



Reducing Turnover with Crucial Conversations® at Rocky Mountain Equipment



CLIENT: ROCKY MOUNTAIN EQUIPMENT

Rocky Mountain Equipment is the largest independent dealer of Case IH and Case Construction equipment in Canada, and the second largest in the world. RME's goal is to bring professional, stable, and dependable equipment partnerships to its customers.



Industry: Retail

THE CHALLENGE

Rocky Mountain Equipment's (RME) business model is reminiscent of a car dealership, except that the company sells heavy equipment for the construction and agricultural industries. RME operates more than 35 dealerships across Alberta, Saskatchewan, and Manitoba, with more than 850 employees. The company has a unique leadership structure in that the three main discipline managers are responsible for the overall success of their respective branches. Each manager is required to handle all employee matters and customer concerns in their area of expertise and they were once very authoritarian in how they handled performance issues. Think "my way or the highway." As a result, departments were at odds and communication suffered.

This disconnect led to higher than expected employee turnover. RME was experiencing turnover rates of 30 percent or higher in some areas, which adversely impacted recruiting costs and overall efficiencies throughout the company. Exit interviews revealed that management was not skilled in communicating with employees, especially when it involved performance issues.

"The typical practice throughout the organization was to rule with an iron fist," said Alex Andrews, Manager of Organizational Development for RME. "That

management style was how things got done. It was built into the culture of the company and it needed to change."

THE SOLUTION

To help solve this challenge, RME's leadership team pinpointed gaps in handling performance issues as a leading cause to its high turnover rate. Given that knowledge, the team decided to focus on three key areas to eliminate those gaps in performance: 1. Effective leadership training; 2. Better communication; and 3. Driving behavioral change to influence others. Leaders expected managers to hold sensitive performance conversations with employees but in a way that would also drive results.

Andrews decided the best way to solve these communication gaps was to implement Crucial Conversations® for Mastering Dialogue and Crucial Conversations® for Accountability for all management positions at RME. Andrews was familiar with Crucial Conversations through a previous position and he believed it could teach RME's managers how to better communicate with their employees.

"We were dealing with opposing opinions and most of the conversations were high stakes, so we were dealing with really strong emotions," Andrews said. "The biggest thing for us was providing individuals the tools to address the emotional side of the conversation. My



thinking was this: any learning organization can give you a step-by-step process on how to collaborate and come up with shared goals and address high stakes issues. What's unique about Crucial Conversations is they teach you the skills for actually having these conversations and managing the emotions of a situation. That was the driving factor when it came to deciding what training to use."

RME rolled out Crucial Conversations for Accountability to the company's management team, about 165 people total. Six months later, the team then took Crucial Conversations for Mastering Dialogue. Crucial Conversation's strength, according to Andrews, was that it provided a systematic way to help RME leadership identify gaps between what they expected their employees to do and their actual performance.

"The best way to address performance issues is to learn conversation skills to identify and address the gaps," Andrews said.

Once these gaps were identified, RME turned to Crucial Conversations to develop the skills for addressing these gaps respectfully. The biggest takeaway for RME's leaders was learning how to make conversations safe for everyone and realizing this skill could lead to open, honest conversations.

"The biggest ah-ha moment was when our leaders began taking the time to reflect on the situation and realize they may not always be right," Andrews said. "They started exploring ways to get their employees to share their side of the story and open up."

THE RESULTS

Implementing the two Crucial Conversations courses made an immediate impact at RME. The training proved to be so effective that Andrews and his team plan to roll it out to all employees. In addition, RME is committed to offering Influencer Training® to the leadership team.

Even though RME didn't have a systematic way to measure training results in its initial year, evidence reveals Crucial Conversations has made a positive impact on the business. In fact, twelve months after the initial rollout, turnover rates have been nearly cut in half.

"Turnover rates are falling, and part of the reason is we now have better performance conversations and can manage those situations without getting upset or raising our voices," Andrews said. "This is allowing individuals to feel more comfortable addressing

their concerns versus just quitting or walking out or having managers get frustrated and overreact. We've seen a noticeable change when our managers have performance-related conversations."

The training is also impacting the personal lives of RME managers. One individual had a reputation of being hot tempered and opinionated and was vocally skeptical about the effectiveness of the training. "At the end of the course, he shared how he learned to consider others' perspectives and once he started doing that, he listened more and spoke less," Andrews said. "It was a complete transformation."



RESULTS AT A GLANCE

- **Reduction in turnover from 30 percent to 16 percent**
- **Leadership learned to master performance-management conversations**





Crucial Conversations.
FOR MASTERING DIALOGUE



Crucial Conversations.
FOR ACCOUNTABILITY

ABOUT CRUCIAL CONVERSATIONS® FOR MASTERING DIALOGUE

At the heart of healthy and high-performance organizations are people willing and able to hold Crucial Conversations. The award-winning Crucial Conversations® for Mastering Dialogue course gives people the skills to transform disagreement into dialogue for improved relationships and results. With skills to speak their minds honestly and respectfully, people collaborate better, make better decisions, and foster workplace cultures of trust and respect. The course is available in on-demand, virtual, and in-person learning formats.

ABOUT CRUCIAL CONVERSATIONS® FOR ACCOUNTABILITY

Crucial Conversations® for Accountability teaches a process for managing performance—from coaching through behavioral challenges to helping people identify and achieve goals. Anchored on principles of effective dialogue, this course teaches skills for holding peers accountable regardless of power, position, or authority. The course is available in on-demand, virtual, and in-person learning formats.

ABOUT CRUCIAL LEARNING®

Crucial Learning improves the world by helping people improve themselves. We offer courses in the areas of communication, performance, and leadership, focusing on behaviors that have a disproportionate impact on outcomes, called crucial skills. Our award-winning courses and accompanying bestselling books include Crucial Conversations® for Mastering Dialogue, Crucial Conversations® for Accountability, The Power of Habit™, Getting Things Done®, and Influencer Training®. CrucialLearning.com

