

Analysis on the treadway tire company



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The Treadway Tire Company: Job Dissatisfaction and High Turnover at Lima Tire Plant

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Introduction

Treadway Tire is a company that specializes in the manufacture of Tires. The Company is facing major problems at its Lima plant in that out of 50 positions the Company presented by the human resource manager, 23 of these positions had turned over for the plant implying that the company might lose the remaining skilled and experienced employees. The Company is the major supplier of tires in North America.

Case summary

The Lima plant based in Ohio employed more than 9, 000 hourly and paid staff. For a long time, tire manufacturers have been experiencing several challenges such as increase in price of raw materials and stiff international competition. Raw materials depended on the price of oil, which has rapidly increased from \$ 20 per barrel to \$ 90 barrel in 2007 influencing the economics of tire firms. The rising cost of raw materials was posing a great impact on the company's economy. Further, Lima Tire plant was facing serious morale problems with the line-foreman. Their dissatisfaction was starting to affect the entire company.

Present situation and current issues

The plant presently is undergoing massive expansion in that it aims to modernize its efforts that will increase the plant's capacity and use new manufacturing technology. In addition, Lima plant has become one of the Treadways top plants in quality ratings and productivity because of the enhanced technology and updated equipment. Treadway closed Greenville

Plant situated in South Carolina because of outdated equipment and moved some equipment to Lima. Therefore, with the additional volume, Lima moved to continuous operations, which has allowed Treadways to amortize the substantial fixed costs of operating a tire plant over maximum production volume. Current issues within the plant is the rising cost of raw materials, high level of job dissatisfaction and tension that exist between hourly paid workers and foremen. Currently, there are no enough people qualified to be promoted to the ranks of foreman.

Desired state

The company desires to solve the turnover problem in order to make Lima Plant become Treadway's top plant for productivity and its lowest cost producer in North America. The Company wants to have employees who are satisfied with their work. Due to this, the company conducted an employee satisfaction research, noticed that some supervisors were not happy with the job, and was concerned about the positions of line supervisors. There is need to increase intercompany transfers and the percentage of college graduates.

Usual problems

Usual problems at the plant are low morale among workers and recruitment of new workers, which is always a hard task.

Recommendation

In order to increase production, human resource manager at Lima plant should tackle the issue of employee morale by increasing their pay.

The human resource manager should also hire more college graduates to increase the number of people with knowledge and skills in tire production

The job of the foreman requires variety of resources, personnel, and

administrative matters, which the company can handle by hiring more qualified people.

Conclusion

Summarily, the increase in costs of operation should allow the company to increase prices of its product to avoid making losses. Further, there is need to address the issue of employee dissatisfaction as this can halt the operation of the company. The company's decision to update its equipment and adopt modern technology is a bold one since this will improve production and reduce production cost.

References

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