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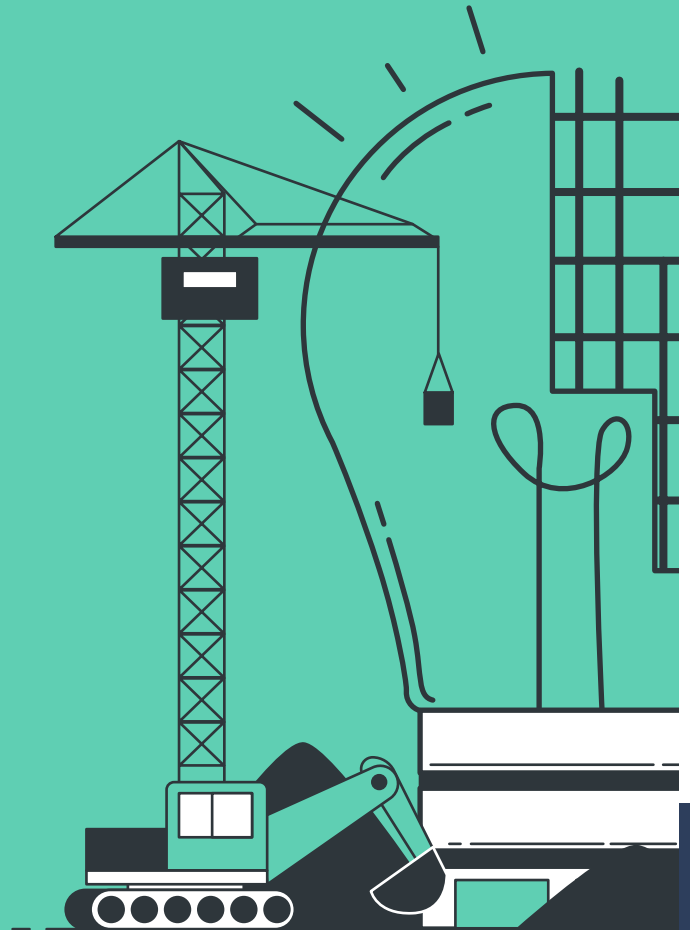
# Mentorships for Startups

Despite the pandemic in 2020, startups filed 4.35 million new business applications<sup>1</sup>.

About **75%** of startups fail<sup>2</sup>.

However, **37%** fail because of funds or profit.

Impact-driven founders are the most successful, which explains why these entrepreneurs often implement mentorship programs from the start to improve employee performance and relationships. Companies looking to change the world know the best place to start is within their organization.



Don't worry!

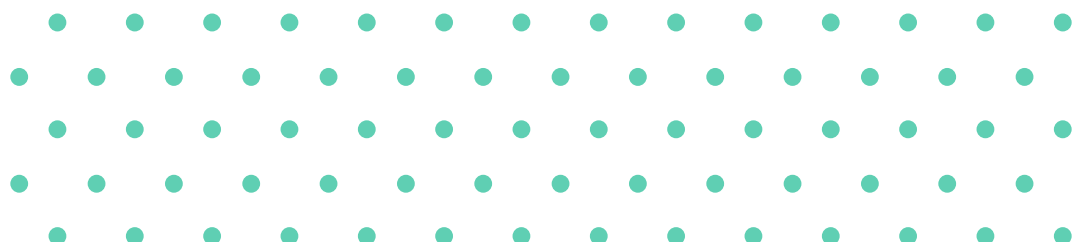
You don't have to change the world to have a successful startup. However, mentorships can improve your company's chances of success.

Over **70%** of Fortune 500 companies<sup>3</sup> have mentoring programs.

Additionally, research shows that about **70%** of small businesses<sup>4</sup> with mentors survive five or more years, double the rate of traditional startups. Keep reading to learn more about mentorships for startups.

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# What is a Mentorship Program?

Merriam-Webster defines<sup>5</sup> a mentor as a:

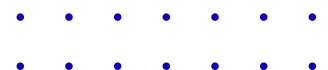
“trusted counselor or guide.”



A mentoring program is available in the workplace to help new hires, employees transitioning to new positions, and staff members that need extra guidance. However, mentorship can help any person on your team improve skills and grow professionally. A well-structured program can benefit the entire organization.

Mentoring allows mentees to get a [different perspective](#)<sup>6</sup> about situations at work or anything involving their professional career. For example, an employee is considering applying for a management position. A mentor can guide them through the process and help prepare them for the interview.

Also, the mentor can work with the mentee to develop the skills necessary to get a promotion. Below are some reasons startups fail and how mentoring can save a business at any level.



# Mentors & Startups

Mentoring is a valuable tool for any company. Individuals with a mentor agree. Nearly 100% agree that mentoring is invaluable to their career development. Small- and medium-sized businesses agree it can help them succeed. In addition, mentorships pay for themselves—67% of companies reported employees in the programs were more productive, and at least 55 % saw a positive impact on their business's profits.

