

# Causes and solutions

[Business, Management](#)



In order to build trust in the workplace by establishing a new level of credibility and strengthen relations between management and employees, Paul Simard, the new plant manager, ordered the removal of all time clocks from the plant. Although initially employees saw the gesture as a sign of positive change, within two months problems started to appear. About 5% of the employees began showing up late, leaving early, or took extended lunch breaks. Those employees who respected the honour system began to find it unfair that abusers were paid for their absences. In addition, the increased absenteeism and increased administrative workloads were having a negative impact on plant productivity.

### Causes and Solutions

We think lack of experience and communication is what caused these problems and it is the responsibility of the plant manager and Ancol senior management to solve them. Removal of the time clocks without proper analysis of the situation and possible consequences of the removal resulted in an increase of the strained relations. Also, Ancol did not provide a standardized set of policies for best practises at its plants. Paul's idea to remove the time clocks came from a recent seminar on building trust in the workplace. Ideas obtained from a seminar should be carefully considered prior to implementation to ensure that it makes sense for the company environment/culture.

Any system change should examine all areas of the company to study the effects on each department such as what additional effort will be needed to process payroll. We suggest that Simard investigate why the relations were strained in the first place. Once he has determined the cause, he should

work with management at the other plants to find out if they have similar problems and their solutions. He may be able to use the other managers' experiences to find a different solution.

Also, he would have learned that removing the time clocks was attempted by the prior manager and had failed. In addition, we suggest that a clearly written policy on attendance expectations and disciplinary outcomes should be communicated to the employees before the time-clocks were removed. Also, it would be helpful to coach the supervisors on methods of effectively communicating with employees. One step that can be taken to improve poor morale is holding regular meetings with staff to report the results of key performance indicators and to provide recognition of good performance.

Employees should be aware of the consequences of low productivity such as poor financial results and losing competitive advantage. Including all employees in these meetings can be motivational by helping them feel more invested in the results. Finally, offering productivity and attendance incentives can also be motivating. Many companies have enjoyed significant improvement with these types of incentives in place. It generally does not cost the company very much compared to the results that are generated.