THE VALUE OF MENTORING AND COACHING IN INTERNAL AUDIT SETTINGS

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"What the caterpillar calls the end of the world, the Master calls a butterfly." Richard Bach

Introduction

In an effort to understand the passage from adolescence to adulthood, Levinson et al. (1978) conducted intensive interviews of middle-aged men across fields and occupations. They reported that there appeared to be a *novice adulthood* phase in the 20s, a *settling-down* phase in the 30s, and a *transition to mid-life* phase currently in progress. A recurring theme in the novice phase of young adulthood was the use of the terms "dream" (a vision of the future) and "mentor" (one who served as a teacher, sponsor, and secure base).[1] In his young adulthood phase, every young man's dream of glory included a vision of himself in the future that exerted a significant influence on his present actions and behavior. In addition, for a large number of men interviewed, the presence of a mentor played a key role in their life and career choices. It seemed that having a dream and a mentor certainly helped these men to succeed in a variety of life's endeavors: the dream presents the goal(s) to be attained, and the mentor serves as a useful resource in helping attain the goal(s).

Sociologists and anthropologists have long recognized the role played by "socialization" and "enculturation" in transmitting cultural and communicative norms to the younger members of any organized society or profession (Theodorson & Theodorson, 1979; Michener, DeLemater, & Schwartz, 1986; Harris, 1991; Kottak, 1982). Culture and tradition represent time-tested strategies for survival within a profession which, when conveyed to ensuing generations, enhance their abilities to thrive and prosper in a possibly changing and challenging environment. As the process of environmental change accelerates, the larger the repertoire of such survival strategies, the higher is the likelihood that a particular profession and its members will flourish (cf. Mead, 1970). The importance of mentoring in the socialization of fresh recruits in public accounting firms has been documented in prior research (Dirsmith & Covaleski, 1985; Fogarty, 1992). Specifically, a mentor is seen as a role model who provides valuable information, advice,

[1] Unfortunately, the Levinson et al. (1978) study deals solely with middle-aged men, consequently, we do not possess corresponding information about middle-aged women's perceptions of the roles played by "dream" and "mentor" in their transition from adulthood to mid-life. However, based on findings from subsequent research, it appears that similar phases and explanatory constructs apply to young women also (cf. Doyle, 1987).

encouragement and support to a protégé (Weiss, 1977), thus helping in the fulfillment of the protégé's dreams. Historically, as additional anecdotal evidence from American business, mentoring relationships have formed the foundation for young men to assume leadership positions in the Jewel Companies and have been described as a "Jewel" tradition (Collins & Scott, 1969, see Appendix).

Ghoshal and Bartlett (1997) in their recent book, "The Individualized Corporation," point out that the spectacular success achieved by two large companies, ABB and 3M, could in part be attributed to the value placed on coaching and mentoring as an intrinsic element of the management process. Thus, they observe that ABB's "policy bible" requires its middle- and senior-level managers *to support and coach new managers*. As if to walk the talk, ABB's second-in-command, Goran Lindahl, openly acknowledges his commitment to turn engineers into managers, and managers into leaders. Similarly, in 3M, senior management understands that much of the company's success is predicated on their resolve "to develop the people to develop the businesses" which in turn is an integral part of their "make a little, sell a little" philosophy. In any empowered organization, the significance of recognizing the true meaning of "authority" (i.e., a positive, dynamic force ordered to growth; Kennedy & Charles, 1997) and making coaching and mentoring a natural expectation in any superior-subordinate relationship cannot be overemphasized.

