continuously engage with the mentees in terms of their personal development. The iterative nature of coaching (Gray et al., 2011) allows the trial of new behaviours followed by review and feedback during follow-up sessions. The development of personal skills was addressed throughout the programme. An extract from the interview with MO4 captures this:

*It is a more fluid process. Soft skills are used and focus is on the person.*

The following comment by ME1 is further evidence of personal growth during the programme:

*I improved communication skills through coaching. I became aware through coaching of being more 'person centred' and not 'self-centred' – helping the relationship with my staff.*

### Building a relationship on trust

The relationship was established through questioning, listening and showing interest in the mentee's personal life. Development and performance improvement can be achieved through dialogue in a trusting, collaborative relationship (Garvey, Stokes & Megginson, 2009). Placing the mentee as individual in the centre of the relationship underpins the mentor's intention, showing that the mentor views the mentee not only as student or business entity. This made the mentees feel



valued and appreciated. Only when a relationship of trust has been established between the coach and the entrepreneur will it become possible to overcome resistance to change (Audet & Couteret, 2012). MO3 described the following scenario that contributed to trust in the relationship:

*We focused on discussing and resolving personal issues (when a mentee had challenges with a husband interfering with their business) before we looked at business challenges.*

The fact that the mentors visited the mentees' business premises indicated that the mentors showed an authentic interest in their development – this made a significant contribution to trust in the relationship. The most important criteria for a positive client-coach relationship are compatibility and credibility (Boyce et al., 2010). The value and importance of the mentors showing an interest in the mentees was mentioned by ME5:

*My mentor visited my business and most meetings were at my business.*

The depth and quality of the relationship contributed to the mentees' successful completion of the SBA programme. Most of the mentees fulfilled multiple roles for the duration of the programme (student, business owner, parent and/or spouse) and at times they considered exiting the programme. The trusted relationship allowed the mentor to encourage the mentee to continue with the programme. Also, because of the trust in the relationship, the mentees often informed their mentors when they were not coping. This was illustrated during the interview with ME4, who finished as the top student in that year:

*I wanted to quit the SBA, but the mentor motivated and encouraged me to continue.*

### **How mentees discovered their own solutions**

The mentees were allowed time to think and reflect in order to discover their own solutions, and mentors assisted the mentees to embed the learning as well as to develop their own solutions. The value of this approach was described by MO3 during the interview:

*I allowed the mentee time to think and come up with alternative solutions; the mentee was encouraged to explore other options through questions and guidance.*

The mentors insisted that the mentees explain what had been learnt, and what the benefits would be for the business to ensure they understood the implications before they implemented anything. By asking the mentees to explore different options and alternative ways to solve problems, the mentors helped the mentees to find solutions themselves. Through coaching the mentors assisted the mentees to develop the ability of self-correction, which enabled the entrepreneurs to respond to challenges in the absence of the coach or mentor. This is in line with the views of Flaherty (2005) who says that coaching for self-generation can empower entrepreneurs to strive for continuous improvement without the coach. Self-correction and self-generation skills therefore support mentees to resolve challenges even after graduating from the SBA. The benefit of this was described by ME3 during the interviews:

*The mentor asked questions and forced me to keep going and thinking of what will be best for my business.*

A similar experience was mentioned by MO6:

*I forced the mentee to think of implications and of alternative approaches to engaging with people – it forced the mentee to think and ask why, and to explain why they were doing this.*

By adopting a coaching approach, the mentors created a climate that allowed participants to examine their own beliefs and practices (Mezirow, 1991). The mentors, through questioning skills,

helped the mentees to think and reflect on the learning in order to embed the knowledge. The underlying assumption is that in order for learning to take place, knowledge develops through experiencing, reflecting, thinking and acting, as identified by Kolb (1984). The relevance of Kolb's experiential learning theory (ELT) in the SME context is the engagement of learners in the learning process. The tangible benefits of this approach were best described by ME6:

*The mentor helped me to implement plans to make it work – from theory to practice in my own business – this made the learning real to see the benefits.*

Reflection plays a critical role in the experiential learning cycle. Reflection enables learners to think of what had happened and how it happened. SME entrepreneurs learn most effectively when they engage in action in order to learn (Jones et al., 2014) – this is where the engagement of the mentor in the learning process helps mentees to develop their own solutions through thinking and reflecting.

