Human Oriented Productivity Program (HOPP) in Poland:
The Meaningful First Five Years of 1997 - 2002

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Introduction

Human Oriented Productivity Program is an impressive integrated package of philosophies, social techniques, small group methods and clever feedback instruments for productivity improvement in basically any organizational environment, from manufacturing to administrative institutions. It is a long-term company-wide change program that utilizes some basic mechanisms of human motivation and creativity enhancement in a working group context combined with sophisticated, yet easy to use, methodology for progress measurement.

After having been successfully tried out in Japan - its country of origin, the method had been introduced to other countries as well with comparable effects. In 1997, HOPP came to Poland thanks to great efforts and networking skills of Professor Masayoshi Takahashi of Ritsumeikan University, then the Advisor to Minister, Ministry of Economy, the Polish Government, one of HOPP’s inventors and most active ‘evangelists’. Since then, the method has been popularized among Polish companies with the assistance of the Polish-Japanese Management Center, an academic unit established with the help of the Japanese Government at the Warsaw School of Economics, the leading management school in Poland.

During the years since 1997, HOPP has met growing interests of, particularly, big state owned enterprises soon to be privatized. It was fully or partly introduced in a few of them. The 5th anniversary of the first HOPP’s steps in Poland deserves a kind of re-assumption of these efforts. It this article we intent to review the cases of HOPP program in specific companies and draw some general conclusions as to the value of HOPP in a transformational economic environment of a post-socialist market-building economy.

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1. ZPC URSUS Tool Works, Co.

ZPC Ursus Co. is a large, a ‘socialist industrial dinosaur-type’ company. This huge tractor and agricultural equipment spare parts producer is one of the biggest heavy industry companies in the Warsaw area. It also has one of the strongest and highly politicized trade unions in Poland which has turned out to be a crucial factor in this case.

The first and only department in this company that introduced HOPP was the Tool Works Dept. - probably the best element of this otherwise troubled and ailing enterprise. It had a courageous and far-seeing management and a well qualified working force.

The pilot steps were taken in 1997 and took until the middle of 1999. The initial great success was reinforced by the clear need, on the part of both management and workers, for some re-organization and change that would lead to the increase of productivity and competitive advantage of the Department on the outside market. The phase was divided into 2 parts. In the first step, the 10 major areas of the Program considered important by the Management were chosen and worked on. Then, after half a year, the remaining areas of productivity improvement had been approached. In relatively short time of approximately 8 months the productivity was starting to improve in 20 HOPP areas this way changing the image of all internal organizational and production units and operations.

At the same time, the HOPP’s Small Groups started to function that led to solving many organizational and technical problems. The so called Internal Consultants were selected and trained for each of the 20 areas. By giving instructions and supporting the actions of all individuals engaged into HOPP they were overlooking the realization of the required tasks. In the course of HOPP’s introduction period, two Vector Meetings were organized where the evaluation of the Program’s performance was done, as well as the analysis of the emerging problems, setting up the tasks for next year, and coordinating the Program’s vectors. These meetings eliminated possible redundancies and helped to reach the synergic effects.

The unquestionable success at that time was the award won by Tool Works in the annual national contest for the improvement of hygiene and safety conditions, as well as receiving the ISO 9001 quality certificate. Paradoxically enough, the success was one of the major reasons for overall difficulties. The Tool Works became significantly different and a better working place than the rest of Ursus Co. But instead of becoming a positive example to the others it resulted in envy and political games at the company level and allowed the destructive organizational culture of the firm in troubles to slow down the pace of improvements in Tool Works.

The second reason for difficulties was the economic problems of Ursus Co. that required reduction of its labor force. We should remember two things in this respect. Firstly, although the Tool Works themselves were financially successful it was not an independent company. Thus, the profits were transferred by the Ursus Management to the less fortunate parts of the company, and the Tool Works shortly were in troubles as well. Secondly, the major mechanism of HOPP relies on people’s motivation to improve the performance. But this can only be achieved if there is a common understanding that the
increased performance will not translate into firing the employees that have been made redundant in the process. However, when HOPP is being introduced in a very inefficient and over-sized company such as a formerly state-owned socialist ‘dinosaur’, this promise cannot be kept by no means. In such a case, a major re-structuring has to precede the HOPP program.

