

# Human Resources at Toyota Manufacturing UK

## 1. Toyota Manufacturing UK philosophy – General Principles

### Philosophy

At Toyota Manufacturing UK, the customer comes first. We continually seek to provide products with outstanding quality at a reasonable price to satisfy our customers' needs.

We also recognise that people are the foundation of the Company and that highly competent, motivated and respected Members commit to work toward fulfilling the objectives of the Company. We strive to provide to the individual both growth opportunity and stable employment through the achievement of the long-term prosperity of the Company.

We also seek to obtain the status of 'Good Corporate Citizen' in a manner that is socially responsible and contributes to the economic and social well-being of the community in which we operate.

### General principles

The Company's primary objective is to grow and prosper. Since the catalyst for this progress is the Members, we recognise our obligation to maintain stable employment and, through the Company's prosperity, to offer financial and other long-term advancement.

An objective is to improve the quality of working life for Members by ensuring that they are treated with dignity and fairness, and that they are provided with economic security and opportunities for advancement, in recognition of their contribution to the Company. We appreciate that these are benefits from employment with the Company and can only result from increasing productivity, and the best use of all resources.

## 2. Company organisation structure

We have a fairly flat organisation, which allows for ease of communications and flexibility. Across the Company there are a range of divisions, each of which are divided into several departments. Within departments, the organisation divides into groups and teams.

This team structure is a key element of the Company's effectiveness. For organisational clarity, several occupational classifications have been established:- General Manager, Manager, Senior Group Leader/Senior Engineer/Senior Specialist Group Leader/Engineer/Specialist, Manufacturing Team Leader, Manufacturing Team Member, Administrator. These classifications do not reduce the emphasis on Member flexibility.

## 3. Multi-function concept

Multi-function/skilled Members will have a broad knowledge of different jobs and a wide variety of skills. This enables the organisation to become flexible and respond easily to production changes linked to production volume fluctuations. It also increases both motivation and job interest for Members.

### **Flexibility**

Toyota recognises that Members are the most important factor in determining the success of our Company. To achieve success, each Member must have a general attitude and approach to problems that allows them to learn, develop broad job skills and work in a co-operative way with others.

We must all be flexible enough to adjust quickly to changes, for example, those which occur as a result of fluctuations in market demand. Co-operation with other Members and working together to achieve maximum Company efficiency is a major contributor to our achievement of a prosperous Company which provides mutual benefit and success for all.

### **Mobility of Members**

Maximum flexibility and mobility of Members between work roles is essential for the most effective utilisation of the Company's facilities and people resources. This need for flexibility applies to everyone, including those who do not normally work on the production line or in ancillary areas, as they may be required to do so on a temporary basis, as business needs dictate.

Training is essential to the maintenance and improvement of both Member and Company performance. Training is, therefore, directed to developing skills to meet job requirements. Through on-the-job training, Members are encouraged to learn many jobs so that movement and rotation within job responsibilities is possible. All Members are trained to be multi-skilled and will be able to perform several different jobs.

### **4. Kaizen**

Kaizen, the search for a better way, is a part of every Member's job at Toyota Manufacturing UK. We have an environment of continuous change and development towards improvement in which everyone is encouraged to make suggestions.

### **5. Teamwork (See 3 "Flexibility")**

All Members of Toyota Manufacturing UK work together in a team-orientated environment to achieve their work objectives and goals. Members develop broad job skills through on-the-job training and skills are cascaded from Team Leaders to Team Members, and from Supervisors to Members in their areas. Everyone is encouraged to work in a flexible/co-operative way and be able to adjust quickly to changes.

### **6. Union policy and practice**

The Company has an agreement with Unite the Union. No other unions are recognised or represented. Toyota Manufacturing UK has developed a co-operative and positive relationship with Unite and both the Company and union have committed to jointly achieve the following items: -

- Maintain a prosperous business operation.
- Provide each Member with a voice in the Company's future.

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- Promote economy of operation, quality and quantity of output and a safe working environment.
- Foster flexible working practices and effective team working.
- Constantly seeking improvements in quality, efficiency and the work environment.
- Promote fair and equitable treatment of all Members.
- Resolve Members' concerns through the management chain at the lowest possible level, and thereafter through procedures using a non-adversarial problem-solving approach - based on consensus rather than confrontation.