### **Creating a long-term vision for themselves and their businesses**

The mentors encouraged the mentees to explore options for growth after the completion of the SBA programme. A challenge for the SME owner or manager is to shift from doing the work to getting things done through others, and to allocate time to think about the future of the business (Charan, Drotter & Noel, 2001). Most of the mentees were more optimistic about the future and the potential of their businesses once the mentors had helped them to think about the future and growth possibilities for their businesses – as explained by MO5:

*We worked on scenarios to explore – options to expand the business, what direction to take to grow. Coaching uses brain storming and questions to facilitate envisioning more options or outcomes, an exploratory approach is taken, which is not directive.*

Entrepreneurship is embedded in multiple contexts, which makes it a dynamic phenomenon requiring multidisciplinary skills and competencies (Mueller, 2012). The role of the mentors during the SBA programme was not only to develop business skills, but also to help the participants to create an inspiring future beyond the completion of the programme. Coaching provides entrepreneurs with the opportunity to think differently about the challenges experienced, rather than simply absorbing advice (Audet & Couteret, 2012). Evidence of this was described by ME7:

*I now have the confidence to engage with industry bodies and not individuals.*

It is important to understand that the mentors enabled the participants to craft a vision for themselves. Although the relationship is collaborative, those receiving the coaching, in this case the SBA participants, remain accountable for themselves to achieve the agreed outcomes (Scheepers, 2012). The creation of a long-term vision allowed the participants to develop a more optimistic view of their businesses. ME5 described how this contributed his development:

*My mentor helped me to think about expanding the business, and the business is now for sale.*

The creation of a learning context equips entrepreneurs with the skills to find immediate solutions while solving problems on their own in order to address future problems that might arise (Audet & Couteret, 2012). The participants described how the focus on creating a long-term vision changed their perspectives, as confirmed by ME7:

*I diversified the business ... the business is moving into bigger premises and expanding nationally.*

## Mentoring

The following section focuses on the different contributions of mentoring to the development of the SBA participants.

### Towards successfully completing the SBA programme

All the mentees had, at some stage during the programme, considered leaving the course. However, the mentors encouraged them and provided support, guidance and motivation to complete their assignments and, ultimately, the programme. None of the participants had any tertiary qualifications, and hence they were not confident or familiar with the writing of academic assignments. Most of the participants were anxious about these assignments.

When designing entrepreneurial development programmes, it is important to understand the factors that can potentially limit the learning process of entrepreneurs. SME owners often operate independently without the support of colleagues. This reduces the possibility of learning from others through observation and feedback opportunities (St-Jean, 2012). The role of the mentor was to support the participants during the completion of the assignments by ensuring the participants comprehended the instructions and even by reviewing their assignments. MO7 described the value of the mentor in this regard:

*Help with assignments – to review and give input before submission; and help a mentee to meet deadlines.*

ME5 validated the contribution of the mentor with regard to assignments:

*Feedback on assignments before submission ...*

The mentors assisted the mentees to prioritise and to determine when to focus on the SBA assignments and when to focus on the challenges of simultaneously running a business, as described by ME1:

*... the academic part was at times too much and the mentor helped me to give context and show value and benefit to the business.*

To increase the impact of theoretical knowledge during the learning process, SME owners should actively participate in the learning process, which requires participants to take ownership of their own learning (Higgins, Smith & Mirza, 2013). The motivation and reassurance that mentors can provide to entrepreneurs, in this case with the completion of assignments, can positively influence the perseverance of these entrepreneurs (St-Jean, 2012). For the duration of the SBA programme, the mentors ensured that the participants maintained momentum with their learning. Despite the help and guidance provided, the mentors made the participants accountable for their own development and learning.

### Translating theory into practice

Mentors are chosen for their experience and technical skills (Western, 2012). The SBA mentors included in this study are alumni from USB, and are either business owners or full-time employees. In the 4th century BC, Aristotle stated that theory is not understood until a person has the ability to apply it (Renton, 2009). The SBA mentors ensured that any learning from the assignments was implemented in the mentees' businesses. The combination of qualifications and work experience enabled the mentors to help the participants translate the theoretical concepts into practice. The mentors also helped the mentees to develop action plans and priorities for business improvement. MO6 described how the translation of theory into practice was achieved:

*The focus was on business skills (acquiring finance and writing a request) as well as support with assignments and how to apply the knowledge from the assignment.*

Critical reflection, as the foundation of learning, is important for the professional development of SME owners. Mentoring helps entrepreneurs to make sense of the critical events they experience in their businesses, based on the reflection facilitated by the mentoring relationship. Mentors, therefore, help entrepreneurs to enter into a reflective learning process. In an entrepreneurial mentoring relationship, the mentors are not content experts or specialists. Discussions will revolve around events experienced by the mentees within their job settings so that the mentees can learn from their own experiences as well as those of their mentors (St-Jean, 2012). ME2 described the benefits of this approach as follows:

*Reflection was done during assignments – thinking about the assignment and how to implement in the business.*

Mentoring is practical in situations where there is not enough time for training. Interaction with mentors could help to transform experience into learning in a time-efficient way. Mentoring, therefore, becomes a viable and practical solution that allows entrepreneurs to learn and acquire professional skills (St-Jean, 2012). The impact of this was captured by ME5:

