

	<h2>Next Generation Learning @ Work in Hammonds</h2>
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<h2>Hammonds: Where e-Mentoring is part of the Furniture!</h2>	
<p>Leadership matters; and this case study proves it. The technology is inspiring podcasts and well designed workbooks but what makes it work so well is the face-to-face mentoring.</p> <p>Richard Hammond, the CEO, leads by example and this fact permeates the training, making a significant impact on individuals and on the business.</p> <p>March 2010</p>	 <p>Designed with you · Made for you</p>

## 1. The Business Need

Hammonds Furniture sells furniture from over 80 concessions and shops up and down the country, with over 1,000 employed and self-employed staff

Hammonds was started in 1926 by cabinet maker Thomas Stanley Hammonds and is still a family firm, now run by its current chairman and joint managing director, Richard Hammonds.

This family connection ensures a tradition of quality and underpins the success and profitability of Hammonds Furniture. It is not an excuse for standing still and Richard is always on the lookout for new ways to keep complacency at bay, and create higher levels of engagement and motivation from his staff to drive his company forward.

Although the business was profitable, some structural changes needed to be made. Richard felt that the company could do more business and do more for its customers.

Three areas for improvement in particular stood out:

1. There was a gap opening between sales and customer service, so much so that there was a potential for customers to fall between the cracks in the middle.
2. Richard knew that some years back when he ran nine stores himself, he personally owned the customer experience from start to finish and felt that customers got a better experience as a result of this total ownership approach.
3. He felt that he could get more from his managers who in turn could get more from his employees. The managers were doing a good job as managers but not as entrepreneurs. As an entrepreneur himself he knew the value a new way of thinking would bring to his customers, to his employees and to his business.

What he wanted to achieve through training his managers is clearly expressed in this quote: *“Many of my managers thought just like managers and they didn't think like business owners. They came to work and did a good job for me, but they did a job based around what they considered to be managing rather than to actually think, 'this is my business I own this patch and I've got to make the most of it that I can.’”*

One day while he was dashing through an airport, Richard stopped to pick up a new book called *Millionaire Upgrade* by Richard Parkes-Cordock. The book was about an entrepreneur and he recognised himself in it. This inspired Richard to read other books by the same author and introduced him to a new approach to people development called Enterprise Mentoring. Enterprise Mentoring showed Richard how to get his employees to take more ownership and responsibility for their work in the way they would if they were owners of the business.

## 2 The learning solution

Richard learnt more about the Enterprise Mentoring approach and discovered an underlying programme called Enterprise Mentor which he licensed for his organisation. Enterprise Mentor is a set of digital mentoring sessions and a series of implementation strategies which Richard embraced and started rolling out throughout his entire company. The process of implementing the learning was split into three core parts:

### **a). Audio Sessions.**

There are 21 MP3 audio sessions which employees listen to at their own time, place and space. Each learner was given a digital MP3 player with the 20 audio sessions preloaded. They could use this at work, at home or whilst travelling. The sessions get them to see the business from a different perspective, the perspective of a successful business leader, owner and entrepreneur.

### **b) Workbook summaries and exercises.**

The workbook and exercises enables each learner to personalise their learning back to their own business and jobs within the business.

A key exercise from each section of the workbook is for learners to suggest 'what changes they would make if they were CEO for a day'. Many of the ideas which resulted from this have been implemented in the company and have proved to be some of the most profitable business growth ideas.

### **c). Face-to-face mentoring and follow on exercises.**

This was a critical part of the process. These sessions resulted in many creative ideas which were implemented in the business. At Hammonds two mentor groups were created, one was led by Justin, the Regional Sales Director and the other by David, the Group Sales Director.

In other implementations of Enterprise Mentor, companies haven't always given as much weight and importance to the face-to-face mentoring element. Hammonds clearly saw it is a fundamental part of driving change in the company, and have therefore achieved more dramatic and transformational results than companies who underplay the face-to-face mentoring element.

The long term intention is to roll out Enterprise Mentor to the whole company but initially this was piloted with two groups.

## The Pilot

Mentees and mentors completed one or two mentoring sessions at a time and place which suited them. The programme focused on three core areas: **customers, teams and personal leadership.**

After listening to the digital mentoring sessions, mentees completed the exercises in the workbook.

At an agreed time each week, the mentor groups would get together in a room with Justin or David and discuss all that they had learnt in the audio sessions and talk about how they could apply the learning back to the business. These face-to-face mentoring sessions proved to be a critical part of the people transformation process, and allowed each mentee to share their concerns about the business, put forward their ideas and identify areas for improvement.

