

# WIN TEAMS:

*How One Company  
Made Empowerment Work*

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## THE VIDEO'S MESSAGE

"Now when I walk through the door, I am somebody...this is my machine...from 7:30 to 4:00 this doesn't belong to the company, it belongs to me."

- Luther Sanders  
Ericsson G.E. Employee

Among the success stories of empowerment and employee involvement, few are as dramatic and inspiring as that of the Ericsson G.E. Mobile Communications plant in Lynchburg, Virginia.

This video demonstrates how an employee involvement program transformed a company. The real people involved - workers, supervisors, and managers - recreate the dramatic story of how they turned their company around.

Though the video does not offer a blueprint solution, it provides a realistic model of how one type of employee involvement program works - how one company was able to successfully change its corporate culture - raising issues for viewers to consider and adapt to their own situation.

It demonstrates to workers, supervisors, and managers that self directed work teams can and do work, not just for the company's benefit, but for everyone's.

It also prepares viewers for the often difficult process of change, by inspiring them to see that change can be for the better, that deep seated mistrust can be overcome, and by reassuring them that their doubts and fears are not only shared by others, but are a natural part of the change process itself.

## **POSSIBLE AUDIENCES: POSITIONING THE VIDEO**

“Win Teams” is designed to support organizations in the process of changing from a managed to a self directed workforce. The video is also designed to support organizations that already have work teams in place and would like to encourage greater employee participation.

“Win Teams” would be beneficial in helping people at all levels in an organization redefine their roles in a changing workplace. The primary training application for the video would be in workshops on Employee Involvement Programs for the following groups:

### **Employee Groups**

The video focuses primarily on the workers' point of view and provides real motivation for them to give employee involvement a chance and to take a more active role at work. It provides a clear model of how work teams can function successfully and what benefits they bring to employees.

### **Management Groups**

The video helps managers to see the importance of their commitment, follow through, and willingness to share responsibility and information. It also demonstrates the benefits to managers of an involved, productive workforce.

### **Supervisory Groups**

The video addresses the fears many supervisors have at the early stages of employee involvement programs and then alleviates those fears by showing the direct benefit and increased job security for supervisors.

### **Employee/Management Groups**

This video can help people understand their resistance to change and break down the barriers between managers and employees so that the discussion of new ways of working together can begin.

### **Self Directed Work Teams**

This video can be used to stimulate a discussion of both the responsibilities and benefits of self directed work teams and encourage greater worker participation in existing teams.

### **Business Education Classes**

This video provides a case study of how employee involvement can be successfully implemented.

## KEY TRAINING POINTS

This video has been designed primarily to motivate employees to take a more active role in employee involvement programs and work teams.

Additionally, after seeing the video and discussing its application to their own situations, viewers will be better able to:

- Consider the elements needed for a successful employee involvement program.
- Prepare for their own and others' reactions to a major culture change.
- Recognize the benefits of employee involvement to employees, supervisors and managers.
- Accept personal responsibility for improving their workplace.

## SYNOPSIS

“Win Teams” recreates the story of the dramatic turnaround at G.E.'s Mobile Communications Plant in Lynchburg, Virginia. The real people involved - workers, supervisors, and managers - tell the story of how a group of disgruntled, disaffected workers became teams of dynamic, committed employees.

The video opens in the mid 1980s when the plant in Lynchburg was close to going under. Faced with the directive to "fix it, save it, or close it" management turned to consultant Tim Ross, an expert in employee involvement programs, who initiated a program called Winshare. At its heart, Winshare established teams of hourly workers empowered to make decisions affecting their work.

As dramatized in the video, the first step in implementing the program was to form a Development Task Force, made up of hourly workers, whose initial anger and resistance slowly gave way to a working plan, which contained the following basic elements:\*

- Win Teams would be created in each work area. Any hourly worker could voluntarily belong.
- Teams could make any improvements felt worthwhile (in compliance with safety and quality standards) without management approval.

