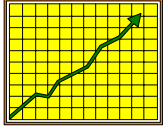




THE  
**McQUAIG**  
INSTITUTE®



## ***REDUCING TURNOVER AND INCREASING PROFITS WITH THE McQUAIG SYSTEM™***

With annual sales of over US \$120 million, **Standard Coffee Service Company** is one of the largest office coffee service companies (OCS) in the United States, and the only one to provide coffee and coffee machines to businesses in every State.

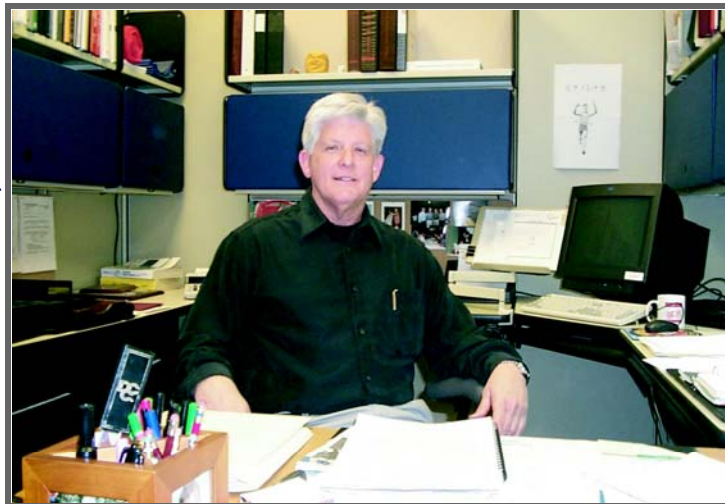
Standard Coffee Service Company has always been slightly ahead of the competition. It was one of the first route delivery businesses in the country to implement hand-held computers and one of the first OCS companies to sell specialty coffees.

Brian Gueniot joined the company in 1997 as the manager of human resources and development, after spending 20 years with the Dale Carnegie Organization in a coach/consultant capacity. Gueniot had originally approached the company on a consulting basis, but, after he spent some time with the president, Bob Maurer, it was decided that Gueniot's expertise would be needed on a full-time basis.

"Bob's key challenge was with the Route Sales Representatives (RSR)" Gueniot explains. "He was deeply concerned that the RSR turnover rate was approaching 40 percent and, although it was hard to put his finger on what this was costing, he was

certain that this was significantly impacting the company's profitability."

The RSR is the backbone of Standard Coffee Service Company's operations, each one servicing from 150 to 400 corporate customers, on one of 275 routes across the U.S. They act as a terminal, delivery service and salesperson all in one. The RSR role was critical to the company's success and Maurer



**Brian Gueniot, Human Resources & Development Manager**

wanted to get to the root of this turnover problem. With turnover reduction as one of his top priorities, Gueniot put the company's hiring processes under a microscope and immediately spotted some potential problem areas. For instance, when

an RSR was terminated or left the company, the District Manager (DM) would have to cover the route until the position was filled. Needless to say, this led to what Gueniot called a 'warm body' approach to hiring. As Gueniot says, "The DM would spend most of the interview selling the job instead of assessing the candidate."

As he continued his investigation into the hiring process, Gueniot found a copy of The McQuaig Word Survey® in the file of one of his current RSR's. After reading it, he came to the conclusion that

this was a highly comprehensive, accurate assessment tool which wasn't being used effectively. For starters, there didn't seem to be a clear definition on the part of the managers as to what type of profile was required for the RSR job.

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Additionally, the company's former HR manager, who had been seconded from the accounting department, did not use the tool to its best advantage. After a candidate's Word Survey was processed he would often simply leave a 'hire/don't hire' voicemail for the district manager and division manager.

Gueniot set out to rectify the situation and to make better use of The McQuaig System™. After discussions with many district and division managers, it became apparent to him that there were really two types of RSR's. Gueniot explains, "There's the RSR for what we call 'maintenance routes', which usually have 350 plus customers. These RSR's don't get much opportunity to sell new customers because keeping their existing customers happy is a full-time job. Then we have 'growth route' RSR's with 150-200 customers, who we expect to generate three to four new customers per month."

*What most impressed me with McQuaig is the value of the information you get from the reports compared to the minimal time it takes a candidate to complete.*

After assessing top performing RSR's, Gueniot found that the typical leader profiles (high Dominance, low Compliance) worked best in the growth routes while expert profiles (high Compliance, low Dominance) worked better on the maintenance routes.

So Gueniot had the district and division managers match the candidates to the specific route profile that they were looking for and trained them on how to properly use The Survey's Interviewing Questions. Once Gueniot's system was in place, the turnover reduction was significant, as shown in the table below. As Maurer had hoped, the company's profitability during that time period improved significantly.

YEAR	TURNOVER
1997	40%
1998	35%
1999	24%
2000	27%
2001	22%
2002	19%
2003	20%

This is a significant change from how things were handled prior to Gueniot's coming on board. As Gueniot explains, "Our hiring managers, because they were under pressure to fill the position quickly, would try to hire the individuals on the first interview. If they liked the candidate, they would give them the sales pitch of a lifetime, and, just prior to giving the candidate The Word Survey, the DM would provide an in-depth description of the McQuaig behaviors required for the job. As a result, The Word Survey results were often skewed to match the hiring manager's definition of the job."