Fundamentally, HOPP is more about changes in organizational culture and in people’s mentality than about anything else. That is why in order to monitor these changes two Department-wide sociological surveys had been conducted in 1997 and 1999. They were to uncover the way the employees perceive the changes in the Department’s value systems in this 2-year period. The results were very encouraging. The positive changes included:

* strengthening the interpersonal ties and the improvement of team spirit;
* improving the external image of the Department, its cleanliness and tidiness;
* improvement of the people’s attitude towards their firm and working place;
* increased self-discipline;
* better organization of production process;
* significant increase in people’s commitment;
* increase in quality resulting from better control mechanisms.

There were also some perceived negatives such as:

* lack of room for further betterment of productivity due to external factors;
* dissatisfaction with the results already achieved and the resulting falling motivation for further steps;
* some people reported being treated ‘against the rules of ethics and human dignity’ by the management;
* some actions were seen as being ‘purely for demonstration only’ with no real meaning;
* unnecessary purchases despite financial difficulties;
* lack of work to do, diminished production level;
* danger of being fired;
* falling salaries, growing poverty;
* organizational disorder;
* no proper equipment maintenance leading to equipment failures.

The second survey demonstrated several areas still requiring improvement. This particularly concerned problems related to management-employees relations, internal communication, and strengthening the feeling of responsibility for decisions taken.

The bad financial standing of Ursus Co. and a danger of massive lay-offs surely contributed to the polarization of attitudes in many areas. It seems that this influence was specially high for the 1997 evaluation. The changes during the following 2 years of HOPP’s introduction were perceived, in many cases, critically due to the financial problems. Additionally, there were signs of growing misunderstanding between the Management and the workers and the widening of the distance between them.

Due to the announcement of bankruptcy by the parent company Ursus in 1999, the HOPP program had been suspended.
2. POLMO Lomianki

POLMO Lomianki is a workers’ cooperative company operating on the market of automotive and pressed iron powder parts. The company currently holds 85% of Polish market for the items produced. The company holds several quality certificates such as ISO 9001, 14001, 18001, and automotive industry’s own certificates. It is also a winner of many national awards for quality.

The overall circumstances in this case were considerably different than in Ursus case. The first informational meeting took place in April 1999. It was preceded with a careful analysis of company’s situation. The Company’s President himself explained the need for the program. It was to increase the productivity and help to integrate all management systems. Four Internal Consultants were appointed for on-site support. Out of 20 areas of HOPP, many were to be realized in compliance with the existing procedures related to quality management and environmental protection. It was certainly a factor that in many instances slowed down the introduction of the program.

Despite of that, thanks to HOPP, all the management systems in Polmo Lomianki were, indeed, integrated. The review of HOPP’s effects after the first year of operation showed 30% increase in productivity mostly due to the application of employees’ improvement ideas at the shop-floor level. General evaluations were generally positive. The Program was developing steadily. There were no periods of stagnation. A survey done in 2001 documented a solid development of the Program, although the next stages are being kept on hold due to difficulties in automotive industries and the necessity for re-organization of working force. Nevertheless, there are still new performance improving actions being undertaken based on the directives of HOPP philosophy.

3. Belchatow Power Plant

The Belchatow Power Plant is one the largest Polish producers of energy from brown coal and the only provider of heating in Belchatow area. The company employs over 5 thousand people and it is a major employer in this area.

The introduction of HOPP in Belchatow Power Plant started in 1999. It was preceded by an extensive educational effort for over 500 employees on two topics: the 5S practices, and Small Groups functioning. The HOPP program was only introduced after making sure that it can, indeed, be utilized with practical positive effects. For this purpose, 2 maintenance departments were selected for introduction of 5S practices. At the same time, trainings regarding the introduction and evaluation of HOPP-induced improvements were run, covering such issues as: self-evaluation maps, the radar graphs, and the planning for Small Groups.

