

Ben Freriksen (Yacht), VSO volunteer in Edernet, Mongolia
Placement as HR consultant in a carpet factory

Saturday, February 25 - "Start of the project"

My first meeting with director of the project office was on Saturday 25th February, when I arrived without luggage. He introduced me into the world of Mongolia. Organizations are at a level of development very different from the European countries. The private organizations started for the first time in 1992. Erdenet carpet factory is the greatest in Mongolia. UB carpet is a competitor with less quality. They export now to Russia and China. The management team exists out of CEO, CFO (stand in for the CEO when he is in UB), Vice CEO and a production manager, marketing manager and HRM manager.

There are two salary systems hourly based and performance based. The performance based is with a maximum of 40% bonus. They want to make a structural change. This means that they want to reduce the employees with 138 people. The result of this restructuring should be 3 main factories, the same budget for salary fund with less people that give the opportunity to raise the wage of the workers on the new production line and be more efficient utilization of working hours

Tsetsgee (a national consultant) has made a summary of her visit to ECC. It was very interesting to discuss this document with her and the project manager Oyuna. Later I had the opportunity to get to know Tsetsgee better, she is a lecture at the university HRM.

Tuesday, February 28 - "Fresh Juice water and milk"

Tuesday we are visiting a cashmere factory and a beverage company with 400 employees. The first factory we visit was the beverage factory. It is situated in an industrial complex outside UB. The production wash down at the time we were there because they have planned to install a new production line. PSDP start to help with the development of a strategy and a new organizational structure. There seems to be problems in the midlevel range. According to HRM, there is twice a month payment with salary slip; there are two types of salary systems fixed and hourly based; people start with salary based; the job descriptions are available at PSDP, the main problem is to find technicians and to keep them. They have contact with schools and give training options for students; training on the job, they spend a lot of time on training on the job.

The training manager does the technical knowledge training and work instructions for new employees. One of the problems is that employees leave the company after being trained. The law does not allow a study contract. But the main problem is level of wages.

Plan for this year; offer and supply HR skills to managers; stability of work force; development of management training, setting up job descriptions, compensations and benefits increase; career development plan on all levels and a HR year plan

Wednesday, March 1

Analyze the information from the bank it seems to be very modern. I do not know if the HR policy is already implemented. It could be an example to use for ECC. In my opinion, the consultant of the ING bank made this HR policy.

The HR plans for this year are; developing a SMART bonus system, talent management, application procedures, employee scan yearly, personal development plan, role descriptions, competence management, employee satisfaction inquiry and planning and review method.

The salary system is performance based with 8 skills, degree and years of employment.

The performance criteria are; customer complains, transactions and be off control

The bonus is quarterly be paid

Tasks performed:

1. Evaluated current human resource policy and activities, including staff turnover, employees requirements, work performance and productivity based on the company's established norms;
2. Set up plan workforce needs based on production, capacity utilization and sales volume.
3. Developed an efficient organizational structure appropriately related to specific job functions and future production processes
4. Identified job functions; developed up to five different job descriptions for different levels or functions within de production workers, plus job descriptions for the human resource manager and director.
5. Assisted the HR manager through training in the development of other job descriptions.
6. Developed performance evaluation criteria for the major disciplines within the factory and introduce effective performance evaluation techniques or methods.
7. Set up a proper remuneration system and a bonus system based on the job performance in order to reduce staff turnover.
8. Identified training requirements for optimal work performance and train the HR manager in the implementation of the recommended actions.
9. Designed and delivered in conjunction with national consultants, a training seminar on HRM based on the result of the input with the carpet company.