After these sessions each mentee presented their learning from the course and their ideas from the workbook, back to Richard Hammonds, Justin, David and other members of the senior management team.

## 3 Business Benefits

Staff at Hammonds Furniture have changed the way they think, act and make decisions.

*Richard explains, "It's as if a light bulb has been switched on! The thinking of the mentees who completed the course, compared to how they were six months ago, is day and night. They now think like business owners. I am now able to have a conversation with them at a more commercial level. They understand that the growth of this company is not just about revenue, but about margins and cash. They understand the importance of the people in their teams, the importance of recruiting the right people, and the importance of managers being leaders and not just managers. And they understand how to grow this business."*

Richard went on to say this about the employees and managers who went through the programme, *"The best way of describing it is they are awakened to an opportunity that they could never see before. It is very difficult to describe but they become alive and alert; they're different people from a business perspective."*

*"I think what happened was that the programme began to open their minds and they actually began to realise it was their responsibility to look after customers in the way that I would. They began to realise that they could have a positive effect on the business. It wasn't just a case of managing the status quo, they could*

*actually have a physical positive effect on the business, which would produce more sales, produce more profit, and actually be much more satisfying for the manager in their work.”*

Six months after the implementation, the impact on the business has been significant. In the regions where Enterprise Mentor has been implemented Richard explains that revenues are up by 20%. He attributes this to managers creating a new energy, spirit and buzz throughout the organisation. He is also seeing the average order value go up as his employees become more engaged with their customers. He is also seeing higher levels of conversion of prospects into paying customers.

Twelve months after the initial implementation, David Teasdale, the company's Sales Director explains that Hammonds Furniture have seen an increase in sales volume of 24% (for comparable quarters), an increase in average order size of 14%, and growth in gross margin of 3%

Although quite rightly, David explains that it is impossible to pinpoint the increase in results down to one single factor (especially when new offers, promotions, and marketing campaigns, etc are part of the marketing mix). He is however positive that the mentoring programme has been an 'integral' part of achieving their increased results and the catalyst for change in attitude, mindset and energy of managers and in-store staff.

Although the mentoring programme hasn't yet been rolled out to the entire company, its influence is already being felt far beyond the small numbers of people who have been through it, as the initial core group of mentees (sales managers) have introduced a new language, energy and focus to their teams.

One specific area which was picked up very quickly in the company and spread virally, was the concept of 'raving fans' which was originally introduced by Ken Blanchard and is spoken about in the mentoring programme. Richard now receives emails and letters from his employees explaining how they have created a 'raving fan' of his company. One of Richard's initial objectives for the programme was to create more repeat customers and more referral customers. Even though his products are relatively expensive high ticket items, he wants Hammonds to be the first name customers think of when they are planning to install a home office, install wardrobes in a new room, or even move to a new house. And with 'raving fans', it looks like his ambition is coming good.

The business return can be based on the 20% revenue increase that has happened in the business areas in which the training programme has been implemented. With an annual revenue around £70 million a potential increase across the company would deliver an increase of £14million. Although at least one of the learners is convinced his improved performance came from the learning material:

*“Just after the first mentoring session, I had three very, very strong weeks in January. I don’t think I’ve ever had three strong weeks! Without the course I probably wouldn’t have done that.”* Matthew

Realistically however, the Enterprise Mentor was implemented in a recession year, so revenues will naturally be down, and the impact on profit has yet to fully filter through to the bottom-line. However it is likely that ROI in terms of profit will still be a figure around 30 to 80 times the original investment. This increase will run for many years, and not just the year the investment was made..

## 4 Staff and learner impact

Although the most tangible results are financial - namely increased revenues and profits for Hammonds, the true transformation has been in the people who completed the Enterprise Mentoring programme.

Here is what some of the learners said:

*“What I found more beneficial than anything else were the mentor sessions. They really dotted the Is and crossed the Ts for me. We got together as a group and put our ideas together about what we had learnt and that’s really when it started to sink in. I (to quote the course) became a believer.”* Simon

*“I remember listening to it on the train and thinking to myself, ‘You can do it, you just need to get up and get on with it.’ It makes you think like that. To me, the goals become more achievable and it is a mental thing. It happened to me when I started listening to the entrepreneurs and their stories. That was the time when I thought, this is just brilliant!”* Vanessa

*“I spent most of the time flashing ideas onto pieces of paper and everything else! There were bits of scrap paper with ideas on everywhere — lying around my car, around the house, even on the back of receipts! At one point after about five or six days into the course I said to David, ‘I hope you don’t want this workbook back because it looks as if there has been a graffiti artist all over it.’ There were scribbles and highlighters all over the place. You take so much from it.”* Matthew

