A presentation for

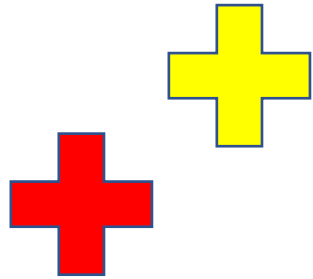**Building a Successful Employee Idea Program**

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Key Points in this Presentation

1. Traditional Employee Suggestion Programs

5. Structure and Steps to Implement

2. Business Case for an Employee Idea Program

4. Attributes and Process for a Successful Program

3. Case Study Examples

Traditional Employee Suggestion Programs
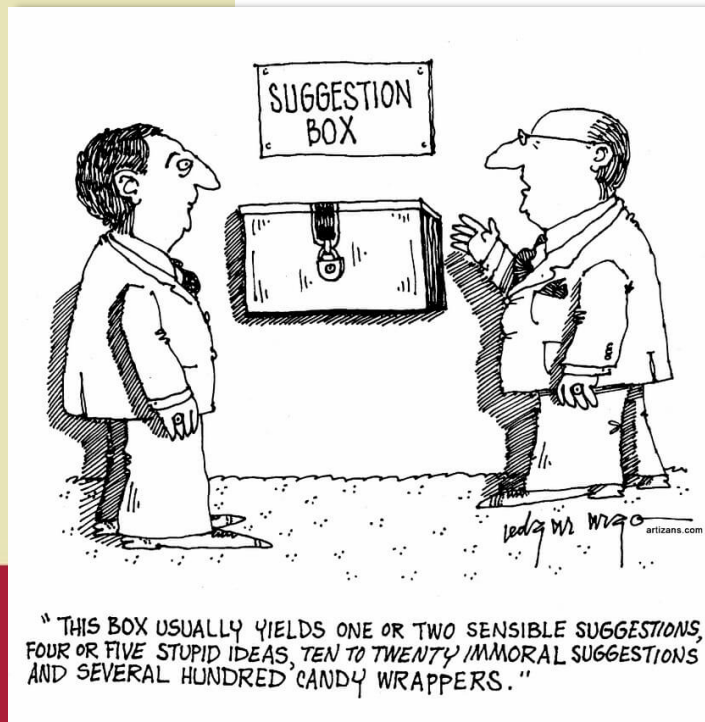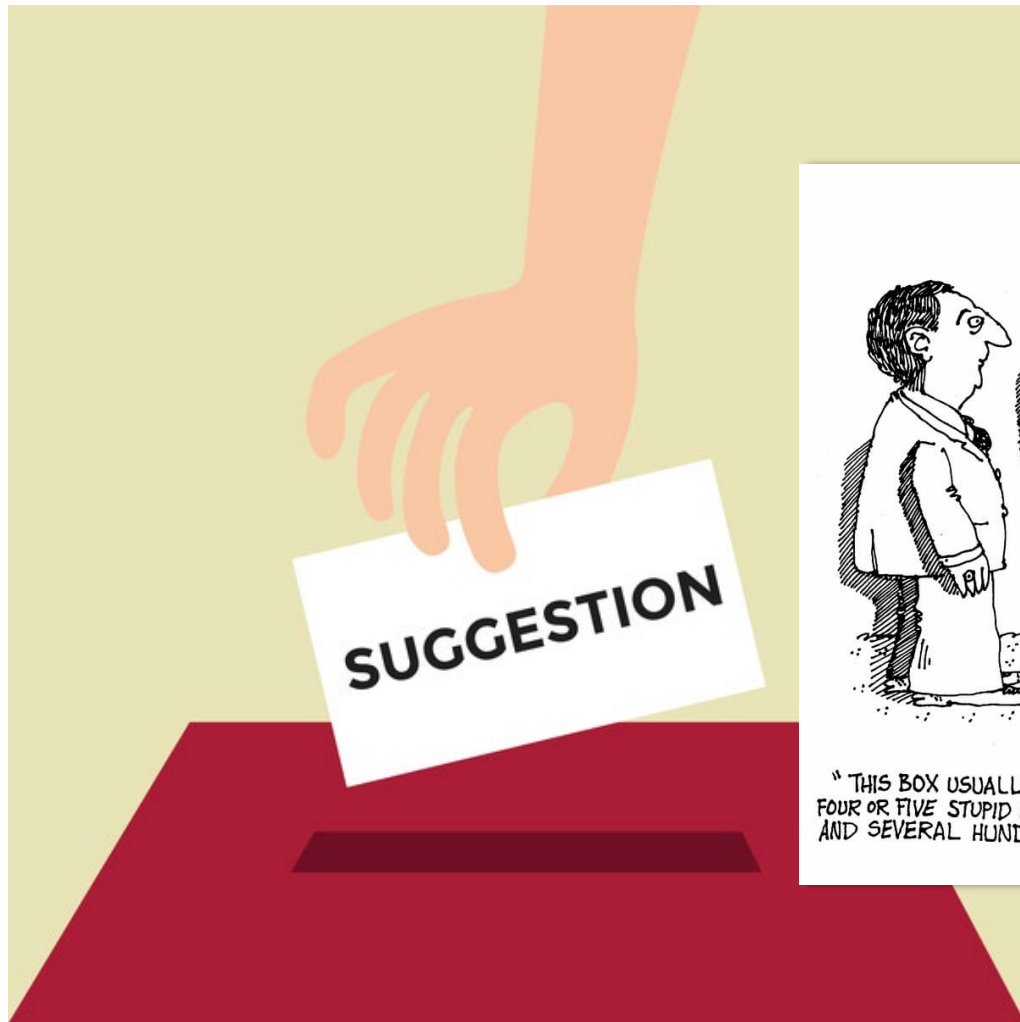
- ❌ Locked Suggestion Box
- ❌ No Training for Success
- ❌ Little Communication