Practitioners continue to use the word *experience* as a generic term to account for the deep understanding of, and ability in, a professional discipline achieved by a seasoned practitioner. Nevertheless, it is the content, quality, and variety of such experience, including what was learned, not merely the duration over which the experience was gained, that develops the capacity to make sound professional judgments. We believe that mentoring relationships can greatly enhance the quality of professional experience gained. In fact, Margo Murray, President of MMHA, The Managers' Mentors, Inc., who was involved with the mentoring program at Federal Express, has observed that "facilitated mentoring" enables individualized development, and is a realistic, cost-effective method to develop today's workforce (Jamieson & O'Mara, 1991).[2] In this connection, it is exciting to conjecture that if we can "facilitate" the quality of professional experience by consciously encouraging and promoting positive interactions between a "senior, experienced practitioner" and a "junior, new hire" in an internal audit department, the

[2] Skip Everitt, Manager of Continuing Education at Federal Express Corporation, and Margo Murray, President of MMHA, The Managers' Mentors, Inc., coined the phrase "facilitated mentoring" to describe something between a formalized process of matching mentors and protégés and providing informal encouragement for mentor-protégé relationships to emerge on their own (Jamieson & O'Mara, 1991).

individuals involved and the profession as a whole will benefit greatly.[3] It is this premise that led us to reflect upon the role of authority and the value of mentoring and coaching in internal audit settings.

In this paper, we first describe the nature of "authority" in work settings and then seek to distinguish the more personalized "mentoring and coaching" from the more impersonal "training and professional development." Our purpose is to suggest to the membership of the internal auditing profession that mentoring and coaching activities are crucial in practice: indeed, it is strong and positive mentoring relationships that keep the profession re-vitalized and relevant in an era of unprecedented change. In the process of making a case for giving serious consideration to an activity in the workplace that is only implicitly acknowledged, we highlight the importance of mentoring and coaching in the development of an appropriate attitude of professional skepticism as well as ethical values that are so important for internal auditors. We also enumerate other intangible benefits of mentoring such as the creation of symbiotic and synergistic relationships with win-win outcomes, development of a sense of corporate loyalty and professional pride, and the nurturance of audit professionals who excel and are deeply committed to their work. Finally, we emphasize that positive mentoring relationships adds to "social capital" within the profession of internal auditing, and thereby enhances the reserves of "human capital,"[4] as represented by the global membership of the Institute of Internal Auditors.

Authority, Coaching and Mentoring

Kennedy & Charles (1997), lamenting the confusion surrounding the term "authority," have attempted to clarify what *authority* really is by describing it as a "positive, dynamic force ordered to growth." Following the philosopher Iredell Jenkins (1976), they conceive of relational authority within an organization as primarily being "a function of...human relationships... [between] executives and their workers." They go on to observe that the basic elements of the authority of a business leader are no different from the natural authority of parents, teachers, pastors, and artists. According to them, authority consists of three essential elements: (1) the author, the agent of energy; (2) the recipient of that creative energy; and (3) what is authorized,

[3] Of course, we must simultaneously seek to develop the appropriate output measures in order to be able to measure the nature and extent of learning within different types of experiences that occurs in such mentoring relationships.

[4] The reputed sociologist, James Coleman, was the first to draw attention to the connection between social capital and human capital. He defines social capital as the existence of cordial relationships among the citizenry of a country which frequently lead to positive associations and interactions. See Coleman (1988) for a discussion.

the creation or achievement beyond both agent and recipient. Authority, in the sense used by Kennedy & Charles (1997), is not too different from our notion of "mentoring" as described in this paper. Such "healthy" authority constitutes a generative power that enables the personal and professional growth of a junior professional colleague leading to increased productivity, benefiting both mentor and protégé. Further, they point out that reciprocity turns out to be one of the hallmarks of generative relationships: ultimately, the authority giver, be it parent, teacher, supervisor or mentor--is someone with maturity helping someone else develop that maturity.[5] This sincere interest, typically by a senior, experienced person in a junior colleague's personal and professional growth and success results in the creation of a powerful bond between the mentor and the protégé. Such bonds constitute an "unforgettable, living memory" for the individuals involved, and invoke a sense of personal and professional fulfillment.[6]

We now consider the role of performance coaching, including mentoring, in developing technical and managerial skills among employees of an organization. Gilley & Boughton (1996, p.32) describe *performance coaching* as "person-centered management" that requires establishing rapport and engaging in face-to-face interactions with employees targeted towards the solving of problems, improving performance, or getting results. They view performance coaching as consisting of four sequential phases: (1) developing a synergistic relationship with employees, (2) using the four roles of performance coaching, (3) developing self-directed and self-esteeming employees, and (4) selecting rewards that build commitment and get results. According to Gilley & Boughton (1996), the four roles of performance coaching include *training, career coaching, confronting*, and finally, *mentoring*. The *training* aspect of performance coaching is designed to develop technical competence and problem solving skills in the employee through one-to-one

[5] Presenting an interesting analogy, Kennedy & Charles (1997, p. 155), observe: "The music that issues finally from a symphony is the product of an enormous, risky, cooperative human adventure...It needs players ready to author their music and a central conductor ready to author the players. The latter's intuitive understanding of authorship links them in authoring themselves and something beyond themselves at the same time."

