

PACCAR Ste-Thérèse: Doing Things Right the Second Time Around

Building management-union trust.

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Confrontational union-management relations. High absenteeism. Poor morale. Lack of communication. The future for truck manufacturing operations at the Kenworth of Canada Ltd. site in Ste-Thérèse, Quebec, Canada looked unpromising during the early 1990s. The plant closed in 1995 and was torn down in 1999. A sad ending to the story?

What happened next, and during the past few years, is a story reflecting far more than the rebuilding of the PACCAR of Canada facility (owner of Kenworth and Peterbilt brand names in North America). More important is the people side of this transformation. In 1997, PACCAR management announced their intention to resurrect manufacturing operations in Ste-Thérèse. This time, they wanted to do things right: Build a brand new facility and a collaborative, positive culture reflecting the ideas of many managers and employees who'd worked at the site for years, plus suggestions from a few newcomers, as well.

You might ask, how could this plant

rise again, when so many former employees had been hurt by union-management gripes and the plant shutdown. Employees (some were initially skeptical) were encouraged to contribute their ideas for the design of the new plant, work flow, and all other aspects of its operations. Management and union partnership accounts for better performance in quality, productivity, worker safety, and other metrics of the change. The number of management levels decreased from five to two. Today, employees turn out Kenworth and Peterbilt trucks at the reborn facility; sales are continuously increasing.

Many of us now working at PACCAR Ste-Thérèse endured the trials of the pre-plant-closing era. Now we are working together to create a profitable, positive work environment based on mutual respect. Although we are using newer, computerized systems and technologies to support our operations, the people side of change is most critical. Here are some aspects of our story, which continues to evolve.