(CONT'D)

- Budgets were allocated to each team to spend as they saw fit.
- Supervisors were encouraged to attend team meetings, but could not vote
- An Executive Board was established to allow direct 2-way communication between management and employees.
- A bonus plan was established so hourly workers could share in company profits.

The next section of the video re-creates the inspiring story of Lonnie Harper, an hourly worker who is reluctantly elected as a Win Team leader - and who, to his own surprise, is transformed from a mistrustful and passive employee to an active, caring participant in the business.

In its first year, the plant's 36 Win Teams decided upon 1164 ideas, saving the company 7.1 million dollars. The final section of the video depicts the extent of current employee involvement in Winshare, concluding with comments from workers expressing pride and ownership in their workplace, one in which "you no longer work for the company; you are the company."

\*A complete summary of the plan is provided in the Guide, in the section entitled "Summary of the Winshare Plan."

## **SUGGESTED WORKSHOP APPLICATIONS**

“Win Teams” may be used in a variety of ways. It can stand alone as the main focus for a workshop or it may be integrated into a larger training program.

The video is designed to stimulate discussion about each individual's role in empowerment, employee involvement programs, and self directed work teams. Whether your group consists primarily of employees, supervisors, managers, or a mix of all levels, your goal is to encourage people to share their ideas openly in an atmosphere of respect for all viewpoints.

The following sections suggest some ideas for integrating the video into a workshop.

### **Opening the Workshop**

1. Greet the participants. Explain that this is a workshop dealing with empowerment, employee involvement programs or self directed work teams, specifying what your particular focus is. Ask participants what they would like to gain from the workshop.
2. Ask participants to describe any positive or negative feelings they have about employee involvement programs (empowerment or self directed work teams). Do they work? Why? Why not? What's in it for me? Based on these feelings, what concerns or hopes do they have for the program(s) in their own company?
3. For employee groups, ask: Have you ever had an idea for improving your work situation that you did not present to management? Describe the situation and the reasons you did not present your idea.

For supervisor groups, ask: How do you feel about employees making decisions without your approval? Describe a situation in which you either encouraged or resisted employee decision-making and the results.

For manager groups, ask: How do you feel about sharing confidential financial data with employees. Describe a situation in which you either shared or withheld confidential data and the results.

4. Discuss this opening quote from the video—you will want to have previously written it out on a flip chart:

"It was the kind of place where you didn't want to come to work because you knew that the company expected you to take your brain out and put it in a box when you came through the front gate..."

(CONT'D)

Ask participants to break into groups of 2 to 4 members to discuss their reaction to this comment and if it applies in any way to their organization. Then reform the larger group and have participants summarize what they discussed in their subgroups.

When this discussion is complete, introduce the video.

### **Introducing and Watching the Video**

1. Explain this information about the video:

The story is based on the experiences of people at G.E.'s Mobile Communications plant in Lynchburg, Virginia from the mid 1980's to the present. The actual people involved tell the story of the evolution of their employee involvement program. The video is not intended to provide a blueprint for other companies, but rather to raise the issues that come up for everyone involved in this process. As you watch the video, consider how you would have reacted to the situations presented and your own position on the issues.

2. Show the video.

3. Hand out "Win Teams" questions (pages 10-120). Have participants get into groups of 2 to 4 to discuss and answer the questions. Then ask them to reassemble as a large group and share their responses.

### **Possible Responses to Questions**

The questions are designed to help participants relate the events of the video to their own situations. There are no right or wrong answers; the responses below are suggestions for discussion.

1. What conditions do you believe created the negative employee attitudes at the opening of the video?

*Employees had no control over their own work situations. Also, they were probably aware of the insecure future of the business and their own jobs, particularly after the layoffs.*

2. Describe a time of similar conditions in your organization and your response to the situation.

*Answers will vary.*

(CONT'D)



3. The following quotations represent initial reactions to the employee involvement program in Lynchburg. For each quotation, explain why you believe the person reacted as he did.