[6] The Hardy-Ramanujan relationship, one of the most unusual collaborations in the history of mathematics, has been chronicled by Kanigel (1991). Professor G.H. Hardy, widely acknowledged as the premier English mathematician of his time, saw "genius" in a 25-year old, unknown Indian, Srinivas Ramanujan, and invited him to Trinity College, Cambridge University, in 1913. Although Ramanujan passed away, a mere 7 years later, he has been described as "a mathematician so great that his name transcends jealousies, the one superlatively great mathematician whom India has produced in the last thousand years." Towards the end of his life, Hardy is believed to have declared that his collaboration with Ramanujan was "the one truly romantic incident of my life."

interaction and effective communication and feedback.[7] Although many organizations sponsor training and development programs to help employees keep abreast of recent advances in their professions, these programs are typically conducted for large groups of participants and remain quite impersonal. Consequently, such large-scale and impersonal professional development programs are not the type of training envisioned by performance coaching. Next, as a *career coach*, the purpose is to help the employee discover his or her "interests, abilities, and beliefs" in the hope of influencing his or her career path positively. The result of career coaching is to produce a heightened sense of commitment on the part of the employee both towards his or her career and organization, with the expectation that the employee will develop a sense of self-sufficiency and independence. The third aspect of performance coaching is *confronting*, that is, getting an employee to perform better. Note that this includes raising performance to an acceptable level in the case of employees whose performance is seen to be deficient when compared to established standards as well as inspiring good employees to transcend their current levels of performance. However, as may be imagined, providing feedback to employees about unsatisfactory performance is difficult. If not done properly, such feedback may mislead the employee into believing that the feedback was meant to communicate personal criticism and was in fact a reprimand (Jablin, 1985). Such an unfortunate misinterpretation may make the employee depressed and diffident to the extent that his or her performance deteriorates rather than improves. Accordingly, confronting must focus on the performance problem rather than the person, not make the employee defensive, be perceived as constructive criticism designed to identify opportunities for improvement, and encourage an appropriate response to correct the deficiency.[8] As an integral part of the supervision and review process in internal audit settings, confronting helps ensure junior staff adhere to established standards for performance, and through

[7] As far as cognitive and problem-solving skills are concerned, modern technologies have certainly reduced the reliance on human beings for "coaching and training." As reported by D'Amico & Adamec (1996), Ameritech Internal Audit Services' COACH, developed in collaboration with the Learning Sciences Corporation at Northwestern University, is an effective multimedia system for preparing and archiving workpapers that trains new auditors in performing business process audits. However, it is well-understood in sociology that interaction with "human mentors" is a *sine qua non* for helping one acquire people skills, absorb ethical values, learn to exercise judgment, and thus become "socialized" into a profession.

[8] Sometimes confronting may be necessary with "problem employees": those performing at minimal or substandard levels. In such cases, "counseling" an employee to understand and deal with factors negatively affecting his or her job performance may be effective as a management intervention technique (Mealiea & Latham, 1996). Although counseling programs may advance an employee's career pursuits, help him or her adjust to a major transitional change, and improve his or her mental, physical, or social health (Myers, 1985), they are very different from the idea of mentoring as described in this paper.

