

Crucial Conversations® Improves Customer Relations and Secures New Business for Worldwide Manufacturing Company



INDUSTRY: Manufacturing

Excel Polymers is the world's largest merchant compounder of thermosetting elastomers or rubber technologies and products. Headquartered in Solon, Ohio, their mission is to be the technology leader in elastomer systems by offering their customers an innovative solution-based portfolio of products and services.

THE OPPORTUNITY

John Quinn knew it was going to be different. The CEO of Excel Polymers knew that after his manufacturing company went private in 2004, after being part of a public company for 18 years, he and his leadership team would need to have more agility in making decisions and would also face higher expectations. He started by redefining traditional functional hierarchies within the company and forming new market-focused business units. This process meant upheaval for some and a potential loss of identity for many more of the firm's long-time managers, as some found themselves reporting to recently hired outsiders or even former staffers.

"It was quite a cultural transformation," Quinn says. "Previous infrastructures within the company were very deep, and we needed to become more cross-functional in our thinking, more collaborative, and act more like team players. So you can understand the organizational strains these changes created."

In the middle of the reorganization, the company also needed to recraft its strategy and select new areas of emphasis. As those discussions took place, it became apparent to Quinn that interpersonal barriers were keeping the team from unifying around the new decisions.

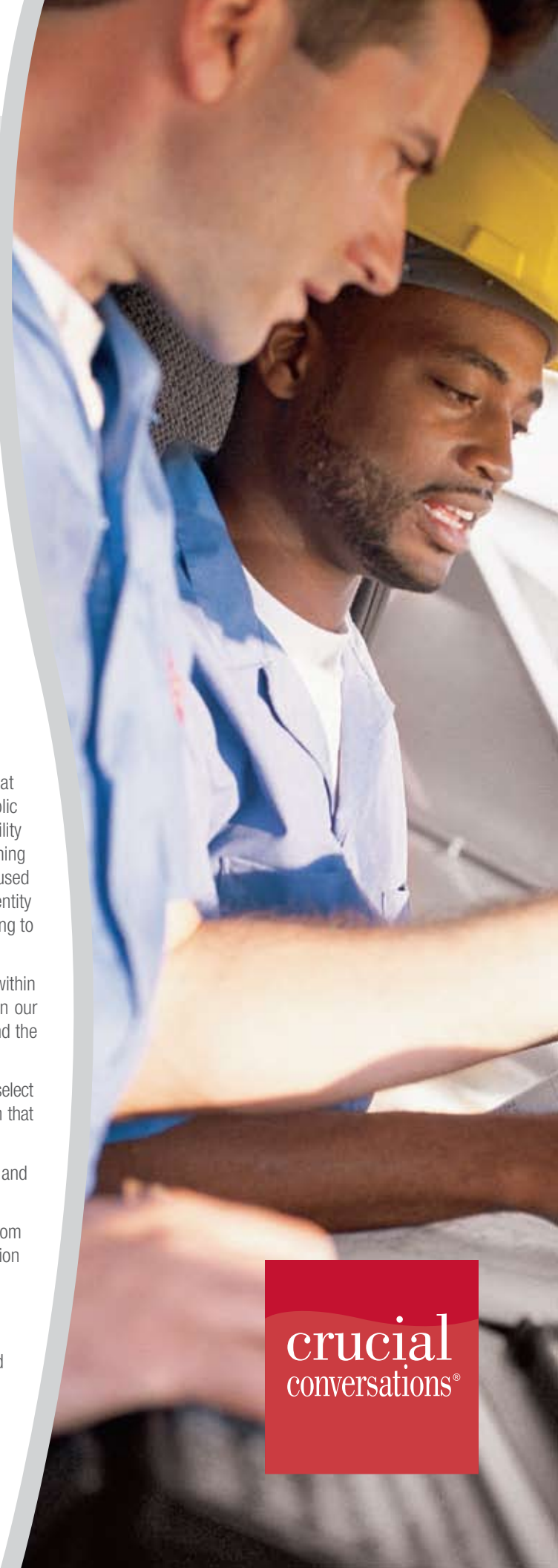
"We certainly erred on the side of silence," Quinn said. "We avoided confrontations, and we would not have meaningful conversations in groups."

Instead, individuals raised their concerns with people other than the person with whom they had the conflict. Quinn stressed that this ineffective communication delayed action and confused the organization.

THE SOLUTION

Quinn's Human Resources executive, Florian Kete, observed the situation and recommended a resource he was already aware of: VitalSmarts Crucial Conversations Training. Kete advised Quinn that the training would help build a foundation of trust by teaching executives how to surface and discuss tough issues in a productive way.

Excel brought in a facilitator certified in Crucial Conversations to introduce the program, and Quinn was immediately impressed with the material and how it could be



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customized to fit his company's needs. He wasted no time moving forward, dovetailing the program into the ongoing strategy and team-building work in mid-2007.