*“My husband said, ‘You have to be having a laugh!’ He’s gone through the programme as well. It wasn’t optional because I talked about it constantly. Every time he sat down to eat I would be talking about it, or the workbook would be sitting under my nose as I was doing something else.” Kathryn*

*“I really enjoyed going to the sessions. We listened again to the section we were doing and then talked about it afterwards. We discussed what each of us had come up with, and sometimes we had the same ideas and sometimes they were different. Justin was a great role model for this because he really bought into it and so it really helped with our enthusiasm. It was really good and worked really well.” Kathryn*

*“The guys would go away, listen to the audio, and complete the workbook sections. We would then come back on the Monday, and pick out specifics from the audio section to lead to discussions, based around the actual session themselves.” Justin (Regional Sales Director)*

*“You start to see the transformation of people — realising that they aren’t passengers. They can and should affect what they have in their area. They see that there are some key principles, good solid principles that they could adhere to. They understand that if they follow them it will give them the confidence to make an impact and make a difference. It just gave them a commercial confidence really.” David – Sales Director*

*““The course has made me a better leader, definitely. It has not made me a better sales person, but it depends on how you define that. It has made me look at the bigger picture of the company and has given me the freedom to stand outside the box and to view things a little differently. I think Richard was pleased because we started viewing things as a business rather than individual teams.” Vanessa*

It wasn't all plain sailing however, as one member of the team decided, (as a result of going through the programme) that he wasn't the right sales manager for Hammonds Furniture. After an amicable handshake with Richard Hammonds he decided to move on. As Richard knows only too well, getting the right person in the right place is critical to success and the very fact that the mentoring programme highlighted this, could, as Richard put it, only have been a good thing.

## **Next Steps**

The pilot has been immensely successful for the business and for the people who were privileged to access the learning. Richard intends to roll the programme out

across the business to enable all parts to benefit. He also plans to create more off site retreats and strategies to keep the principles taught in Enterprise Mentor alive. Learning needs to be more than just an initiative but part of the core activity of the business.

Richard recognises that this development of his team is not the end of their journey but the beginning.

## **5 Good practice ideas - What would you have done differently?**

One thing which Hammonds might have done differently related to the face to face mentor sessions. Initially each mentee listened to one or two programmes per week and at a set time met with the group and under the guidance and leadership of their mentor, discussed the ideas they had learnt in the programme and how they could apply them back to the business.

Two things came out from this process:

1. Initially some of the group mentor sessions were done over the phone rather than face to face and although this approach had some degree of success, it was clear that face to face meetings were far superior.
2. During face-to-face meetings mentors and mentees would often re-listened to one or two of the mentoring sessions giving a focal point for their group discussions. They would however have been better served by watching the multi-media version of the mentoring programme rather than simply listening to the audio version.

## Top Tips from Hammonds Furniture

### Top tips for implementing e-Mentoring in your organisation:

1. Get buy-in from your senior management team. e-Mentoring creates high levels of employee engagement, but to achieve an engaged and motivated workforce senior management have to drive the programme forward.
2. Start small with one or two trial groups to familiarise yourself with the approach and plan a larger enterprise rollout to follow.
3. Choose mentors and mentees who are willing and open to learn and who will quickly demonstrate to the rest of the company..
4. Ensure that your mentors go through the programme in advance so they are ahead of the game and can help mentees on their own journey.
5. In the final presentations focus on what changes the mentees would make if they were CEO for a day. Hammonds gave considerable time to the presentations but too many of them repeated the same learning points rather than mentees putting forward their best suggestions and ideas.
6. The mentoring programme is a beginning, not an event in itself. It is a catalyst for change. Mentees should have the opportunity to meet together on a regular basis to the principles and idea generation alive.
7. Use a central idea management portal or database to store new ideas that are generated from the mentoring sessions. Although Hammonds didn't, it is a missed opportunity when great ideas are simply stored only in workbooks. They need to be captured online where other employees can review them and where management can act upon them.
8. Ensure face to face mentoring sessions take place; they are critical for creating lasting behavioural change. Companies that failed to do this did not get the same transformational results or benefit. Justin and David's work as mentors bought out the best in the mentees and kept them accountable and focussed.

You can find more information about this method of learning at [www.enterprisementor.com](http://www.enterprisementor.com), access a copy of *.People Upgrade* and listen to an abbreviated version of some of the material on your iPhone downloading a free version from the Apple apps store.