timely, individualized feedback, enhances audit performance, thus allowing for continuous improvement in the audit process. Finally, we come to the most important aspect of performance coaching, called *mentoring*. The mentoring role is the only one which can be initiated by either mentor or protégé; requires the greatest people skills; can be delegated to other managers or supervisors; and is the most complex of all performance coaching roles. Mann-Polk (1989, p.127), describing a mentor as one who cultivates a taste for "work-play" in the protégé, characterizes him or her as "...[the teacher] who co-mingles a call for mastery with a call for experiment, who imparts a dual respect for order and disorder, who encourages discipline and honors the hunch, who builds, and who tears down." Developing an appreciation for these pairs of opposites is no small achievement, particularly because mentors must be able to communicate them in such a way that they do not make the protégé feel judged or evaluated (Sumners, Holland & Klass, 1994). Frequently, the mentor may need to share some of his or her own past experiences: learning about such a piece of the mentor's personal and professional history can exert a powerful impact on the protégé's comprehension of a problem. Such sharing of life experiences promotes mentor-protégé bonding: it builds trust in their relationship and develops competence in the protégé. Mentoring transcends coaching in that it becomes personal--a mentor may serve as a confidant in times of personal crisis; it may occasionally involve making self-disclosures to explain and demonstrate the key aspects of a problem and its resolution to the protégé. In contrast, coaching pertains primarily to work and career aspects of an employee, rarely does it extend to the personal domain. A positive mentoring relationship yields benefits to both mentor and protégé: the mentor gains a deep sense of satisfaction from providing advice that has the potential to have a salutary, far-reaching effect on the protégé's personal and professional accomplishments; the protégé gleans valuable insights that accelerate his or her rate of learning enabling him or her assimilate well into the organization and profession and develop into a capable and competent professional.

The Changing Environment of Internal Auditing

The internal audit profession, like many other professions, is going through an era of unprecedented change. Advances in information technology, mergers and acquisitions as well as other types of corporate restructuring, globalization, and workplace diversity, are some of the most important factors leading to a re-definition of the nature and scope of internal auditing. Experimentation with control models such as COSO and CoCo, quality standards such as ISO 9000 and ISO 14000, total quality management, business process re-engineering and redesign, benchmarking, the virtual corporation, outsourcing, etc. is pervasive, and internal auditors in different industries are being challenged daily to keep up with these innovations in management philosophy. They also have to continuously highlight the role of internal audit in adding value to the organization, improve auditing techniques and procedures to make them more efficient and effective. In such high-pressure environments where the role of internal auditing is fluid but changing in critically important ways, the individual internal auditor must exercise sound professional judgment, frequently drawing upon the wise counsel of mentors who may have experienced similar conditions. These mentors understand what it takes to track a "moving target" and frequently, have developed the ability to see "order amidst chaos" enabling them to anticipate trends and outcomes more accurately.

Conventional wisdom informs us that "the more things change, the more they remain the same." The idea emphasized is that within any process of change there can be discerned clear strands of continuity. Good adaptation to any changing environment typically requires continuity with change, wherein the core is retained while non-essential activities are substantially modified or sometimes, eliminated. Of course, sometimes "paradigm shifts" occur that completely change the nature and interpretation of work within a particular field (e.g., after the advent of computers, the new notion of "electronic security" differs in a fundamental way from the notion of physical security and access, leading to new concepts such as "passwords," "encryption," and "firewalls").

A well-trained internal audit professional must maintain awareness of his or her moorings ("roots") while having the boldness to experiment with his or her dreams ("wings"). The "roots and wings" metaphor captures the essence of the "continuity with change" principle.[9] It seeks to highlight the trade-offs inherent in coming up with a judicious mix of the old and the new--they should mutually reinforce and supplement rather than supplant each other. No wonder then, Mann-Polk (1989) observes, "The ideal mentor...creates an atmosphere of both stability and change in the presence of random noise." Such a mentor helps the internal auditor recognize that while knowledge, competence, integrity, and objectivity must remain the unchanging criteria for professionalism, the kinds of knowledge and competence necessary may evolve and so will the need for a heightened sense of integrity and objectivity in novel, complex situations.

