

2018 ATD KC Excellence in Practice

Performance Improvement

JE Dunn Construction—Crucial Conversations

Challenge	Action	Result
<p>In 2014 the executive team at JE Dunn set a goal to perform in the top third of our peer group in profitability while staying true to our guiding principles.</p> <p>1. One aspect the company focused on to help achieve the goal, was Operational Excellence. Within Operational Excellence, customer satisfaction and financial health are two key metrics that have a direct impact on profitability. Both customer satisfaction and financial health are often impacted over the course of a construction project when changes that add work are not discussed or not handled effectively. After extensive analysis it was determined that one of the underlying issues was how effectively our employees were having conversations with their customers about changes to the project. Those that addressed changes quickly and effectively had better relationships with their customers and their projects made more money. Conversely, those that avoided conversations with their customers about changes to the project lost money on their projects. By teaching our employees to have effective conversations, we believed we could improve the financial health of our projects while creating stronger relationships with our customers.</p> <p>2. A second business objective was to improve performance conversations between managers and team members. Our engagement survey showed that our employees did not believe poor performance was being</p>	<p>Having completed our analysis, we sought to find a solution. After reviewing several options, we decided to rely on a training program called Crucial Conversations.</p> <p>Crucial Conversations is a robust and highly interactive training program created by the researchers and authors of the book, Crucial Conversations. It is widely used in industries where potential conflict and misunderstanding can mean life or death as in health care, or where it can have a serious impact on the success or failure of a major project. While much of the Crucial Conversations curriculum fit our organization well, we decided to design the course to make the training more relevant and customized to our industry. For example, we created role play scenarios that replicated our own change conversations with our customers. We also developed sample performance conversations that are common in our company. This way we were able to give our participants actual practice with real life scenarios that they encounter frequently. Our implementation strategy began with our chief executive officer and his executive leadership team. We gained their support and they agreed to go through the training first. In this way they were showing the entire organization that they supported this initiative and that</p>	<p>Our business impact surveys prove that we are meeting the business goals that this learning initiative set out to achieve. The people that are practicing the skills (79% of attendees) are holding more effective conversations.</p> <p>Following are some specific findings:</p> <ul style="list-style-type: none"> • 80% Strongly Agree or Agree that Crucial Conversations has helped them hold more effective conversations about difficult topics. Here are just two of hundreds of comments: <ul style="list-style-type: none"> o “This class helped me tremendously, as I’m very non-confrontational by nature. But as a leader of the company, these types of conversations need to be had on a regular basis. I don’t feel uncomfortable going into these difficult conversations ... now I have a strategy coming in.” o “My Sr. PM [manager] and I held a crucial conversation with a trade partner who we were struggling to communicate with. The skills and practice from training helped me approach the meeting with the right mindset, and led to its success” • 69% Strongly Agree or Agree Crucial Conversations helped them hold better performance conversations with their team members. This response stood out: <ul style="list-style-type: none"> o “I have had one crucial conversation since the class regarding performance ... the individual was more willing to listen and has improved since the conversation.” • 70% Strongly Agree or Agree Crucial

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<p>handled effectively. We learned that managers and supervisors were reticent in their conversations with their employees about poor performance issues, therefore performance was not improving. We believed that this was due to our employees not having the skills to have these types of difficult conversations. Our project objective to address both of the above business needs was to improve our employees' ability to have difficult conversations in respectful ways.</p>	<p>they were committed to learning and applying the new behaviors. We then began to train their direct reports and continued to cascade the learning throughout the organization. It was our intention that everyone that learned new behaviors would go back into a work environment where the skills they learned were already being practiced. We trained 400 people the first year, 600 the second year and are scheduled to train 800 this year. Each class is evaluated with a survey taken at the conclusion of the session and followed with an impact survey 60 days after class to determine if the employees are experiencing the desired business results.</p> <p>Our initial impact survey showed an amazing correlation ... the people who were practicing the skills they learned in class equaled the number of people that were having improved conversations and business results. To increase the level of application, we implemented Dunn Workouts. These one-hour sessions are held throughout all four regions and are an informal way to reinforce the skills that are taught during Crucial Conversations. Past participants meet in a group setting with a certified instructor to review a skill or get help preparing for a potentially difficult conversation.</p>	<p>Conversations helped them hold better change conversations with customers, design partners and/or trade partners.</p> <p>One example:</p> <ul style="list-style-type: none">o "It helped me deal more positively with an impatient trade partner accountant having billing issues on my project."• 79% of respondents have spent time practicing the skills learned in Crucial Conversations. In addition to the results of the business impact survey, we have seen small but steady improvements in our planned attrition (2015-2017) which tells us that managers and supervisors are having better and more frequent performance conversations. This program has been an overwhelming success for our company. We have impacted the financial health of our projects, the satisfaction of our customers and improved the performance conversations of our managers and employees. Additionally, we have introduced a common language that helps improve the overall communication skills of our entire company.