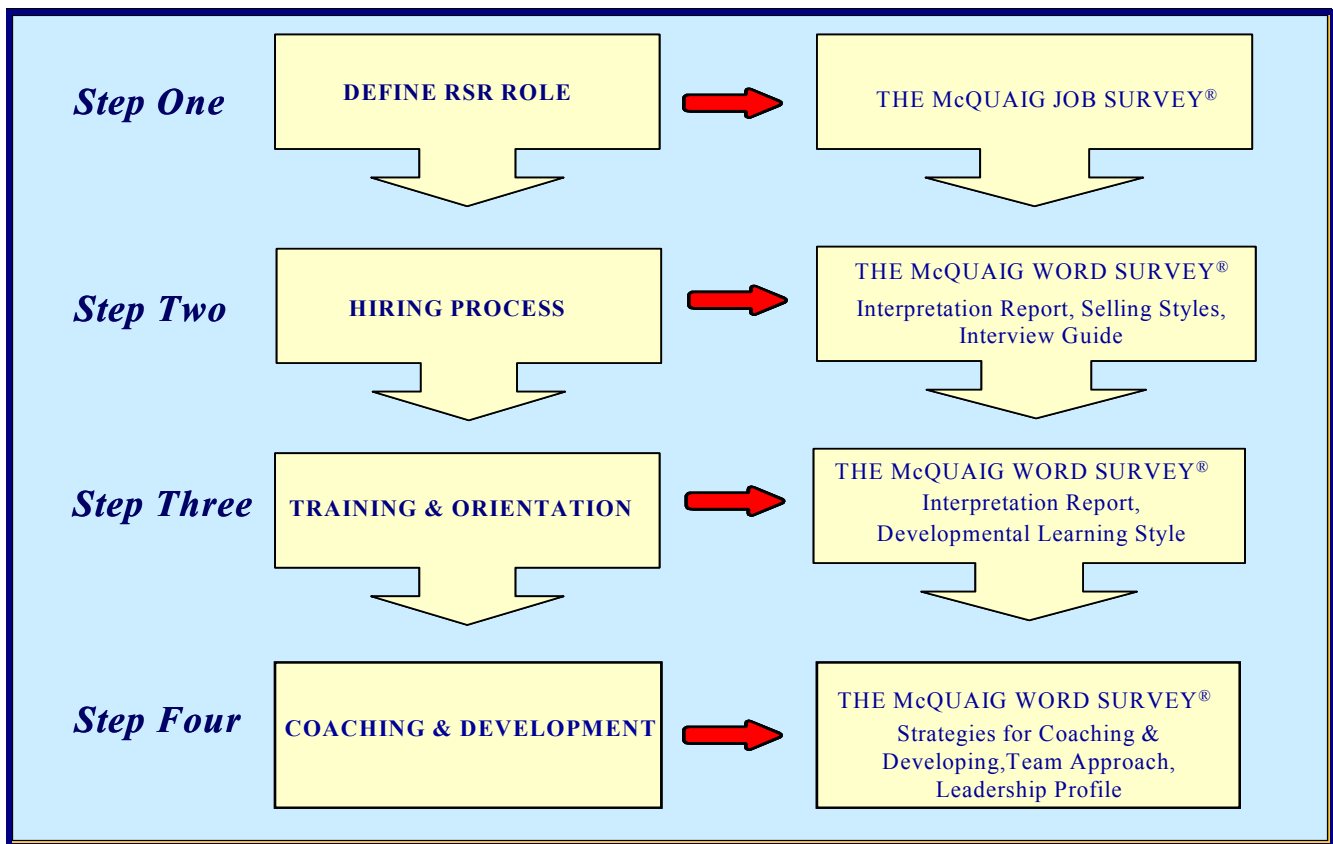
Another improvement is that the use of The Word Survey doesn't stop once the person is hired. For example, when providing on-the-job coaching to RSR's, THE SURVEY is used to help all parties reach consensus on developmental areas. As Gueniot explains, "The Survey

is a great tool to help RSR's understand how their assertiveness or sociability can work for or against them."

Also, The Leadership Profile is used in career-pathing for RSR's, district and division managers. Says Gueniot, "I have used many assessment tools in my consulting career. What most impressed me with McQuaig is the value of the information you get from the reports compared to the minimal time it takes a candidate to complete. It is truly a great instrument."

A more detailed outline of how The McQuaig System is used at Standard Coffee Service Company is provided in the flowchart on the following page.

Gueniot is a big proponent of sharing results with the candidate during the interview stage. He says, "It's always received positively by the candidate. They are very thankful and it presents our company in a good light." Being the consummate coach, he even discusses THE SURVEY with candidates that he is about to reject. He will counsel them; even make suggestions from a career standpoint. Gueniot receives many thank you



notes from rejected candidates and, once again, it presents his company in a very positive way.

In summary, Gueniot says, "Over the twenty-five years I spent at Dale Carnegie I developed a strong belief in the power of people. Many companies give lip service that people are their most important asset, but they do not develop their resources in a way that is consistent with this philosophy. The McQuaig Institute® provides tools to help companies understand, lead, coach and develop their most important asset - people".

President, Bob Maurer adds: "We are committed to creating an environment where people feel good about coming to work in the morning - where they grow personally, professionally and financially. This is part of our corporate vision.

"The McQuaig System is the first step in turning this vision into a reality. The System helps us identify the kinds of people who will thrive in our environment. This is as true for finance, operations and marketing as it is in the field sales arena.

*The System helps us identify the kinds of people who will thrive in our environment.*

*By having people with an above average chance of succeeding, the dollars we invest in training work harder for us.*

"By having people with an above average chance of succeeding, the dollars we invest in training work harder for us. But, even more importantly, we are able to understand our people better and deal with them more effectively after they are hired. This translates into happier, more productive individuals who relate more effectively to outside customers and to other employees."