

Electrimex

Business, Management



Electrimex was established by Gerald Ortiz in Tijuana in January 1988. Tijuana is a City in Mexico just over the United States border. This makes the location perfect for the plant to supply less expensive Mexican labor workers to make the household electrical products that are shipped back over the border for sale at stores such as Wal-mart and Home Depot. Electrimex is a “wholly owned subsidiary of a U. S. manufacturer” (Jenner 18). Gerald Ortiz currently serves as the General Manager of the plant.

The issues plaguing the Electrimex plant include communication, production, engineering, quality assurance, maintenance, accounting, and relations issues. Some of the major communication issues are due to supervisors being unable to speak English. The supervisors have weak supervisory skills and it is difficult to equip them with proper skills due to the language barrier. Some of the production problems are due to the high employee turnover. Currently turnover is approximately 7% of total employee population costing the company \$13, 650 per month (Jenner 20).

Most line workers are young and inexperienced, which can explain some of the high turnover rates. Managers and supervisors are underdeveloped and too busy to perform all of their duties successfully. In the area of engineering the lack of documentation and subsequent lack of planning rushed the projects to completion. The lack of communication doesn't stop with just the engineering department. The communication issues are running rampant throughout all departments in the company. Quality assurance is having some problems as well. Regular maintenance is not always done on machines despite having a dedicated maintenance team.

The maintenance team is being motivated by overtime pay which causes them to “milk the clock”. A better way would be to motivate through goal setting and rewards for meeting said goals. One area that seems to be running smoothly is the accounting department. However, they are not communicating well enough with the rest of the company regarding budget planning and audits of other production areas. Also, it is very time consuming keeping up with the changes to Mexican tax law and this is a necessity to ensure proper accounting practices.

Communication is also strained with regards to new employees. Orientation consists of handing out a handbook written in English. Considering many of the new employees do not speak English, this is not an effective form of communicating plant information. While an outline of specific problems seems extensive, an overall theme is seen. Communication is a key issue at Electrimex. With improved communication, many of the issues currently preventing Geraldo Ortiz from reaching the goals he has set, Electrimex could be the first plant to be ISO 9000 compliant.

He has implemented some excellent strategies trying to improve the communication between everyone from the parent company to the managers, supervisors, and line workers. However, there is still much that needs to be done on all fronts. While the main issue preventing Electrimex from accomplishing their goals is communication, there are other issues that are preventing management from meeting these goals and not allowing them to perform at the high level that is expected. There have been reports of sexual harassment by the managers to their subordinates.

The skills of the supervisors are weaker than management would like them to be. This causes many issues between the workers and management. Based on these issues, another solution to the issues at Electrimex is management training and development. As far as employee improvement, it will be necessary to improve the respect given to the workers in the plant. Some ways to do this are by having a formal system of recognition for high quality work, longer periods of service, and small tokens of appreciation. One way to achieve higher employee satisfaction is to communicate clearly about expectations.

Coaching and mentoring individual employees based on their specific needs will be an absolute must. It is also essential for each department to plan and communicate future goals with the rest of the company. For example, the engineering department will need to document all testing and pilot runs and communicate the results with the management of each of the other departments. This communication between departments is essential and will be successful with regularly scheduled meetings and written guidelines regarding types of acceptable communication. These written guidelines should include frequency of expected communications.

The meetings should have specific written agendas that are distributed ahead of time for review. The meetings should have a PowerPoint presentation that will guide the meetings pace and give the attendees an organized place for the information they are receiving. Also, the meeting should be closed to the outside to omit interruptions. The management meetings should be mandatory for each departmental manager, including service departments such as Accounting and Human Resources, to attend. It

is important to include everyone and do some brainstorming among all management to solve problems.

It is important to include everyone and to listen to everyone's ideas without attacking or creating negativity. Other ideas that could lift employee morale would be to have an on-site daycare or fitness center. Also, access to medical care for all employees will create greater employee dedication. Ensuring better communication among all people at Electrimex will increase productivity, reduce turnover, and make management more effective. Since Geraldo Ortiz's goal for the company is to be the first to meet the guidelines for ISO 9000, it is important for Electrimex to greatly improve the communication.

The ISO 9000 includes requirements that cover guidelines for " quality assurance, quality costs, marketing, design, procurement, production, product verification, control of measuring and test equipment, postproduction functions, quality documentation and records, personnel, product safety and liability, and the use of statistical methods" (Jenner 10). Obviously obtaining these goals would ensure complete success for this factory location. This would be an accomplishment worth going after for all employees of the plant. The prosperity of this plant will ensure prosperity of the people in the area.