When junior internal auditors join any organization, they typically experience "culture shock." First, they must quickly recognize, understand, and conform to the overall "organizational culture," and simultaneously, they also need to assimilate into the "professional culture" endorsed by the internal audit department. For instance, Jamieson & O'Mara (1991,

[9] We wish to thank Ms. Nancy Desmond, Department of Accountancy, University of Illinois, for drawing our attention to the "roots-and-wings" metaphor.

p.106) quote Susan Chellino of the New England Telephone Company in Boston as saying, "Young people entering a new company need a frame of reference. If they can't see where they fit into the organization, it's going to be harder for them to understand where their job is." Navigating through the complex web of relationships that exist within the internal audit department and the larger organization, comprising auditees and others, can be a daunting task. In other words, junior internal auditors are typically surrounded by a social network of professionals and a workplace that makes special demands on their time and talents. In such a context, it can be extremely valuable to have a senior, experienced person who serves as a teacher, sponsor, and guide to their new occupational world and its context. It is precisely such a source of support and counsel that Levinson et al. (1978) labeled a *mentor*: "neither a parental figure nor a peer" but a person who shepherds the junior through the difficult process of eventually becoming a peer himself or herself.

The Value of Coaching and Mentoring in Building Trust and Competence

Fukuyama (1995) maintains that the business environment is pervaded by culture and crucially depends on moral bonds of social trust. He argues that it is the unspoken, unwritten bond between fellow citizens that facilitates transactions, empowers individual creativity, and ultimately, justifies collective action. He further observes that the winners in the global economy will be only those countries and corporations who have "social capital represented by trust" in addition to physical and intellectual capital. Fukuyama's observations can be readily adapted to the context of the profession of internal auditing--an expanding, global profession. Such a profession needs to have a membership which, despite being geographically scattered, has close ties to each other and in which mentoring relationships are a common occurrence. At an abstracted level, such global networking and mentoring efforts are consistent with IIA's motto "progress through sharing." Mentoring relationships build trust, competence, and loyalty in both senior and junior members of the profession with significant healthy, stabilizing, and long-term effects. After all, any profession is only as good as the members constituting it.

Mentoring relationships are a sort of social glue that keep the fabric of the profession from tearing apart. The beneficial outcomes for both mentor and recipient of creative energy gather a momentum of their own and get propagated to future generations of professionals. Any junior who has had a positive mentoring experience enjoys a high likelihood of developing into a good mentor himself or herself and thus, the distilled wisdom of experience and creative energy is made available for future generations.[10] Using Coleman's (1988) idea of "social capital in the creation of human capital," we may say that a positive mentoring experience represents an accretion to social capital and thus preserves and extends human capital. Unfortunately, a bad mentoring experience makes it harder for the junior person in the mentoring relationship to develop into a good mentor himself or herself. The human costs of careers gone awry, of dreams and aspirations destroyed, and talents wasted, is never tracked systematically but does cumulatively retard the afflicted profession's growth and advancement. It is clear that the internal auditing profession must take the issue of promoting positive mentoring experiences within its membership very seriously.

In some cases, it can be argued that having a mentor is the only way that a member of an "out-group" can be admitted into an "in-group." Thus, when women in the United States entered the accounting profession in large numbers, it was probably necessary for them to pick experienced male mentors because there were so few experienced females in the profession. Particularly for an ambitious young woman wanting to make "partner" in a public accounting firm, in the "olden" days, it was necessary to have a well-established male accounting firm partner to guide her through the rigorous screening process. Similar accounts can be given of women who have become Directors of Internal Audit in their organizations. The topic of cross-gender mentoring is complex but extremely important in a profession that now has almost equal numbers of men and women participating in it. Extending this observation further, as the U.S. workforce continues to become more diverse, featuring many more "minorities," the role of "facilitated mentoring" will assume a new sophistication that has not hitherto existed.[11]

Developing Professional Skepticism

IIA Professional Standards (1995) state that internal audits should be performed with proficiency and due professional care. The internal auditing department is expected to ensure that all internal auditors have the necessary knowledge, skills, and disciplines needed to discharge their responsibilities effectively. Although one way for internal auditors to keep abreast of new

[10] Jamieson & O'Mara (1991, p.106-7) describe how Ted Hatch (TH), Managing Director of Customer Service, New England Telephone Company, Boston, and John Major (JM), Vice-President and General Manager, Motorola's Communications Systems Group, served as excellent mentors to Susan Chellino (TH), Ralph Thompson (TH), and Choonie Teh (JM), all of whom felt inspired by their mentoring experience and went on to become superb mentors themselves.

