



## Case Study

### *Outline...*

- Description:** Ian Theobald, Managing Director, Mentor Services - a wholly owned subsidiary of RBSG providing an Employment Law and Health & Safety outsourcing service to SME's.
- Year Company Established:** 1997
- Year Of Engagement:** 2001
- Main Issue:** Threat of business sale, recruitment freeze, low staff morale performance issues around service standards and average sales.
- Result:** One of the best staff feedback reports in the whole of the bank. Investors in People accreditation. Turnover went from £4m to a staggering £20m and profits went from £1.3m to £7m.

### *Background...*

Mentor was started founded in 1997.

After 24 years at Royal Bank of Scotland Ian Theobald had come to a crossroads in his career. He'd got to the point where he had, had enough of mainstream banking and wanted a new challenge. At the same time a subsidiary of the bank

**“I loved my job but it had consumed me. I was working crazy hours and didn't realize the cost in other roles in my life”**

called Mentor Services was about to be sold due to the take over of Nat West.

The Division Ian worked in saw Mentor as a great service for business customers and wanted to retain the Company in the Group. This was agreed however it meant their



Division now had to run it! There still remained the threat of sale if there was not a meaningful transformation in the Company.

Ian saw this as a great opportunity to break free from the shackles of the bank and have an autonomous role as a leader of a SME (small to medium enterprise).

One of the issues Ian faced at Mentor when he first arrived was the fact that the business had been up for sale. This had meant that all recruitment had been put on hold and key people were looking for new employment due to all of the uncertainty.

Morale was very low, there was a huge mistrust of the Bank and performance was distinctly average.

After about 3 months into the role Ian realised he needed some help and agreed with the bank that he could get support through some 'executive coaching'.

Ian went to listen to a couple of speakers however their approach appeared very one dimensional – i.e. I can make you a better leader. After attending a live event that Lifestyle Architecture™ ran for the Royal Bank of Scotland at the Caledonian Brewery in Edinburgh, Ian heard Tony Wilson (CEO of Lifestyle Architecture™) talk about being 'a better you'.

This sparked something inside Ian and after Tony had finished speaking Ian approached him about Lifestyle Architecture™ working with him at Mentor.

### *What Happened Next...*

When Ian first began to work with a Future Performance™ partner the following challenges were causing problems within the business...

- The bank wanted a 90% uplift in Sales in Year 1 but finding staff (all external recruitment due to the specialism at the same rate to fulfil the order book was a big issue)
- Fulfilment of the sales was an issue due to full UK coverage commitment
- Complaints were coming in due to failing to meet service standards poor response rates to simple enquiries
- Morale was extremely low due to the rumour that the business was going to be sold and that the staff didn't know where they stood in terms of their future
- Staff did not feel involved in the business, there was no empowerment or common purpose it was a 'job' type of attitude.



Ian loved the challenge but it had consumed him. He was working 6am – 8pm Mon – Fri and then all day Sunday. When he wasn't working his mind was still at work and he couldn't switch off – there was just so much to do!

One of the key issues for Ian right from the word go was that he didn't have a sounding board due to the fact that he was the Managing Director and the guy that Ian reported into at the bank just wanted the numbers. Additionally Ian had inherited all bar one of his management team.

The Future Performance™ partner immediately filled this gap and gave Ian the chance to air some of his thoughts and ideas along with the current issues that he was facing.

**“Just having someone to discuss things with was a real help. It stopped that isolation that I think all business managers get from time to time”**

One of the first things that Ian realised after his Future Performance™ partner helped him highlight the roles he was playing within his life was that the role of husband and father were not getting the attention they deserved. So after some careful thought Ian decided to stop working on Sundays.

Instead he began to go home on Wednesday afternoons to do the 'catch up' work he'd been doing on Sundays. This made no negative difference to Ian's performance or the performance of the business.

When it came to Ian's working life, Ian was a very approachable boss. He'd made a point of being like this because of the fragile nature of the morale when he took over the reigns at Mentor.

