

## Engstrom Auto Mirror Plant - Motivating in good times & bad.

↳ company has achieved certified supplier status - extraordinary reliability & quality.

↳ Slow productivity  
(Monday  $\Rightarrow$  Thursday)  
not completed

↳ Back in 1998 he had faced a similar kind of situation, used Scanlon Plan.

↳ 2005, downturn hit the industry, June 2006, 46 out of 255 employees were laid off

↳ No bonus in 7 months.

↳ workers became accustomed to plan's substantial bonus part of their regular compensation.

↳ Now, he has to decide to continue with Scanlon, modify it or look elsewhere for some to sustain productivity & ensuring quality until the downturn ended.

The proposition for share plan should be demolished for now and members (group) with surplus productivity should be paid for their efforts.

Scanlon:-

↳ Participative management components

a) The submission of suggestion

b evaluate suggestion

c sharing of fruits of used product

Benefits

↳ workers are receptive to new methods & new machinery

↳ Build good communication through out the organization

Problems - now facing & sol<sup>n</sup>

Q.1:- company need to increase sales and productivity to complete orders on time.

SOP  $\Rightarrow$  assembly line; advance technology, empathy with workforce, reducing wastage and giving on job survey & training to understand problems for slow.

Giving description, i.e. job evaluation, (for bonus), job enlargement redefining the base price and bonus upon no. job done in same hour with a fixed price rather than share and ~~part~~ in company's profit for some time.