## Why Startups Fail

There are several reasons why startups don't succeed. From employee burnout to lack of commitment and animosity among staff members, many factors explain why a business fails. The best way to avoid failure is to watch for pitfalls and maneuver around them.



# 01

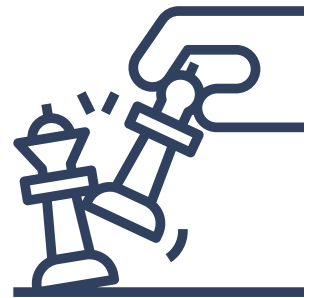
## FAILURE TO PIVOT

An estimated

**70%**

of startups<sup>7</sup> fail because they don't recover from mistakes quickly enough.

Part of operating any business requires quick thinking and fast decision-making skills. People aren't born with these abilities. They have to develop them. However, the wrong choices can prove fatal, too. Another 10% of new companies that don't make it past a year or two is because of a pivot gone wrong.



# 02

## EMPLOYEE BURNOUT

Not much further from the failure to pivot is employee burnout, accounting for about

**8%**

of all startup failures.

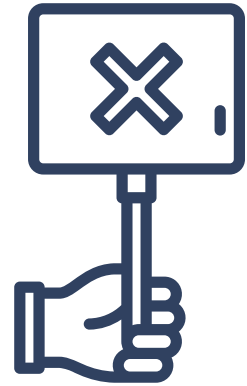


Many new executives underestimate the stress and work involved with launching a successful company. Unfortunately, management isn't the only area where burnout occurs. Staff at all levels can get overwhelmed when they are handling too much. When owners and CEOs don't see overstressed employees, company morale can decrease, and turnover can increase.

## 03

**LACK OF COMMITMENT OR ENTHUSIASM**

If everyone's not on board with the company's mission, even profitable businesses can fail. For example, about 9% of startups don't survive because of a lack of commitment from staff members. If you, your management, or your employees don't have your heart in the business, you won't succeed. Everyone needs to be in it together or not it in at all for the best results.



## 04

**DISAGREEMENTS AND ANIMOSITY AMONG TEAM MEMBERS**

When employees clash, it never fares well for the business.

Around

**13%**

of startups don't make it because team members can't work in harmony to get tasks done. A successful company works in unison to move forward.

## 05

**LOSS OF FOCUS**

When leaders lose focus on the primary goal and fractures, it can lead to failure. An average of 13% of companies don't succeed because executives lost track of the bigger picture. When leadership pivots away from the company's mission, it harms the business and can lead to high turnover rates.



# How Mentorship Programs can Help

You can reduce the chances of the above reasons for failure through mentoring. Additionally, revenue is another cause of business failure. While mentorships won't directly infuse cash into your company, a successful one can lure investors your way.

## Recruitment

Startups might not have the cash to offer large salaries or other monetary incentives established companies have to recruit top employees. However, there are more ways a business can lure in the right people for their openings.

Dina Bayasanova, the founder of PitchMe, told [Entrepreneur.com](https://www.entrepreneur.com)<sup>8</sup>,



*“When you are an early-stage company, you are not selling the business, you are selling your vision. Mention your team culture, opportunities for growth, and what mission you are driven by. People who join startups are more driven by this than by money.”*



Many individuals are looking for employment that offers growth opportunities. A mentorship program can foster employee advances and improve recruitment.

A 2018 LinkedIn  
Workplace Culture  
Report found

71%

of professionals<sup>9</sup> would take a pay cut to work with a company that aligns with their beliefs and values.

## Reduced Employee Turnover

Startups that follow through with mentoring can also reduce employee turnover, which may improve your company's success. For example, a 2019 report indicated that workers under 45 with a mentor<sup>10</sup> are significantly more satisfied with their job than workers without one.

Additionally, employees that don't feel they have advancement opportunities will seek other employment. Mentorships can foster growth and help employees prepare for advanced roles with the company.

For example, the 2019 CNBC/Survey Monkey Workplace Happiness Survey also found that 71% of employees with a mentor feel they have good opportunities to grow. On the other hand, only 47% without a mentor agree.



## Bring Teams Together

Mentorships also help teams learn to work together to accomplish company goals. When employees can't get along, everyone fails. Fostering a positive work environment includes mentoring to help every worker achieve their full potential and work in harmony with one another.



## Foster Good Relationships Between Management and Employees

Relationships between management and employees are just as crucial as coworkers interacting and developing solutions to problems together. Mentors are often employees with a more extended work history with the company. These are usually managers or other staff members in leadership positions.



## Develop Future Leaders

Mentees often go on to mentor other employees. The relationship between managers and employees in the mentorship program helps produce future company leaders and ensures businesses can promote from within the organization. In return, this improves employee morale, reduces turnover, and improves the business's success rate.

Mentorships are the ultimate tool for any organization to grow. These programs help your company play the long game. Get started today. Strive to become one of the more than 70% of Fortune 500 businesses with a successful mentoring program.



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