### **7. TMAB policy and practice**

The Toyota Members' Advisory Board is a forum where elected representatives and Company executives regularly meet together to discuss matters of common interest. This Advisory Board supports the Company's drive for success and supplements the day-to-day communication channels between Members and the Company.

In all decision-making processes, the Company's aim is to reach a consensus opinion wherever possible. TMAB normally meet six times a year and minutes of these meetings will appear on Company notice boards. Twice a year TMAB reports formally to all Members.

### **8. Common treatment for all Members**

All Members are treated with mutual trust and respect by both the Company and their fellow colleagues. It is our policy to operate common arrangements for all Members. Whether office or shop floor, all Members have a common salary system, schedule of benefits, progress review and appraisal system. At both our Burnaston and Deeside plants, all Members have access to and use the same facilities, e.g. restaurants, car parks. We also have common pension and health care arrangements for all Members.

### **9. Fostering communication throughout the company**

Effective communication at all levels is the basis for mutual trust and respect and the key to the successful achievement of our goals. All Members are encouraged to share their views, feelings and questions with both their supervisor and colleagues.

Good communication is important between Supervisors and Members to form bonds of trust and respect. We make use of many communication methods but primarily a cascade system is used: General Managers à Managers à Seniors à Specialist/Engineer/Administrators/ Group Leaders/Team Leaders/Members.

Other ways include use of Company notice boards, T-Mag (Company newsletter), TMAB briefings and regular department and group briefings. Group briefings take place on a daily basis in five minutes of the first break period of a shift. Group Leaders are responsible for communicating information on topics such as current Company business circumstances, specific policies, production requirements and work schedules. Communication is a two way process and the opinions, views and needs of Members are also listened to, considered and taken into account.

### **10. Promotion policy**

The general principle on which our policy is based is that existing Members will fill vacancies, which can be filled by promotion. This will encourage flexibility within the organisation and contribute to the growth and development of Members by using a step by step approach to the next position up. The promotion policy aims to recognise the particular skills and knowledge that an individual brings to an area of work. All promotion and resourcing activities will ensure that Toyota Manufacturing UK's commitment to equal opportunity is maintained.

### **11. Training – philosophy and practice**

Toyota Manufacturing UK's success lies in encouraging Members to develop their skills to the utmost capacity. Training is essential to the maintenance and improvement of Company performance. Therefore, training will primarily be directed towards skill development for specific job requirements.

The main way in which performance in the workplace will be achieved and developed is on the job training (OJT). Through OJT, Members are encouraged to learn many jobs so that movement and rotation within job responsibilities is possible. By being better able to respond to the needs of production, we believe Members will have challenging, varied and interesting work.

### **12. Social welfare - health care, leave & conditions**

#### **Health care**

The Company is concerned for Members' overall well-being and believes that a good level of health can provide the basis for a good quality of life. In light of this, Toyota Manufacturing UK wishes to provide additional opportunities for Members and their families to receive medical treatment. This will contribute to Members' quality of life and maintain an effective contribution to the Company. Private health care through a corporate scheme is offered to all Members, their spouse and dependant children.

#### **Long term disability plan**

We operate a long-term disability scheme, which is intended to provide a level of financial security for Members who suffer sustained periods of incapacity.

#### **Leave**

Good timekeeping and regular attendance is of fundamental importance to the success of the Company and, therefore, is one of our Members' main responsibilities.

#### **Terms and conditions**

**Hours** The basic working week is 39 hours.

**Shifts** We operate a rotating two shift pattern.

**Overtime** In order to achieve production and customer requirements, Members are required to work overtime when needed. This overtime is paid.

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**Holiday** The annual entitlement is 25 days plus 8 public holidays.

**Shutdown** There are two shutdown periods each year, one in the summer (August) and one at Christmas.

**Company Sickness Benefit** This is paid when Members are absent from work due to illness, its duration is linked to individual Company service.

**Pension** We have a very competitive contributory pension scheme which includes a death-in-service benefit.

**Car** We offer Members a competitive lease scheme for Schemes Burnaston built vehicles.