Resulting in

- ❌ Low Suggestion Rates
- ❌ Demotivated Employees
- ❌ Loss of Potential $$$$

Business Case for an Employee Idea Program

✓ Tons of 🕐 savings   ✓ Tons of 💵 savings   ✓ Increased 😊 employee moral

Innovation is the most important competitive advantage that enables an organization to thrive in today's environment.

- The secret of innovative organizations lie in the capacity to leverage the talent and motivation of their people. Experts and forward-looking companies recognize that Idea Management provides a key capability for exploiting the innovative capacity of organizations.

The Employee Idea Program is designed to stimulate maximum involvement.

- It provides a simple, responsive suggestion process, emphasizes teamwork, focuses efforts on success through continuous improvement and provides fair, equitable and prompt recognition for all efforts.

Case Study Examples of a Successful Employee Idea Program

Canada Employment and Immigration Commission Toronto Office

- **Morris** was recognized for suggesting a way to use an Employment and Immigration report to trace unemployment insurance debtors across the country, **saving** about **$2.27 million each year**.
- **Nabil**'s idea was to use a computer program to compare one set of files against another to detect unemployment insurance frauds over $1,000, **saving** the government about **$3.75 million in the first year**.

Heartland Foods (*a Minnesota turkey processor*)

- **49 ideas** in the first four months of a suggestion program.
- After implementing just 20 of those ideas, the company **saved $40,000 in the first year**.

Case Study Examples of a Successful Employee Idea Program

Cambridge Memorial Hospital in Ontario

Staff offered more than **200 ideas** that helped find **$3 million in annual savings**. These included work-schedule changes, smarter ways to offer care, and more efficient ordering of supplies.

General Motors

- saved **$900K in one plant**.

- Employee suggestions have been effective in **reducing the time it takes to assemble a vehicle by 15%**.

- Another idea implemented initially appeared simple. It added a cart to a workstation to prevent workers from having to walk back and forth between the production line and their workstation. The idea **reduced the time necessary to complete a task by 2 seconds**.

Case Study Examples of a Successful Employee Idea Program

Toyota Motor Manufacturing

Toyota is the poster child for employee idea programs, you could say they were one of the main players who took the trend mainstream all the way back in the 1950's as part of the "Kaizen" movement.

Click here for more info on **The Success of Toyota's Employee Suggestion Program** at www.ideawake.com

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Case Study Examples of a Successful Employee Idea Program

