



The McQuaig Institute®

WHERE THE RUBBER HITS THE ROAD

Kal Tire and McQuaig partner to hire the next generation of leaders.



KAL TIRE FAST FACTS

- Founded by Tom Foord in 1953
- Canada's largest independent tire distributor
- 230 stores across Western and Central Canada
- 3,000 employees
- Started using The McQuaig System™ in 1992
- Key goal of using McQuaig – Insuring job fit and hiring future leaders



Gary Muuren, Human Resources Manager

In a company that has grown from ten stores in 1980 to over 230 stores today, there is great pressure to find, select and develop future leaders. But the market for talent in retail is competitive and industry turnover rates are high. So what makes Kal Tire different?

“Of all the companies I have worked for,” says Human Resources Manager, Gary Muuren, a South African expatriate with over ten years of organizational development experience, “Kal Tire is the most religious about doing business within a framework called the *Kal Tire Aims*. If I phone our store in Fort Saint John and ask the employee who picks up the phone to list the seven Kal Tire Aims, they will.”

Kal Tire's dedication to its Aims is a key differentiator in the job market. “There are always challenges with recruiting,” says Muuren. “While we offer a serious career opportunity, some candidates can get an entry level position elsewhere for a dollar more per hour and they may take it. But for the person who has ambition, initiative and a desire to learn, we have the best training and development plan in the business. I call it the Kal Tire MBA.”

THE KAL TIRE MBA

“Selection for the Kal Tire MBA starts early,” Muuren explains. “At the time of hire, high-potential team

members are designated as management potential. They receive up to six weeks' in-house, centralized training and are assigned a mentor. In addition to working long hours, Monday through Saturday, they have follow up training and assignments – a number of modules they need to complete over the next 2 - 3 years covering a broad range of competencies, from customer service to business analytics. When they reach this stage of the training they go through an intense Assistant Manager or Manager Certification process. As the team member grows more confident, he or she is moved to a more challenging environment, perhaps a larger store or one that needs a change agent. Through a profit sharing plan, successful store managers earn well above the industry average.

The investment in this program is substantial for both the team member and Kal Tire – the company must be confident that entry level team members will be successful leaders several years down the road. This is where they have turned to The McQuaig Institute® as a partner in the selection process.

HIRING FOR FIT

Since the adoption of The McQuaig System in 1992, Kal Tire has found that candidates with certain profiles are more likely to succeed at the Store Manager

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“McQuaig is critical in understanding candidates’ and employees’ individual talents. We now appreciate the importance of temperament and job fit.” says President, Ken Finch. “Our success is contingent on hiring and developing the right people and partnering with McQuaig has made a positive impact.”

level and beyond. Most senior managers in the store division score high on the McQuaig Dominant scale.

As a result, Human Resources partners with the senior leadership team to monitor the number of new hires who possess McQuaig leadership profiles. Muuren comments, “We need to hire our future leaders today. Our success will be based on strategic recruitment for growth and succession.” Additionally Kal Tire insures that all managers, assistant managers and key personnel at their 230 stores are certified by McQuaig both in interpreting assessment results and in effectively interviewing job candidates.

Kal Tire is as dedicated to this as they are about their Aims. McQuaig provides summary reports that analyze their hiring and recruitment patterns on a weekly basis to ensure that the pipeline is filled with enough natural leaders to support future growth.

AGGRESSIVELY EXPANDING

The emphasis on Talent Management goes beyond the HR department to the most senior levels in store operations. “I don’t define our competition in the traditional way,” says Robert Kehler, the Senior Vice-President, Stores. “A competitor is any company that competes with us for talent. They could be Burger King or Wal-Mart. What we need to do is make sure that we are offering a better career opportunity for those who are looking for more than just a job.”

Kehler is the epitome of the McQuaig profile known as the Pioneer – a highly driven entrepreneur who doesn’t mince his words. “When I left our cozy Kamloops store to take over our Edmonton location, a chronic underperformer, people thought I was crazy – but I turned it into one of our flagship stores.”

How did this happen?

“You have to hire for fit. Kal Tire is a demanding company and I am a demanding manager but, by hiring people with the drive to change and improve, it can be a perfect fit. McQuaig helps take the guesswork out of making sure that fit is there”.

The demanding, competitive nature of Kal Tire’s leadership team makes them highly regarded in their industry. Kal Tire is the leading brand in Western Canada and, after moving into Ontario a few years ago, they quickly became the largest independent tire dealer in the province.

“One of the most difficult things is trying to reverse the commodity mentality that exists in our industry,” says Danny Funk, the Director of Stores for Eastern Canada. “Someone calls in and says ‘I want a Michelin’ and the sales person immediately gives them the price for a Michelin. The Kal Tire approach is different. We take the time to match the tire to their needs to ensure we are lowering total ownership costs. This needs-based approach provides a high level of quality and value to the customer at a fair price – and we avoid price wars.”

NUMBER ONE IN THE TALENT MARKET

“Our vision is to be number one in every market we operate in” says Ken Finch, Kal Tire’s President. But Kal Tire’s perspective on being a market leader may be a little different than most. “It starts with being first choice in the market for talent. We need to attract and recruit the very best. We need to offer them the best career opportunities and the best training, development and coaching. If we deliver all of that to our employees, then being number one in the market is the natural outcome.”

When asked how important The McQuaig System is to the overall picture, Finch, who was introduced to McQuaig back in the eighties when the questionnaires and the graphs were done manually, responds that “McQuaig is critical in understanding candidates’ and employees’ individual talents. We now appreciate the importance of temperament and job fit. If someone does not have the right temperament for the job they may still be able to do it successfully, but they will carry a great deal of stress. This is especially true in demanding roles like store management or commercial sales. If a person is stretching on a daily basis, the odds of long-term success are bleak.

Our success is contingent on hiring and developing the right people and partnering with McQuaig has made a positive impact.”