[11] For instance, Jamieson & O'Mara (1991) note that Security Pacific Corporation has been a leader in establishing Multicultural Officers Networks (including Blacks, Hispanics, and Asians) to promote advancement in areas of leadership, management ability, and communications skills, among culturally diverse officers.

developments and aware of new audit tools and techniques is by regularly attending professional meetings and seminars, in our opinion, the most effective vehicle for learning might well be on-the-job learning. This type of learning is enhanced in the presence of a "mentor" who has both a formal as well as a personal relationship with the junior internal auditor (Jablin, 1982). Personal involvement by a mentor is also more encouraging because, unlike training and development seminars, feedback from a mentor is provided with particular reference to the individual internal auditor with special regard to his or her background, abilities, and aptitudes. In addition, because the internal auditor might be reporting formally to the mentor, the latter's counsel and advice is also taken much more seriously (cf. Jablin, 1985).

Learning how to exercise sound professional judgment is probably one of the most difficult aspects of professional practice for an internal auditor. Usually, developing a keen sense of what works in a particular setting and what does not requires several years of professional experience. However, if there is a way that a mentor can, by example, show the junior internal auditor the proper course of action to be taken in complex situations, the value of such experience is considerable. For instance, the mentor may enable the protégé to inherit his or her repertoire of analytical reasoning abilities and develop the skill to assess a difficult problem in an efficient manner. Probably the most important advantage of mentoring is that the protégé gets to know what the course of action is, intuitively, rather than wait for long years of experience to be able to efficiently determine the action to be selected. However, in a changing environment, the mentor's philosophy and method must hold up to the challenges posed by novel situations--it is through formulating successful, practical strategies that the mentor must seek to gain the trust and confidence of the protégé. Over a reasonable period of exposure to mentoring, these attitudes and values possessed by a mentor, with suitable modifications to allow for individual differences, are gradually inherited, absorbed, understood, and cultivated by the protégé.

A critical aspect of the internal auditor's attitude is maintaining professional skepticism. This is the quality that enables an internal auditor to be objective and unbiased in his or her evaluation of information. An attitude of professional skepticism usually enables the auditor to exercise sound professional judgment, and, when the auditor is seen as a person with honesty and integrity, he or she develops a reputation as a consummate professional. The best way for a mentor to equip the protégé to think independently is by carefully showing him or her how to approach a complex problem while explaining why particular approaches are to be preferred over others in those specific circumstances.

Aligning Personal and Professional Goals for Organizational Success

Bennis & Biederman (1997, pp.199-200) in their work about creative collaborations, have the following to say: "Great groups are made up of people with rare gifts working together as equals. Yet, in virtually every one there is one person who acts as maestro, organizing the genius of others. He or she is a pragmatic dreamer, a person with an original but attainable vision...Typically, the leader is the one who recruits the others, by making the vision so palpable and seductive that they see it, too, and eagerly sign up." Every internal audit department typically consists of a few members who must function as a team. The Director of Internal Audit should assume the responsibility of serving as a willing and able mentor or delegate the mentoring responsibility to others, e.g., managers and supervisors. Despite careful hiring practices, it is a tall order to expect all junior hires to be "self-starters" and motivated enough to deliver their very best--they must be made aware of the expectations about quality and commitment and receive support and encouragement from within the organization to achieve them. Once employees are convinced that the organization, through the work of experienced and capable mentors, is genuinely interested in their personal growth and advancement, they will naturally develop a sense of loyalty to the organization. In the long run, a feeling of *esprit de corps* is likely to diminish the divergence between personal and organizational goals even without the use of economic incentives designed to influence employee behavior.