The entire executive team went through the training, and "it was clear from the very beginning that we were going to roll it out to the entire organization," Quinn says.

That rollout began in the spring of 2008, at the pace of one internal team per month taking the course from Excel's newly certified internal facilitator. Quinn says he plans to continue the rollout until all 200 salaried professionals throughout the company have completed it, at which point, the training will move to the company's plant sites around the world.

THE RESULTS

Before the executive team even finished the program, Quinn noticed a marked difference. "Our direct reports and even other employees started asking, 'You guys are behaving differently, what is going on?'" Quinn remembers. "They saw how we interacted in meetings and quickly noticed the openness that occurred."

Since the top leaders have finished the training and implemented the skills, the difference has persisted.

"People are more candid and there is a lighter tone and more fluidity in our group sessions," says Quinn, noting that the people who most took the training to heart were those most affected by the company's dramatic reorganization. "Crucial Conversations helped fill a huge void in their confidence and ability to communicate."

As other groups within the company finish training, the executives have enjoyed watching the same outcome occur.

"We see different behaviors: more cooperation, more crisp decision-making, cleaner and more focused communications," Quinn says. "Issues get resolved quicker."

The impact of Crucial Conversations Training at Excel has manifested itself in many ways. Following are three examples:

1. Maintaining profitability in the midst of raw material price spikes. Since the chemicals and rubber used to manufacture Excel's polymers come from the petrochemical supply chain, approximately 70 percent of the costs in Excel's business are associated with the price of oil, which spiked to \$145 a barrel in 2008.

When Excel was forced to pass along those cost increases, customers understandably balked.

"The customers sometimes get emotional," Quinn says. "Our employees have been able to handle this stress much more effectively by using their crucial conversations skills. Our people come across sincerely, with a sense of immediacy, and without threat."

Maintaining strong customer relations and holding on to these valued partnerships amid price increases has helped Excel keep earnings in line with historical rates.

2. Greater loyalty and increased business via a customer scholarship program. Excel leaders were so excited about the Crucial Conversations Training, they devised a plan to share it with their Cleveland-area customers by offering "half-tuition scholarships." Four companies took the offer and sent three employees each to join Excel employees in a two-day training session.

"We hoped that by participating in the training, our customers could be more effective in dealing with their own customer base, and of course the collateral benefit is we could be more effective as well," Quinn says.

Two of the four companies are looking into extending Crucial Conversations Training to their own employees.

One of the companies has since awarded Excel a multi-million dollar contract.

"The scholarship we offered this company paid off in a heartbeat. They saw us as a more valuable supplier than their incumbent and have awarded us some significant business since going through the training with us," Quinn says.

Quinn plans to continue the "scholarship" program, inviting customers in specific regions of the country to gather locally for the training.

3. Earning larger contracts after a customer confrontation. A fluke series of events resulted in a customer confronting Excel about a minor quality issue. Excel had produced the materials to the customer's specifications, but a producer had used the material in an unprecedented way, revealing a weakness in one of Excel's ingredients that had been used effectively for years prior. No defective products ever made it to end users, but Excel's customer was still upset, and crucial conversations skills were put to work to resolve the issue.

"Working through all the issues was very interesting," Quinn says. "The way it got resolved has now positioned us as a better supplier to that customer, and they have awarded us larger contracts."

Perhaps one of the most telling indicators of the Crucial Conversations Training on Excel is how thoroughly it has "infected" Quinn himself.

"Crucial Conversations is effective because it is penetrating and personalizing to the individual with whom you are having dialogue," Quinn says. "Since learning these skills I can tell you I am more candid, and the employees know it. I carry the material with me in my briefcase wherever I travel because I want to get to the point where Crucial Conversations is second nature to me."

RESULTS AT A GLANCE:

- Maintained profitability in the midst of raw material price spikes
- Increased loyalty with customers resulting in a multi-million dollar contract
- Earned larger contracts after a customer confrontation
- Improved employees' confidence and ability to communicate

About Crucial Conversations® Training—Whenever you're not getting the results you're looking for, it's likely that a crucial conversation is keeping you stuck. Whether it's a problem with poor quality, slow time-to-market, declining customer satisfaction, or a strained relationship, if you can't talk honestly, you can expect poor results.

This award-winning training infuses classroom time with original video clips and examples. Course pacing is active and engaging, with structured rehearsals and intense class participation. The Crucial Conversations course delivers a powerful set of tools that builds teams, enriches relationships, and improves end results. Participants acquire the skills that help them step up to and handle high-stakes issues.

About VitalSmarts—VitalSmarts is an innovator in corporate training and organizational performance. The company is home to the award-winning Crucial Conversations Training and *New York Times* bestselling book of the same title, *Crucial Conversations: Tools for Talking When Stakes are High*. VitalSmarts has been ranked twice by *Inc.* magazine as one of the fastest-growing companies in America and has trained more than 500,000 people worldwide. www.vital-smarts.com