

ONZIEME RENCONTRE INTERNATIONALE DU GERPISA ELEVENTH GERPISA INTERNATIONAL COLLOQUIUM

Les acteurs de l'entreprise à la recherche de nouveaux compromis ?
Construire le schéma d'analyse du GERPISA

Company Actors on the Look Out for New Compromises
Developing GERPISA's New Analytical Schema

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TOYOTAIZATION OF A CHINESE MOTOR COMPANY TIANJIN XIALI ? (PRELIMINARY VERSION FOR DISCUSSIONS)

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In 2002, Toyota has launched the production of passenger cars (PC) in China at Tianjin Toyota, a joint venture of Toyota and a Chinese carmaker Tianjin XiaLi Inc. This venture has been highlighted as Toyota's first production operation in China. But Tianjin XiaLi, ex-producer of the Charade, a sedan developed by Daihatsu, is producing the XiaLi 2000, Chinese version of Toyota's small sedan Platz, already from the December 2000. While the production of Tianjin Toyota is managed Toyota, Tianjin XiaLi has been trying by itself, as a Chinese firm, to set in place Toyota's industrial model. In fact, the shift of the model to produce from the Charade to the Platz has forced Tianjin XiaLi to transform its production system and human resources (HR) management. Of course, the structural change of the Chinese labor market, provoked by the transition of the Chinese economy towards a "socialist market economy", is imposing certain constraints to the HR management of the firms in China. High mobility of the labor force deprives firms of the possibility of training workers as in Japan. So, our interest resides in the change occurred in the production and HR management at Tianjin XiaLi after this latter has decided to produce Toyota's car with Toyota's production techniques.

The main issues will be:

1. Tianjin XiaLi changed the model to produce from Daihatsu's Charade to Toyota's Platz, by applying, partially of course, Toyota's industrial model with Toyota's technical help. In production site, workers began to work in 2 shifts; the cycle time of an assembly line has been shortened from 13 minutes to 8 minutes...These improvements allow Tianjin XiaLi to increase its production efficiency.

2. Its employment system was also altered: now it has full-time employees and part-time employees. The contracts of full-time employees also can be classified into four groups: short term, middle term, and long term contract groups (each contract years are 4, 10, 20 years), and indefinite employment group, applied only to retired soldiers. In other words, the lifetime employment under the old socialist regime has collapsed, and the extension of employment contract now depends on job evaluation. As for the employees of an administrative position, they are hired from the inside as well as the outside labor market.
3. To cope with the high turnover rate of labor force, Tianjin XiaLi introduced the “Onerous Training System”. By this system, the employee trained in this system has to continue to work at least for the years the company has fixed. Without saying the rich training system of Tianjin group, this system permits the Tianjin XiaLi to use the workers well trained and having company specific skills. This is very unique in the actual Chinese labor market,
4. At Tianjin XiaLi, the wage rate is depending on the company profits. But its wage system is one we can observe at many Chinese companies. That is:

$$\text{Wage} = \text{AP_RP_PS_A}$$

AP: ability-based pay, fixed by job

RP: rank-based pay, depending on the hierarchical position of the employee

PS: pay related to the service years

A: other allowances, determined by the government

As the conclusion, we can confirm that Tianjin XiaLi is very different from other state-owned enterprises, and its traditional socialist management is disappearing. This is because Tianjin XiaLi is trying to assimilate Toyota's industrial model, except however for its HR management.