*The mentor helped to make theory a reality – show how the theory will help.*

An effective experiential learning programme must have a relevant context, combined with a strong pedagogical underpinning (Higgins, Smith & Mirza, 2013), in this case the SBA curriculum including the assignments. For entrepreneurial learning to be effective, it should be built around real-life problems with real consequences based on learner experience and it should be highly participatory. With the help of their mentors, the participants actively applied the insights from assignments and academic content in their respective businesses. ME2 described how the content of the Marketing module was implemented:

*Improved the advertising of my business, not only by word of mouth, but by using social media as well.*

### **Improved business performance**

The mentors helped the mentees to successfully address business development needs and to remain focused on improving their business performance. Coaches focus on the competencies that clients want to build, which do not necessarily render short-term results, whereas mentors can provide fast answers from their perspective as elders (Centre for Coaching, 2015). All the mentors confirmed that this was achieved. Below is a quote from MO4:

*The mentor provides a structure and rules for the mentee to develop. The mentor pushes and guides to support the business needs of the mentee.*

The essence of how the mentors contributed to the overall development of their respective mentees was described by MO6:

*It was a structured approach, focusing on improving the business and the mentee's business skills.*

The mentor acts as an advisor who shares experience, expertise, advice and wisdom with the mentee. The mentee observes the expertise of the mentor (Stout-Rostron, 2014). The mentorship should hold tangible benefits for the mentee. However, a critical question is whether the mentees have improved their competencies in critical areas (Clutterbuck, 2012). If measured against this

criterion, the SBA mentorship programme certainly developed the critical skills of the participants – as confirmed by these participants:

ME1: *Expanded the client base and bought a bus to transport customers.*

ME3: *Improved the banking process and management of cash flow.*

ME4: *Improved financial discipline and accounting practice.*

ME6: *Mentee implemented business processes to improve the business.*

ME7: *Expanded her business and opened up additional sites from which to operate.*

Technical knowledge was shared by the mentors to improve the mentees' business performance. In mentoring it is acceptable for mentors to give advice and share expertise, and for mentees to use the expertise of their mentors (Scheepers, 2012). This makes mentoring practical for entrepreneurs.

### **Exposure to new networks**

Experiential learning with the help of a mentor can guide SME owners towards success by assisting them to develop professional networks or to link up with existing support networks (Amanda Development, 2009). Most of the mentors introduced the mentees to the mentors' own businesses and support networks, which gave the mentees confidence in the abilities and value of their mentors. This allowed the mentees to experience and observe first-hand how formal businesses operated. It also gave context to some of the theoretical concepts covered in the lectures and assignments. MO2 described the benefits of this approach:

*I invited my mentee to my place of work to introduce, tell and show – he picked up tips on resolving business issues as a result of exposure to other systems.*

A potential benefit for the participants and motivating factor to join the SBA was the expectation that the mentors would share their networks with the mentees. ME2 described her expectation below:

*I was expecting the mentor to establish business connections when I joined the programme.*

The participants also had access to all the mentors on the SBA programme. The fact that they had access to the "other" mentors through their mentor was identified as a significant benefit, as mentioned by ME1:

*The mentor helped me to connect with other mentors when needed (e.g. legal help)*

## **Summary of the Benefits of Coaching and Mentoring to Programme Participants**

Coaching is a flexible development initiative that empowers clients to develop skills and competencies. What sets coaching apart from other development initiatives for entrepreneurs is the fact that coaching can assist entrepreneurs to both acquire business skills and achieve personal growth. Mentoring is directive, leading the mentee to achieve a specific outcome. In this regard, Stout-Rostron (2014) stated that the mentor acts as advisor and shares experiences and expertise with the mentee. The findings relating to the main research question – *How do coaching and*

*mentoring contribute to the development of participants in the SBA programme?* – can therefore be summarised as:

- **Focusing on personal development:** Focusing on the personal development of the mentees improved their self-esteem and gave them confidence to achieve the programme objectives. The focus was on understanding the person first before addressing their business needs (*coaching*).
- **Using trust to build relationships:** The relationships between the mentors and SBA participants were built on trust, with clear roles and responsibilities. This was achieved through questioning, listening and showing interest in the mentees' personal lives (*coaching*).
- **Focusing on the role of reflection:** The mentees were allowed time to think and reflect in order to discover their own solutions (*coaching*).
- **Creating a long-term vision:** The mentees were asked to create a long-term vision for themselves and their businesses. They were encouraged to explore options for growth after the SBA programme (*coaching*).
- **Successfully completing the SBA programme:** The mentors offered support and guidance in the completion of the SBA assignments. The mentors ensured that the mentees maintained momentum with their learning. The mentors made the mentees accountable for their own development and learning (*mentoring*).
- **Translating theory into practice:** The mentors ensured that any learning from the assignments was implemented in the mentees' businesses. The mentors helped the mentees to develop action plans and priorities for business improvement (*mentoring*).
- **Sharing know-how:** Specific and technical knowledge was shared by the mentors in order to improve the mentees' business performance – specifically where the mentors had business experience or knowledge (*mentoring*).
- **Providing exposure to new networks and business contacts:** The mentors introduced the mentees to their (the mentors') businesses and support networks. This provided new avenues of support and inspiration for the mentees (*mentoring*).

