

Work culture change key to productivity

By Jan Syfert

Thirty-seven organisations and individuals won awards in the 1999 National Productivity Awards competition organised by the NPI.

Parliament won the highest award – the *new chairman's award*. The *Independent Electoral Commission* won the award in the new platinum class.

Productivity champions

The NPI studied a sample of previous gold and silver award winners, in the public and private sectors, to determine how they initiated and succeeded in achieving huge productivity improvements.

All the respondents indicated that the major sparks for their productivity initiatives were unsatisfactory performance at the time and projected future results. This is common to many organisations, yet only a few embark on productivity improvement programmes. Our research discovered that all the gold and silver winners had a productivity champion who made all the difference.

These champions had the following characteristics and used the following approaches:

- the champion was a person in the organisation who did not accept *unsatisfactory performance* and decided to co-operate with others to improve the situation;
- he/she was well-educated in a particular discipline;
- he/she enjoyed the support of his or her superiors;

- he/she showed quick results in the form of small productivity victories;
- he/she measured performance.

The productivity champion also:

- produced a well-developed productivity vision and action plan with deadline dates, responsible people and proper control over the implementation of the plan;
- made sure that everyone who took part in the productivity improvement initiative received training to enable them to perform their tasks well;
- showed total trust in people;
- showed total commitment to productivity improvement *and did not let any barriers stand in the way*;
- benchmarked other organisations worldwide;
- allowed employees to share in the benefits of productivity improvement.

Productivity champions always acknowledged above-average performance. They learned the lesson from John Ashcroft that 'the worst mistake a boss can make is not to say "well done".'

The productivity champion involved other people in the productivity improvement process and listened to their ideas. President Thabo Mbeki advocated this principle in his first speech in Parliament: 'The government commits itself to working *in partnership* with our people, inspired by the call "Faranani!" to ensure that we draw from the energy and genius of the nation to

give birth to something new, good and beautiful.'

Good examples are the Neave Windshields Manufacturing (a gold winner this year) and the Struandale toughening plant (a 1999 silver winner). Both their manufacturing managers, Brian Brooks of Neave and Gavin Hardick, were the driving forces behind their productivity improvement programmes.

Case study

Shatterprufe Neave employs 429 people and produces and distributes motor car, truck and bus windshields. It exports 68% of its production. The company faced extreme price pressure in its export and domestic markets. It was in danger of losing part of its North American and European market share and needed to reduce its cost per windscreen.

Neave downsized and re-engineered in 1995. This placed significant strain on the factory and Neave needed to build motivation and increase the participation of the employees to revitalise the plant. Management introduced a project called 'cut the cost by R30 a windscreen' to ensure the plant's survival. It adopted a multi-faceted and detailed productivity improvement programme and established employee co-operation and participation.

Because raising capital was out of the question, the team had to improve current processes. Pursuing best operating processes became the norm. Existing technology was optimised and operators continuously tried new and improved methods of operating.

Management encouraged everyone to identify practices to change and suggest methods to reduce costs. This encouraged constructive rivalry between departments. Regular information meetings for all employees improved customer focus.

Neave achieved impressive results. Work

in progress decreased from about 150 days (March 1997) to about 18 days (February 1999). Product losses due to quality and scrap were reduced from 22,4% to 14,8%. Pieces per man-hour improved from 0,58 to 0,83 during the same period. The cost of manufacturing a windscreen decreased by about R33 per windscreen and orderfill levels improved to about 80% for exports.

Struandale

In three years the Struandale plant, employing 342 people, changed the work culture from one with little employee involvement in decision-making and very little accountability to an open and participative culture with a sound working relationship between management and workers. Remarkable results followed.

Struandale had experienced capacity and supply problems due to the growth in the export market. The existing manufacturing process could not supply the required output in time to satisfy the market requirements. This posed a serious threat to the company's credibility as a world class supplier of toughened automotive safety glass.

The company decided to embark on a productivity improvement drive, aimed at improving customer service in terms of quality and delivery dates, higher productivity and reducing operating costs. It flattened its organisational structure to improve response time in decision-making, and created a culture of continuous improvement, creativity, calculated risk-taking and team work. The last two years have yielded good results.

The lead times for the manufacturing of rear-lights, door glass and side vents were reduced from 22 to 10 days, 17 to 8 days and 12 to 6 days respectively. Overall productivity improved by 20%. Stock holding decreased by 50% and manufacturing yield increased by 15%.