

THE RELATIONSHIP BETWEEN FLEXIBILITY AND LABOUR

PRODUCTIVITY IN THE SOUTH AFRICAN

MOTOR MANUFACTURING INDUSTRY

BY

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DEGREE : M COM (PERSONNEL MANAGEMENT)

The purpose of this research is to determine whether a relationship between specific flexibility indicators and labour productivity exists in the South African motor manufacturing industry. The need for this research originated not only because of the very low labour productivity existing in South African industry but also

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SYNOPSIS

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The purpose of this research is to determine whether a relationship between specific flexibility indicators and labour productivity exists in the South African motor manufacturing industry. The need for this research originated not only because of the very low labour productivity existing in South African industry but also

(xii)

because a number of British and American companies have achieved excellent results through focusing on this relatively unknown and unresearched factor, flexibility. Flexibility is defined as expanding all jobs as much as possible and by developing the capabilities of all employees to the greatest extent compatible with efficiency and effectiveness.

The results of the study indicate that associations between

The first section of the literature review focuses very briefly on the traditional methods of improving productivity, namely quality circles, worker participation and gainsharing. In the second section of the literature review a more in-depth look is taken at job design as a productivity improvement tool. The reason for this is that flexibility is very closely linked to job design yet has a nuance difference. This difference becomes obvious when in the last section of the review a number of case-studies relating to flexibility are presented. The main focus falls on three companies, namely British Leyland, Nissan Manufacturing (UK) and Pilkington Glass (UK). For comparative purposes flexibility is looked at from three different angles, namely, the situation in the company preceding flexibility, the actions taken to incorporate flexibility and the results these companies achieved through flexibility. A number of other case-studies are also presented but in less detail.

In order to best achieve the purpose of this research and due to the nature of the research subject a qualitative research methodology was used. Both the production and personnel directors of all seven motor manufacturing

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companies in South Africa were interviewed and the trim and mechanical departments of each were visited. Miles and Huberman's (1984) technique of data analysis, namely the site-ordered descriptive matrix, was used to determine the relationship between flexibility and productivity in this industry.

The results of the study indicate that associations between a number of flexibility indicators and labour productivity exist. These include, amongst others, the number of tasks the operator can perform, the percentage of operators who are multi-skilled, whether operators are held responsible for the quality of their work and whether they participate in maintenance and problem-solving. Therefore to a certain extent a relationship between flexibility and labour productivity does exist.

When primitive society divided work between the old and the young, this rudimentary division of labour resulted in specialisation and greater resources. When human effort was augmented or replaced by animal power, the result was less human work and more productivity. Technical advances from the wheel to computers either reduced the amount of human energy necessary, increased the amount of production or did both (Maslov, 1982, p 43).

South African versus international productivity

It is a well-known fact that the actual level of production per worker is much lower in South Africa than in countries such as Japan, France, Germany, the United Kingdom and the United States of America. In