Frito-Lay   https://www.rottentomatoes.com/m/flamin_hot

Attributes of a Successful Employee Idea Program

Clear Purpose and Objectives

Integration with Performance Management

Clear Program Guidelines

Training and Support

Supportive Organizational Culture

Communication and Promotion

User-Friendly Idea Submission Process

Continual Improvement of the Program

Transparent Evaluation and Selection Criteria

Efficient Implementation and Tracking

Effective Evaluation and Feedback Mechanisms

Recognition and Rewards
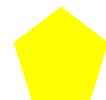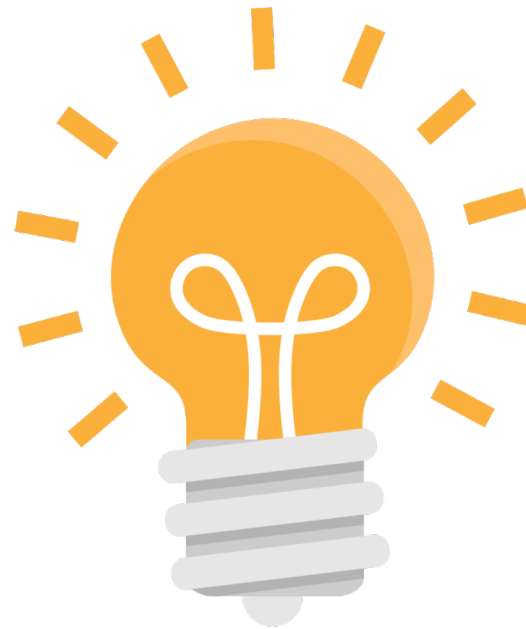
Structure and Steps to Implement an Employee Idea Program

1. **Senior Management Provides Commitment** for a dynamic and successful employee idea program.

2. **Senior Management Nominates a Champion** from their own team that will be dedicated and passionate about the idea program to provide support, remove obstacles, monitor progress, report to the management team and employees.
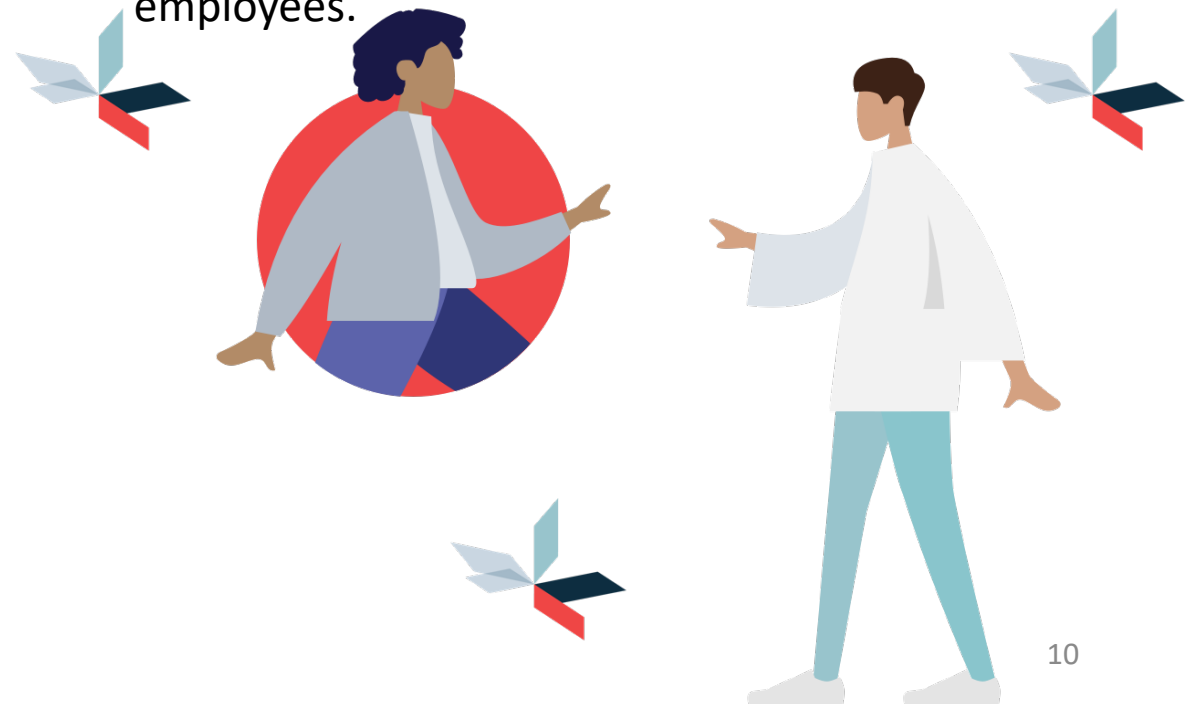

com`mit ment

[koh `mit munt]

noun

a pledge to do something; the state of being bound emotionally or intellectually to an ideal or course of action.

Structure and Steps to Implement an Employee Idea Program

3. **Champion creates a Cross-functional Employee Idea Review Team** with department representation – don't forget finance! And invite technical guests whenever you need them for their opinions!