## Practical implications

One of the objectives of the study was to use the insights from the study to identify potential enhancements to USB's SBA Development Programme. A recommendation that emerged from this study, and that relates to the mentorship programme, was that the development of coaching skills and techniques should be included during the mentor training, particularly where mentors do not have coaching skills and experience. All the mentors interviewed acknowledged that their coaching skills and experience improved their contribution as mentors. Their coaching skills gave them the confidence to establish the relationship and to navigate through difficult periods in the relationship. The value of coaching frameworks and models is confirmed by Stout-Rostron (2014, p. 16). Below is a summary of the key findings relating the contribution of coaching skills to the mentors:

- The coaching skills and experience provided the mentors with a framework for a confident approach to the relationship.
- The questioning and listening skills allowed the mentors more easily to develop an understanding of the mentee, as a person and in the business context.
- The mentors had self-awareness of their own limitations, as well as the limitations of the mentees. Hence, the mentors knew when to refer their mentees to other mentors for help.
- The value of reflection was understood and transferred to the mentee during experiential learning. Through teaching them reflection, the mentors assisted the mentees to embed the learning and to develop their own solutions.



## Further research

Opportunities for further research include assessing the sustainability of the programme by investigating the impact of the programme on participants beyond graduation. Furthermore, research could focus on the identification of the participants' needs for support during the next phase of their entrepreneurial journey.

## Conclusion

The findings of this study acknowledge the different contributions of coaching and mentoring to the Small Business Academy (SBA) participants. Table 2 gives a side-by-side comparison of the definitions of coaching and mentoring by the recognised non-statutory professional body for coaching and mentoring in South Africa (COMENSA), and the definitions adopted by the SBA programme based on the findings of this study.

**Table 2: COMENSA's definition of coaching and mentoring compared to the recommended definition of coaching and mentoring in the context of the SBA**

Coaching as defined by COMENSA	Suggested definition of coaching in the context of the SBA programme
<p><i>Coaching</i> is a professional, collaborative and outcomes-driven method of learning that seeks to develop individuals and raise self-awareness so that they might achieve specific goals and perform at a more effective level. Coaching is about creating change that helps to enhance performance and learning. Coaches emphasise new competencies, learning and goal attainment. The coach is a personal navigator for the journey of life, focusing on what the client wants. Everything in coaching hinges on listening with the client's agenda in mind.</p>	<p><i>Coaching</i> focuses on understanding the person being coached and encouraging the coachee to explore different options. Coaching is about building the confidence and self-esteem of the coachees while allowing them to make their own decisions. This creates trust and establishes the relationship between the coach and the coachee.</p>
Mentoring as defined by COMENSA	Suggested definition of mentoring in the context of the SBA programme
<p><i>Mentoring</i> is a partnership in which mentees are assisted to make significant advances in knowledge, perspective and vision in order to develop their full potential; the mentor's wisdom is used by the mentees to facilitate and enhance learning and insight. The mentor focuses on the development of the learner and passes on personalised, domain-specific knowledge. Mentors help to set the agenda, their primary aim being to develop an individual or small group's ability to learn more comprehensively from their day-to-day working experience.</p>	<p><i>Mentoring</i> is more directive and will help to ensure that the mentees maintain momentum during the SBA programme. Mentoring contributes to the development of business skills. Mentoring also contributes to the successful completion of assignments, the implementation of theory in practice, and the development of business skills where the mentor has the skills or knowledge required.</p>

The recommended definitions of coaching and mentoring to be used within the context of the SBA mentorship programme:

*Coaching* focuses on understanding the person being coached and encouraging the coachee to explore different options. Coaching is about building the confidence and self-esteem of the participants while allowing them to make their own decisions. This creates trust and establishes the relationship between the coach and the coachee.

*Mentoring* is more directive, and it will ensure that the mentee maintains momentum during the SBA programme. Mentoring contributes to the development of business skills, the successful completion of assignments, the implementation of theory in practice, and the development of business skills where the mentor has the skills or knowledge required.

It is therefore recommended that coaching and mentoring should be defined separately and differently within the context of the SBA Development Programme and similar entrepreneurial development programmes. This distinction will avoid the ambiguity between coaching and mentoring, and ensure that both the mentoring and the coaching skills of the mentors are developed during the mentor training programme.

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