Initially, the Program was looked at by employees with some reservation. However, with time and subsequent trainings, more and more people started to see its benefits for bettering the working conditions. The changes in the HOPP-introducing units have begun
to create interests of the other units in the Maintenance Department. The Management has noticed that HOPP is an excellent tool helpful also for the introduction of other programs, such as the Integrated Quality Management System based on ISO 9000, 14000 and 18000. In the end of 2000, by the order of Director General, the HOPP Program started to cover the entire Maintenance Department as well as 2 units of the Supply Department, this way including 1700 employees in total.

During the 2 years since the Program's introduction, there has been a significant increase in employees' commitment to decision making. The number of improvement ideas submitted by employees rose to 40 in each unit. They concern mostly improvements in tools, equipment, technological processes, re-designing the working space, and organization of work. Among the benefits of HOPP the Power Plant's employees include:

- the change in employees' attitudes who, in most part, joined the Program. The overwhelming majority of them have understood that the Program is, in fact, designed for their benefit, for the bettering of their working conditions. Additionally, the very fact that so much has been done with their own hands created a situation of the company becoming 'their company'. People started to value even more the things that have been done so far.
- the better working conditions resulting from elimination the useless equipment, parts and materials, and a better organization of working space;
- the improvement in hygiene and safety conditions, resulting from the careful review and re-furnishing of the working facilities;
- the bettering of inconveniences of work by better access to materials, documentation and tools on the shop-floor. The identification of elements shortens the search time and makes the inventory control easier. The organizational improvements originated by employees make the work easier and safer;
- the improvement in environmental protection. The system for dealing with used materials (oils, washing liquids, gasoline, etc.) has been introduced along with new eco-friendly materials;
- savings. In clean, esthetic conditions in a well-organized office or working space the quality of work increases in a natural way, and the number of defects decreases.

Yet, in Belchatow Power Plant the HOPP program is being realized using small resources out of departmental reserves. There is no separate HOPP fund for utilization of improvement ideas. For those of them which are especially valuable for the Company a special fund is provided for in the next year's investment budget.

In 2000, a team of researchers from the Polish-Japanese Management Center reviewed the internal potentials of the Company. The analysis confirmed the need for the continuation of the program. The same was the conclusion of the both Vector Meetings in 2001 and 2002. The Meetings reviewed the achievements of the Program to date and worked out the plans for the future. Most of the employees and units enters the next phases of the Program with the believe, that the 5S Practices are valuable instrument for bettering the working conditions and performance. This helps in introducing the next HOPP elements without psychological resistance. After the second Vector Meeting, the Department of Machine Maintenance as the first one in the Company decided on entering all the areas of HOPP program.
4. PWPW (Polish Works of Paper Securities)

PWPW is the main Polish maker of protected (secured) prints, banknotes, and post and treasury stamps. The company demonstrates exemplary determination in the systematic introduction of HOPP. The Program was inaugurated in 1997 with 5S practices. It was the first re-structuring program in PWPW. Since then, it has become the foundation for all the subsequent organizational changes in the company.

In the beginning of 2000, Professor Masayoshi Takahashi met with office clarks of PWPW. His lecture and the subsequent training seminars clearly inspired the participants to try the Program themselves. The 5S Practices have been introduced to office environment leading to considerable increase in quality of work and customer service, including the internal customers as well. The usual division between “us - the workers” and “them - from the office” has been considerably weakened. The climate of cooperation and integration improved the good image of the firm. Very important is the positive change in employees’ attitude toward their work and the Program itself which leads to further increase in its popularity among the other employees who have still not entered HOPP.