4. **Senior Management Defines Expectations** for the Employee Idea Program and gives it to the team. At that point senior management becomes the customer and the mandate becomes the customer requirement from which the performance of the program can be measured against.

Structure and Steps to Implement an Employee Idea Program

5. **Idea Review Team Develops the Program** specifics based on successful attributes and senior management expectations. Define the process. Make sure to include anonymity and confidentiality clauses.

6. **Beta-test the program** to make sure that it's simple and effective. Make the program's development progress transparent to build employee anticipation.
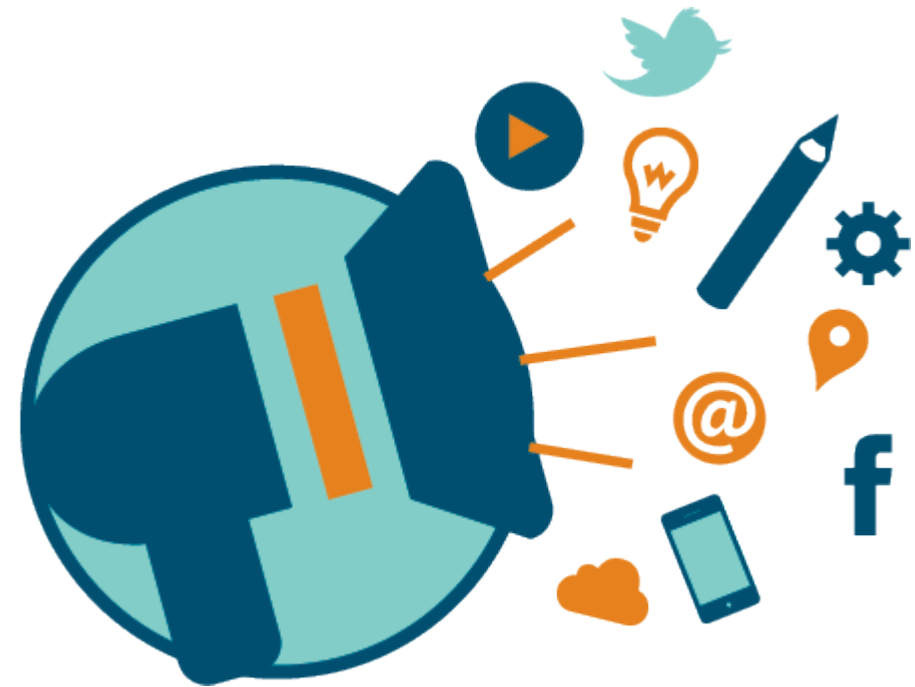
Structure and Steps to Implement an Employee Idea Program

7. **Train Employees** on how to use the program successfully. Make each member of the Employee Idea Review Team a mentor and guide that employees can come to for help.

8. **Market the Program and Communicate Progress** continually to make it a part of the organization's culture.

Structure and Steps to Implement an Employee Idea Program

9. **Use Recognition and Incentive Rewards to Motivate** employees. Rewards need not be excessive. Everyone is eligible in some way or form, including management, idea originators and mentors.

10. **Base the Program on something measurable** so that improvements are led to where the organization needs them most.

No More Black Hole Suggestion Box

What Does This Idea Improve?

☑ Cost Saving   ☑ Time Saving

Describe the Idea

Document the idea in the most efficient way possible that still provides enough detail to excite people. Make sure that the description is objective (everyone interprets it the same way) by testing it on others

Current Time or Cost Spent

Detail the current annual costs based on one year.

What can we improve?

