

EM9348: The Globe and Mail, October 26, 1993, page B27

LABOUR / *An expanded role in the decision-making process helps convert skeptics*

A question of survival

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Special to The Globe and Mail

WHEN workers at the **MacMillan Bathurst Inc.** packaging plant in St. Thomas, Ont., were asked to join teams targeting waste and inefficiency, the first reaction was fear.

The total quality management program, a weapon in the fight to keep the aging corrugated packaging plant alive in a market threatened by environmental pressures and declining prices, was first viewed as a strategy "to get us to eliminate our own jobs," says press operator Frank Buczkowski, secretary-treasurer of Local 1500 of the International Woodworkers of America, Canada. "We didn't jump into this with open arms. We sat back and said: 'Let's see what they've got to offer.'"

In the two years since the program was installed, the barriers of suspicion have crumbled and productivity has improved. But up to 10 hourly rated and two supervisory jobs have gone out the door.

"If a company goes the TQM path seriously, there's going to be a lot of jobs that disappear," concedes consultant John Petrie, director of Toronto-based Conway Quality Canada. "That doesn't necessarily mean people, but if the work disappears"

And it's not always the inefficient, the lazy or the incompetent who are targeted. Sometimes a job can be made redundant by detec-

tion of errors before they occur – the keystone of TQM. What happens to the worker in "the department that catches screwups? Why should he get involved in TQM?"

That's a question, when not answered up front, that has contributed to the failure of many TQM programs. Unions have labelled such strategies – with some justification – as "feel-good" pegs upon which to hang the downsizing hat.

"It was seen as catch-all for all the ills and measures to deal with excess capacity," says Beverley Paquette, a Toronto-based partner with management consultants Ernst and Young. "But TQM should not be something labour should be scared of. It does give greater participation: a greater chance to see where a company is going"

Where the total quality philosophy is applied properly, between 5 and 10 per cent of players typically embrace the concept with open arms, while a similar portion of both management and labour "won't do it no matter what," said Conway's Mr. Petrie. How to bring the remaining "wind checkers" on side means spelling out the alternatives. Nowadays, the alternatives to TQM are likely to mean "bringing in the slash-and-burn consulting firms, who are going to go through the place with a meat axe."

David Shaw, production manager at the MacMillan Bathurst plant in St. Thomas, didn't dance around the choices when he

asked unionized workers to buy into TQM. He didn't have to. Lacking the size and equipment of many of its competitors, the plant was – and is – vulnerable in a provincial industry that may be able to sustain only 16 of 21 such operations.

Mr. Shaw says he hasn't won over all of the skeptics. "Forty to 50 per cent are actively participating in teams, 5 to 10 per cent are actively against it; the rest are on the sidelines." But two years ago "only about 10 per cent were on side."

Productivity has improved by 13.5 per cent since then, specialty lines have been introduced and, were it not for a price drop of 10 per cent and declining volume, the plant would have been in the black by 1992, instead of reporting substantial loss.

A good slice of the improvement came from giving shop floor teams real muscle to devise and implement change.

"We know better how to fix the product than a paper pusher," said the union local's Mr. Buczkowski. Management "gave us the tools and a budget to work with" I can't remember anything Dave [Shaw] turned down."

One improvement included providing tools for machine operators to perform simple repairs and maintenance, the press operator said.

"The way the economy is going – if you don't have these quality programs in the plant, then yours is the plant, or the industry, that isn't going to survive.

The article EM9348 reprinted above is used in Figure 11.16 of the STAT 221 Course Materials.