



Winning with Employee Ideas

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[Note: this article summarizes a keynote presentation by Dr. Alan Robinson at the 2013 [Continuous Improvement Conference](#). Robinson is an award winning author (*Corporate Creativity* and *Ideas Are Free*), a professor at University of Massachusetts, and a consultant.]

Ideas are the engine of progress. They help organizations grow and be more prosperous. Without a steady stream of improvement ideas, no company can truly excel in any aspect of performance.

Progressive companies depend on front-line employees to bring problems and opportunities to the attention of management. They realize the bulk of improvement ideas come from employees doing the work (as a rule of thumb, only 20% of ideas come from management) and create a culture and idea system that keeps ideas bubbling to the surface.

Unfortunately, many companies are still operating in command-and-control mode and thus missing the biggest part of this improvement engine. They're not tapping into employee ideas, because even though their employees frequently see ways to reduce costs, improve quality, and better service customers, they choose not to say anything. Not only haven't employees been asked for ideas, but it's likely that past suggestions have been ignored by management locked into old-school thinking that employees are doers, not thinkers. More enlightened leaders may simply not have realized the power of employee ideas and how to solicit them effectively.

Win with Lots of Small Ideas

A competitive advantage is primarily built on a large number of small ideas. Small ideas are easier to generate, and there's less organizational resistance to them. Big improvement ideas are important; however, they come along much less often and they're easier to copy or counter by competitors (unlike small ideas that tend to be situation/ process/company-specific). It is a never-ending stream of small ideas that gives a company a proprietary advantage.

It's not unusual for companies that have an active and well-managed idea system to average at least one or two ideas per month per employee. Toyota, Milliken, Autoliv, Gulfstream, and Boardroom—some of the world's best companies at managing idea systems—have employees submitting, on average, at a pace of 100 ideas or more per year with a 90% implementation rate. The printing industry also has companies doing a fine job at collecting and managing employee ideas. Western Graphics in St.

Paul, Minnesota has implemented more than 2,000 employee ideas in a recent five-year span. Since change creates an especially fertile landscape for improvement ideas, there should be no shortage of ideas available to printing companies.

Creating the Idea Culture

How do they do it? First, coming up with ideas is made a central part of every employee's job, and they are evaluated on their participation. Some companies provide monetary rewards, although it's not needed, and if done wrong can squelch creative thinking. A supervisor's role is to coach, mentor, and encourage ideas. Top management monitors which employees are turning in suggestions, which supervisors are getting them, and how quickly those ideas are being implemented. Management also can focus employee attention on specific goals, such as reducing lead time, in order to elicit ideas to reach them.

The best companies train employees to raise their problem sensitivity so they see problems beyond those that have long been obvious and frustrating to them. When change creeps in gradually, people can remain oblivious to it for a long time (the Boiled Frog Syndrome*). Companies can teach employees, for example, the seven types of waste and urge them to write down any problem or customer complaints they encounter. Over time companies can broaden employees' ability to come up with ideas through cross-training and job rotation, exposing them to the customer's perspective, introducing them to continuous improvement tools such as 5S (a form of workplace organization) and poka yoke (error-proofing techniques), and letting them tour companies that have a reputation for top performance.

How Does Your Idea System Stack Up?

There are seven characteristics common to all high-performing ideas systems:

- Ideas are encouraged and welcomed
- Submitting ideas is simple
- Evaluating ideas is quick and effective
- Feedback is timely, constructive, and informative
- Implementation is rapid and smooth
- Ideas are reviewed for additional potential
- People are recognized and success is celebrated
- The performance of the idea system is measured and improved

Don't equate modern idea systems with suggestion boxes. Those don't work well for a number of reasons, starting with a lack of timely feedback. Suggestion boxes generally result in few actionable ideas—the average U.S. firm with a suggestion box system gets one-half idea per worker per year and adopts only one-third of them. If you are intent on increasing employee suggestions, you need a better approach than using a suggestion box.

A Model Approach

The most effective idea systems put the collection, assessment, and implementation of ideas in the hands of department teams (CSR teams, press teams, etc.). In one model, each department has an idea board. Annual corporate performance goals are interpreted so they are relevant for each department, and those goals (one to three in number) are highlighted on the board. Whenever employees spot a problem or have an improvement idea, they write them on the board. Employees are encouraged to capture every problem they spot, even if they don't have a ready solution, since it may cause someone else in the group to think of the perfect improvement idea.

Once-per-week 30-minute department meetings are held to review the problems and ideas. Employees come early and identify the two problems/ideas they believe are the highest priority. The two items selected by this voting are further discussed at the meeting to develop or refine solutions, and the final idea is written in another section of the board, along with the team member that has been given responsibility to implement it and the due date. Employees are allotted one hour per week to work on implementation. Work is split equally so all department members get roughly the same number of assignments.

Department teams can implement most of the small ideas themselves and have a limited budget they can spend for this purpose. For the few ideas that require a greater expenditure and/or are highly cross-functional, there is an escalation policy. For example, an idea could first go to a middle manager for resolution and only move on to top management if needed.

Get Started

If companies think they can't afford the time and expense of letting employees help them fix an abundance of small problems, they need to consider the bottom-line benefit—average U.S. companies improve their productivity 3–4% per year; average idea-driven companies see productivity gains of 15–17% per year. Your goal should be to set up and run a good idea system to enable your employees to act on the problems and opportunities they see. Do your research (there's been plenty written on the topic, including Robinson's book, *Ideas Are Free*) and get started.

*Supposedly a frog dropped into a pot of boiling water will jump out immediately, whereas if the frog is put into a pot of cool water that is gradually heated, the frog will stay put.