Conclusions

Summarizing the short 5-year history of HOPP Program’s introduction into the Polish business organizations, one may attempt to draw some general conclusions:

1. The Program requires very serious long term commitment on the part of top management of company. Without it and in a turbulent environment of a rapidly transforming economy the Program cannot get proper momentum.

2. In the eyes of the employees of the companies introducing HOPP it is an attractive yet difficult tool for which in many cases there is no time in a hectic environment of company undergoing violent transformation or striving for survival. It is obviously a wrong way of thinking but quite widely-spread among both workers and specially managers who need positive effects quickly.

3. The introduction of HOPP need to be preceded with preliminary trainings for company top management to make sure the necessary commitment has been build.

4. The Program is without doubt a potentially very valuable instrument for enhancing organizational productivity through activation of employees’ team effort and creativity. It is very successful in weakening the fear and resistance against change and in encouraging people to release their full potentials. HOPP motivates people to learn new things, and in many cases tightens their relations with company and co-workers.

The HOPP philosophy, methodology and practice is definitely worth studying to allow for even better implementation attempts in our future undertakings in Polish companies. For that reason, the similar attempts in other countries, under other organizational and cultural circumstances are so important to us for bettering our programs in Poland.
Professor Masayoshi Takahashi's experiences worldwide (see the attached summary) should then be intensified and publicized even further.

Human Oriented Productivity Program (HOPP) in Poland: The Meaningful First Five Years of 1997 - 2002 (Ploszajski & YQFSJNFOUBUJPOPGUIF.FUIPEPMPHZGPS4USFOHUIFOJOH*OEVTUSJBM$PNQFUJUJWFOFTT5JNF)PSJ[POPG

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<th>Challenges</th>
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<tr>
<td>1997</td>
<td>Initial setup</td>
<td>N/A</td>
<td>Resource constraints</td>
<td>Introducing local experts</td>
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<td>1998</td>
<td>Program expansion</td>
<td>Increased productivity</td>
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<td>1999</td>
<td>Collaboration with local universities</td>
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<td>2000</td>
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ポーランドにおける企業競争力強化手法の実践の評価（初期実践期〜〜〜〜年〜〜〜〜年実行の意義）

ポーランド企業エリオフによる手元のポーランドへの導入は、計画経済から市場経済体制移行を進めていた〜〜〜〜年に、当時、産業政策支援の技術移延のため、ポーランド経済の大臣アドバイザーとしてワルシャワ滞在中の高橋正義氏（現在、立命館大学国際関係学部教授）の国営企業〜〜〜〜への指導から始まった。日本の経営手法をベースに高橋氏等によって考案された〜〜〜〜手法は、文化の違う国や地域に共生文化という概念を積極的に活用することにより、結果的に文化の違いの壁を乗り越えることが出来るという発想の基に構築された。その結果として、組織、企業の文化をネガティブな文化からポジティブな文化に転換を計り、人間の潜在能力を引き出し、やがて、企業、組織の競争力強化につながっていくという事実を、実施プログラムの開発と多くの適用実践で証明してきた。

マクロの産業政策との補完関係に留意し、多くの企業に本手法を実践してみることにより、今まで、考え及びもしなかった所まで、組織活性化と組織改革の質的成果が見られるようになった。その後、ワルシャワ経済大学「ポーランド・日本経営教育センター」が、本手法の受け皿、普及・指導の中核として、その任務に当ってきた。

今回、高橋正義教授が定年退官するに当たり、本手法のポーランドでの普及に努めてきた私は、高橋教授のポーランドへの貢献の一端を評価するため、過去〜〜年間の代表的企業での展開をレビューすることにより、その意義を検証した。本手法の開発・普及には、〜〜年以上の長い歴史があり、インド、ヨルダン、ポーランドでの展開を通じ、内容の質的向上も進んでいる。これからは、（国連開発計画）を通じてアフリカ諸国への技術移転も計画されており、歴史、文化、民族、国際等を異にする国や地域へ国際技術移転を計っていく上での実証例として、本レポートは参考になるであろう。