One of the issues with this approach though was how his immediate reports communicated with him. Ian's Future Performance™ partner sat down with him and together they found that over 70% of the emails (quite often he would get over 100 emails a day) were just from his senior team.

This led to a fire fighting behaviour pattern which didn't serve Ian's role as a leader to the business.



Ian's Future Performance™ partner suggested that he should ask his senior team to stop emailing him and instead get them to see him on a 1:1 basis, weekly every Monday. They also agreed that if there was an urgent problem the relevant team member should pick up the phone.

The result was amazing. The senior team not only stopped emailing every time they had a problem but they ended up solving their own emails and the one to ones became task orientated 'what they've done and what they plan to do' sessions.

In the end the 1:1's ended up turning into a conference call where the senior team all shared their previous and future weeks' resulting in much better communication for the business with everyone knowing what was going on, where the sales were and how recruitment was doing. This was then translated into a weekly email which was sent to every member of staff. Simply put the weekly email became a barometer of where the business was.

**“To go from answering emails all day to having all day to deal with the real issues in the business was a real quantum leap”**

The issue of team spirit and morale was not an easy hurdle to overcome. In the early days the surveys of staff feedback were some of the worst in the bank. There was huge mistrust of the Bank, due to the business previously being for sale, so there was huge cynicism about Ian and his "agenda".

About half way through Ian's sessions with his Future Performance™ partner, Ian changed another aspect of how he worked with the people in the regional offices (London, Birmingham, Glasgow and Manchester). Ian had made a point of regularly visiting the offices around the UK holding staff clinics. Ian felt it was really important that he was visible and approachable to all staff and any member of staff could ask to see Ian when he held one of his clinics. After a while though this had just turned into a negative session attended by the same old faces.

His Future Performance™ partner said "What people aren't you seeing while you're there? Remember the only people that ask to see you are the ones with problems the 'Happy' people won't be coming to see you with their stories and feedback."

This was a real insight for Ian and he immediately changed the clinics into short 1:1's for each member of staff. So whoever was in the Office on the day of his visit Ian would see



on a 1:1 basis. This gave Ian a much more balanced view of how each operation was doing. It ended up allowing Ian to make the point of his visit to be a 'thank you' to the staff in each one of the offices.

**“Changing the way I dealt with the members of staff in the regional offices transformed the morale of everyone in the business”**

This also gave Ian a lift as he was not just dealing with negatives all the time.

Ian also needed to empower his staff, give them pride back in their business. So by working with his Future Performance™ partner all roles were redefined and clear KPI's identified and a Balanced Scorecard introduced. This Scorecard highlighted clear ownership and accountability of the business KPI's. This was discussed at monthly workshops with the management team and cascaded accordingly and displayed in all offices. So all staff knew exactly where the business was and what impact their individual performance was having on the whole company performance. A bonus design was introduced linked to the KPI's.

Monthly Staff barometers were introduced per office and section i.e. Employment Law and Health and Safety – this became a KPI for all Management etc.

Ian worked with his Future Performance™ partner for 2 ½ years and in that time the face of the business literally went from a totally demotivated workforce to an inspired team with a clear vision of where they were going and why they were going there.

### *Key Highlights...*

- Time with family increased without effecting personal or business performance
- Senior team become much more responsible and effective
- Customer service levels were raised significantly
- Staff morale went from rock bottom to one of the best surveyed with the whole of Royal Bank of Scotland
- Investors in People accreditation
- Turnover went from £4m to £20m



- Profits went from £1.3m to over £7m

### *Comments...*

By the time Ian and his Future Performance™ partner had finished on their 1:1 engagement (which was spread across 2 ½ years) Mentor went from having one of the worst morale records to having one of the best staff feedback reports in the whole of the bank. This was best highlighted through the achievement of the Investors In People award and the fact that Mentor didn't lose a member of staff in nearly 2 years.

On the numbers front when Ian first engaged with Lifestyle Architecture™, Mentor was turning over £4m and making £1.3m profit. After his Future Performance™ partner had concluded his time with Ian the business had gone to a staggering £20m turnover and £7m in profits.

Staffing went from 70 to just over 200 in the same period.