

Case Study: Business Performance Issue



Representative
Don Crosby



Manufacture Improves Morale, Reduces Employee Turnover and Increases Profitability

Situation

For over 60 years Motor Products Corporation has supplied fractional horsepower DC motors to original equipment manufacturers in a myriad of industries. And interestingly enough it has employees who are experiencing between 20 and 40 plus years of employment. The transformation from a small town employer where many are related and change never happened, to being sold to a public company where change is survival and the new changes practically paralyzed the morale of their plant workers.

Objectives

- To re-establish trust and respect throughout the entire plant.
- To change the managerial style from reactionary to proactive and progressive.
- Improve communications between supervisors, managers and union officials.
- Reduce employee turnover with the hourly workers and hire smarter with seasonal workers.
- To establish and standardize the human resources system.

Implementation

1. The Human Resource Department announced that everyone in the plant would participate in completing a ProScan Survey and would meet with Don Crosby for a 15 to 20 minute personal session.
2. Motor Products made the commitment for each of its 9 assembly lines to experience a four-hour team development session.

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Implementation Continued

3. Motor Products invested in Pro, Job and TeamScan Software modules and training for the President and Director of Human Resources.
4. With the success of the team development sessions the approval was given to do team sessions with each remaining department.
5. A serious downsizing was decided where many of the decisions were made with consultant and implementing JobScan and TeamScan to understand successful dynamics.
6. Once the behavior of inventory and organizational structure was understood the TrakStar Evaluation System was put in place for their 34 salaried staff.
7. Consultant set-up the system and met with each of 7 executives to determine factors and provide them with a basic evaluation training.
8. Understanding Personal Strengths training is approved and pending scheduling.
9. The approval of Developing Effective Communication Skills training is pending for the entire staff 161 employees.
10. Approval for implementing the TrakStar Evaluation System has been granted for all of the remaining 161 employees with one set of factors and established corporate goals.
11. Motor Products has been recognized by the parent corporation, Allied Motion as their most successfully operation and has approved their other manufacturing plants to duplicate the Motor Products system. Today Stature Electric, (New York), Emoteq (Tulsa) Copi, (California) and Premotec, (Netherlands) are all clients. In each plant a broad selection from the General Managers; Plant Managers, Human Resources and Quality Managers have completed training certification.

Metrics of Success

The services of team training came at the beginning error of change. In conjunction with human development Motor Products implemented new product designs and aggressive changes with the built processing, but the human factor launched the essential functions to make the process more tolerable and successful.

Return on Investment (ROI)

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Corporation: Allied Motion Technologies, Inc. (Nasdaq: AMOT)

Industry: Manufacturing

Union: United Auto Workers, (UAW) Local 743

Location: Owosso, Michigan

Size: 195 Employees

Sales: 25 million

The overall success assisted the company by improving their production by 2% points per month of the job closure rate measured to the standard criteria.

Financially each point represents \$8,000 or \$16,000 per month. For 16 months brings their ROI to \$256,000 and this savings maintained on a monthly reoccurring schedule.

In addition the seasonal help employee turnover was reduced by 40%.

Client Testimonial

“Many companies talk about how important their people are comparative to the success or failure of their organization; but their investment in their people doesn’t normally correspond with their easy statements. They will invest hundreds of thousands of dollars and millions of dollars in capital equipment and tooling and paint and facilities and invest very little if anything in equipment, tools or time in their people. With Global Behavior and Don Crosby your investment isn’t nearly as significant in terms of capital required to have an equal to or much greater return than a similar investment in the equipment.”

Bill Stout, President

Motor Product Corporation