John Bohanon, Manager: "Dr. Ross wanted to get teams involved in the day to day practices and give employees empowerment. My first reaction was he'd been in a closet too long and I didn't think he knew our situation."

*John Bohanon had no experience with empowerment. The situation in Lynchburg was desperate and he was probably looking for a more practical solution.*

Gordon Campbell, Supervisor: "I had a feeling in the back of my mind this is the way management would eliminate supervisors' jobs within the business."

*Gordon Campbell was afraid that if employees made decisions on their own, they wouldn't need him. He also knew there had been a lot of layoffs and assumed management was just looking for ways to get rid of people.*

Lonnie Harper, Hourly Employee: "My first reaction was...another plan of the month...we've been through so many plans and they all fell by the wayside...nobody backed them up, nobody made sure they worked, so, here we go again."

*Lonnie was disillusioned by the failure of previous plans and the lack of management follow through on any programs.*

4. Compare your reaction to a new program in your organization to one of the reactions quoted.

*Answers will vary.*

5. Many characters in the video (John Bohanon, Sam Hedrick, Lonnie Harper...) experience a transformation in their feelings towards employee involved teams and in their behavior at work. Choose the person with whom you most closely identify, discuss that person's transformation, and how you would have (or have) reacted in similar situations.

*Answers will vary.*

(CONT'D)

6. What elements of the employee involvement program do you believe were responsible for its success?

*Possible answers include management support of the program, open communication between management and employees, management sharing of confidential data, real decision making power and budget given to employees, vocal opponents of the program chosen to be on the development task force, bonus plan as the incentive....*

7. Considering the conditions in your own organization what it would take for a successful (or more successful) employee involvement program?

*Answers will vary.*

8. What were the benefits of Winshare to employees, supervisors, and managers?

*Employees gained responsibility, self esteem and pride in their work. Supervisors could rely on their employees to do a quality job. Managers had a workforce committed to producing a quality product. They also received more meaningful information from employees that would allow them to make better decisions for the business.*

9. What benefits, if any, do you see for yourself in supporting an employee involvement program in your organization?

*Answers will vary.*

### **POST VIDEO DISCUSSION**

1. Hand out Position Comparison Chart (page 13). Have participants form groups of 4-5 for discussion.
2. Allow time for participants to complete the chart and discuss their responses with their group. Then ask participants to reassemble to share their responses with the larger group, particularly their response to the final question:

*Considering your company position and your own, what action can you take to improve your workplace?*

## **"WIN TEAMS" - QUESTIONS**

1. What conditions do you believe created the negative employee attitudes at the opening of the video?

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**John Bohanon, Manager:** "Dr. Ross wanted to get teams involved in the day to day practices and give employees empowerment. My first reaction was he'd been in a closet too long and I didn't think he knew our situation."

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(CONT'D)

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**Lonnie Harper, Hourly Employee:** "My first reaction was...another plan of the month...we've been through so many plans and they all fell by the wayside...nobody backed them up, nobody made sure they worked, so, here we go again."

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4. Compare your reaction to a new program in your organization to one of the reactions quoted.

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5. Many characters in the video (John Bohanon, Sam Hedrick, Lonnie Harper...) experienced a transformation in their feelings towards employee involved teams and in their behavior at work. Choose the person with whom you most closely identify, describe the significant events in that person's transformation and how you would have (or have) reacted in similar situations.

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(CONT'D)

6. What elements of the employee involvement program do you believe were responsible for its success?

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7. Considering the conditions in your own organization, what it would take for a successful (or more successful) employee involvement program?

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8. What were the benefits of Winshare to employees, supervisors, and managers?

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9. What benefits, if any, do you see for yourself in supporting an employee involvement program in your organization?