Conclusion

Krull (1995) captures the essence of mentoring when he observes "In my judgment, there's no more important service to the academy...than to mold students for success...the greatest contribution one can make is helping others succeed." His remarks are equally true for the professional setting of internal auditing. This paper began with the premise that mentoring and coaching are activities that add considerable value on different dimensions: to internal auditors participating in mentoring relationships, the organizations they work for, and the profession of internal auditing to which they belong. Indeed, well-trained people are key resources of any organization; simultaneously, well-rounded internal auditors with highly developed technical and managerial abilities make for a highly regarded profession. In addition to personal satisfaction for the mentor, the paper suggested the following important benefits from a positive mentoring relationship for the protégé: (1) easier assimilation into the "organizational" and "professional" cultures; (2) creation of a mentor-protégé bond that builds trust and competence; (3) development of appropriate attitude of professional skepticism and the ability to exercise sound professional judgment; (4) enhancement of technical and managerial skills, including problem-solving, interpersonal communication, and leadership; (5) cultivation of a strong sense of corporate loyalty and professional pride, engendering a commitment to the highest quality and standards of performance and alignment of personal and organizational goals; (6) access to mentor's sagacious advice in negotiating the unavoidable uncertainties that arise in one's personal and professional life; and (7) accumulation of professional experience and gaining of necessary maturity to become a mentor himself or herself. From the internal auditing profession's standpoint, we also pointed out that positive mentoring relationships add to the precious reserves of high-quality "human capital," as represented by the expanding membership of the Institute of Internal Auditors.

In a recent article in the *Internal Auditor*, IIA Chairman of the Board, Michael P. Fabrizius, calls for internal auditors to cultivate "a passion for excellence." We agree with him and expect that where a conducive professional environment for excellence exists, it should be relatively easy to find excellent auditors with attributes such as a commitment to innovation, quality, growth, stewardship, integrity, and respect. Moreover, we concur with his remark that "a passion for excellence is contagious." What we wish to re-iterate is that the existence of role models and mentors within internal audit departments who have this "passion for excellence" and are willing to pass the torch on to future generations of internal auditors is critical. Such role models understand the true meaning of "authority," what Kennedy & Charles (1997, p.155) powerfully describe as: "...essentially the management of creativity, the harnessing of this indispensable human energy source artfully so that everybody, from the president to the newest employee, reaps the unique and enlarging rewards of being creative in what they do in the workplace." These experienced performance coaches and mentors are the very bedrock of the internal audit department, and in many ways the organization itself, and represent our best hope for encouraging, stimulating, and helping the next generation of internal auditors in positioning the profession globally for the 21st century.

APPENDIX

A "JEWEL" TRADITION

"In 1931 John Hancock, chairman of Jewel Tea Company, hired a young lawyer, Franklin J. Lunding, to negotiate the acquisition of some food stores in Chicago. By 1942, Lunding was president of Jewel Tea Co. Inc. He was only 36 years old. Like Hancock, Lunding also needed help running the food stores, so he appointed the young office manager, George L. Clements, to be assistant to the president. By 1951, Clements was president, and he was 41 years old. In 1953, in an effort to bring new blood into the organization, Lunding hired Donald S. Perkins as a trainee. With the farsighted guidance of both Lunding and Clements, Perkins became president of the Jewel Companies in 1965, when he was 37 years old. Perkins is now chairman and chief executive officer.[12] That simple fact epitomizes what is now a Jewel tradition; young people shall be given their heads, to the challenge the organization to grow. These young people will also have an older person in the organization to look after them in their early years to ensure that their careers get off to a good start. Out of these relationships it is hoped that young people learn to take risks, accept a philosophical commitment to sharing, and learn to relate to people in an intuitive, empathetic way. These mentor relationships develop leaders. In the interviews that follow, Messrs. Lunding, Clements, and Perkins discuss these issues, how they affected each other's lives, and ultimately how the imprints of their personalities and relationships can be seen in the strategies and policies of the Jewel Companies."

(Appears as a preface to the article "Everyone Who Makes It Has a Mentor: Interviews with F.J. Lunding, G.L. Clements, and D.S. Perkins" published in the *Harvard Business Review*. These interviews were conducted and edited by Eliza G.C. Collins, then senior editor, and Patricia Scott, then manuscript editor, *Harvard Business Review.*)

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[12] As of 1998, Donald Perkins, was also listed as a member of the Board of Directors of Lucent Technologies.

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