Ir is a wide range of forces acting



ir companyLevi's management ideas to improve teamwork in their companyLevi's management ideas to improve teamwork in their companyThere is a wide range of forces acting upon organisations which make the need for change inevitable. These forces of change can be summarized in five broad concepts: changing technology; knowledge explosion rapid product obsolescence; changing nature of the workforce; and quality or working life. The organization under analysis is Levi jeans manufacturer, USA, which represents one of dynamic and fast growing branches in the United States and around the world.

Levi Strauss employed so-called modular manufacturing production process which utilizing either teams or cells – has been up and running in the U. S. sewn products industry for nearly a decade (Abend, 1999). The aim was to operationalize values through actions designed, for example, to implement total quality and provide financial and non-financial rewards for expected behaviour, to improve productivity, to promote and reward good teamworkp Using the value set as headings for reviewing individual and team performance emphasizing that people are expected to uphold the values Levi expected to improve manufacturing system. Research into industrial psychology has changed to the examination of organization psychology, with emphasis on groups and relations between groups. The emphasis was on individual training and development, but it appeared that a broader outlook was needed to consider the complete organization, concentrating on organizational, group and interpersonal processes, and develop plans to improve the whole system. Innovations in Levi have been prompted precisely

by the need to have a continuous workflow that the expensive technologies require, in order to be cost-effective.

In order to survive Levi Strauss restructured and reorganised its traditional work organisation into a modular form. Collective bargaining and work organisation are almost invariably affected when enterprises change their structure and management, i. e. when they reorganise or rationalise the management system or the production process. In a time of rapidly changing technologies and ever-shorter product life cycles, product development often proceeds at a glacial pace.

In an age of the customer, order fulfillment has high error rates and customer enquiries go unanswered for weeks. In a period when asset utilization is critical, inventory levels exceed many months of demand. The usual methods of boosting performance – process rationalization and automation – haven't yielded the dramatic improvements for Levi need. In particular, heavy investments in information technology have delivered disappointing results – largely because companies tend to use technology to mechanize old ways of doing business. In modular working organization there is a need to induct both managers and employees into the new ways of working. The process of changing managers into supportive coaches delegating responsibility but retaining accountability is a major challenge in any organisation.

In Levi, individuals at work-stations were responsible for all operations including customer ordering, assembly of processor boards and testing. A modular manufacturing production process, however, is used to co-ordinate

the work. Each modular, consisting of four work-stations and 7 employees, is designated to a single purpose; supply chain contact and decisions, however, are outside the work of the modular these are performed centrally (Chase, Jacobs, 2003). Control is exercised through a visual management system whereby a number of key performance indicators are conveyed to the modulars in the areas of production. These indicators are subject to the agreement of the modular employees. The modulars have daily meetings to monitor and review progress on the performance indicators and weekly meetings are held on a cross- modular basis. The modulars have no budgetary responsibilities.

Plans are in hand, however, for modular responsibilities to be extended in this area. There is a trend that production can no longer be changed into a modular form. What were previously considered as core competencies, i. e. centres of production or manufacturing, are now increasingly being provided by contract manufacturers.

In other terms, Levi was redefining what it considered to be its core competence. The modular teamwork involves the employees enjoying a significant boost to their competencies, through the induction training and individual competence development plans, and thereby the potential to earn higher rewards. The key elements of this form are leadership, co-worker development and the environment. Modular teamwork is successful at some traditional command and control system of work organisation