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## POSITION COMPARISON CHART

Winshare Policy	Your Company Position	Your Position
● Teams make decisions without management approval.	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
● Teams have their own budget to spend.	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
● Supervisors attend meetings but cannot vote.	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
● Executive Board established to allow for direct communication between management and employees.	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
● Management shares confidential financial data with all employees.	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
● Bonus plan in which employees share in company profits. Bonus not based on individual accomplishments.	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

Considering your company positions and your own on the policies listed above, or on others important to you, what action can you take to improve your workplace?

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## **SUPPLEMENT: SUMMARY OF THE WINSHARE PLAN**

The following information is for those users of the video who would like to know more specifics about how Win Teams are organized and function.

Each of the 52 area work groups in the plant began with its own Win Team, made up of volunteer hourly workers and non-exempt employees. Since then, a number of cross-functional Win Teams (whose members belong to several areas with some common interest) and multi-teams (two teams within the same area/work group) have formed. Many workers belong to several teams.

A team meets weekly, either after work or during lunch hour, to identify problems and consider solutions. The goal is to find new ways to improve productivity, cost effectiveness, quality, and customer service. Ideas submitted include suggestions for simplifying procedures, improving quality and design, reducing rework and scrap, enhancing material flow, lowering downtime and maintenance costs, making paperwork more efficient, improving working conditions, safety, and communication between workers.

If a majority of team members agrees upon an idea, they have the power to implement it without approval if:

- ...it has no effect on other areas (unless those areas have also agreed to it).
- ...violates no safety codes or regulations.
- ...is within the team's budget.

Teams were initially given a budget of \$250 per year. That figure has since increased to \$6000. If a team comes up with an idea that costs more, it can appeal to other teams for funds they aren't using or submit the idea to the Executive Board. It should be noted that the vast majority of ideas cost little or nothing.

Teams cannot make decisions regarding pay, promotion, hiring, scheduling, fees, furloughs, contractor selection, disciplinary actions, complaint procedures, organizational policies, or safety standards.

Supervisors and exempt employees can belong to teams, but only as non-voting members. Typically, out of a group of 40 workers, 7 to 10 will be active participants, while the others will submit occasional ideas.

(CONT'D)

If the team cannot reach a consensus on an idea, the idea is referred to an Impact Panel. There are twelve Impact Panels, each consisting of a sub-section manager, the Win Team Coordinator, and one elected representative from each team.

The Impact Panel acts as an appeals board for ideas which teams have been unable to reach a decision on. In addition, they monitor team activities and review all approved Win Team ideas.

The Executive Board is made up of one elected non-management member from each Impact Panel, the Win Team Coordinator, the General Manager, the Managing Engineer of Manufacturing Operations and selected management representatives from the various departments.

The major function of the Executive Board is to discuss and disseminate information about financial conditions, new orders, plant functioning and the general state of the business. In addition, the board can approve major projects which exceed team budgets.

The Bonus Plan is based on a calculation based on taking current year Return On Investment and subtracting a ROA "hurdle" established yearly by management. The resulting percentage is multiplied by average assets for the current year. 35% of that amount is then divided equally among all hourly and non-exempt employees, irregardless of Win Team participation.

For example:

$14\% \text{ (Current Year ROA)} - 12\% \text{ ROA Hurdle} = 2\%$

$2\% \times \$100\text{M (net assets)} = \$2\text{M}$

$35\% \text{ of } \$2\text{M} = \$700,000$

$\$700,000 / 1550 \text{ employees} = \$451.61 \text{ per employee}$

The company paid out bonuses for the first five years of the Win Team program. During the next two years, due to a recession, no bonuses were paid. This seemed to have no effect on Win Team participation. Both years saw a record number of ideas submitted and money saved.

For information about Winshare, the employee involvement program at Ericsson, contact:

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Winshare Coordinator  
Ericsson Mobile Comm. Inc.  
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Lynchburg, VA 24502  
(804) 528 7260

For additional information about employee involvement, Gainsharing programs and consulting services, contact:

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P.O. Box 4760  
100 Europa Drive, Suite 403  
Chapel Hill, NC 27515-4760  
(919) 929 2997



## TRAINER'S NOTES

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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