Show how the implemented idea will increase or decrease costs or time.
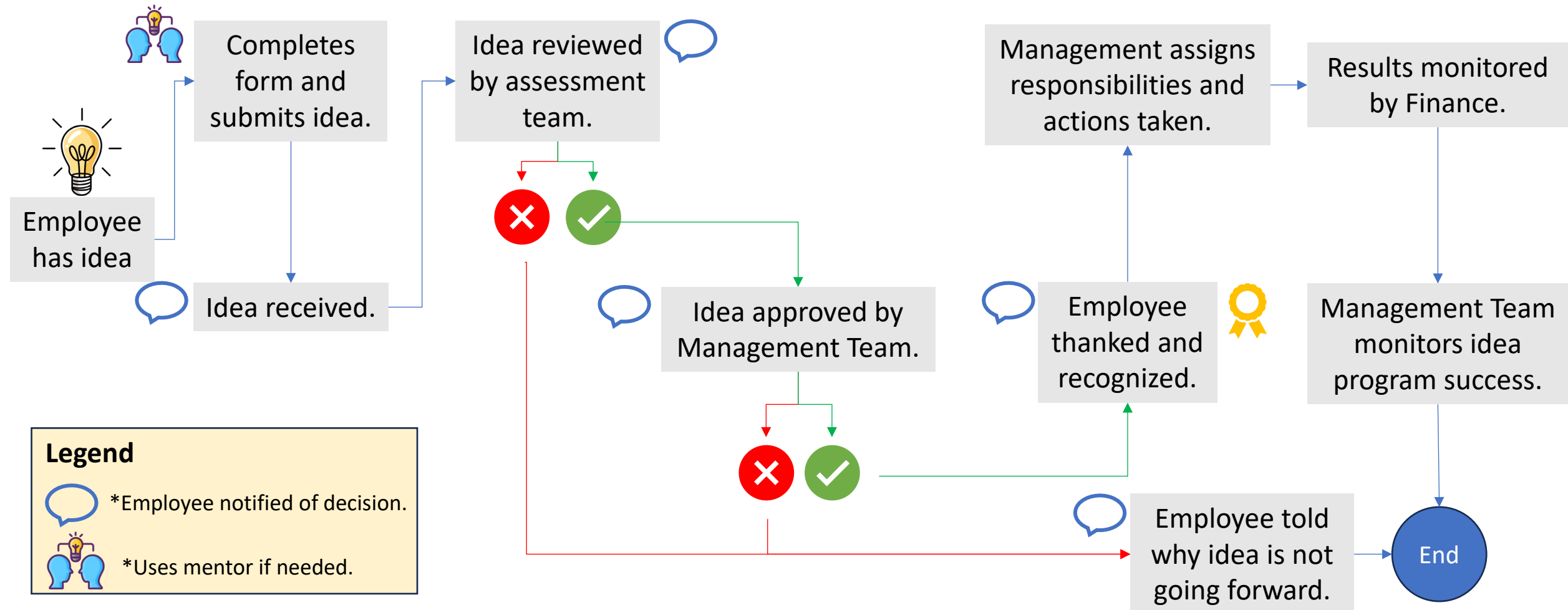
Cost to Implement

Detail the activities and their costs to implement the idea so that the savings can be realized.

Return on Investment (ROI)

Divide the cost to implement by (one) annual savings to arrive upon the time required to get the original investment back.

Employee Idea Program Process

Employee has idea

Completes form and submits idea.

Idea received.

Idea reviewed by assessment team.

Idea approved by Management Team.

Management assigns responsibilities and actions taken.

Results monitored by Finance.

Employee thanked and recognized.

Management Team monitors idea program success.

Employee told why idea is not going forward.

End

Legend

*Employee notified of decision.

*Uses mentor if needed.

What about Anonymous Ideas?

Employee Idea Program Process Objective

What should your objectives and performance indicators be for your Employee Idea Program?

Submitted Ideas

Successful Ideas

Cost Savings

Time Savings

Helps you to meet

4.4 Quality Management System and its processes

The organization shall determine the processes needed for the quality management system and their application throughout the organization, and shall:

a) determine the inputs required and the outputs expected from these processes;

c) determine and apply the criteria and methods (including monitoring, measurements and related performance indicators) needed to ensure the effective operation and control of these processes

9.3.2 Management review inputs

The management review shall be planned and carried out taking into consideration:

b) information on the performance and effectiveness of the quality management system, including trends in:

3. process performance and conformity of products and services

What Else Could be Added to Your Idea Program?

Add Additional Criteria for Improvement Ideas

Add criteria for improvement ideas to help in other areas such as Health & Safety, Key Performance Indicators, Strategic Objectives, Risks and Opportunities, etc. Just be aware that the more you add, the more complex the program may become.

Add Who Gets Recognized

Everybody needs motivation, especially if they are a part of things but not getting recognized like the others. This includes mentoring, technical support, teamwork, originators, etc.

Add Criteria for Immediate Improvements

There may be improvement ideas out there that employees can take action on their own, either with approval or not. If they aren't recognized, they may become "*missing in action*". That's a pun! I think.

Add the Rewards Criteria

Determine what types of success will get what types of rewards so employees won't quibble or feel cheated because the reward system seems to advocate favouritism.

THANK YOU

for listening

We hope that you enjoyed the presentation
Building a Successful Employee Idea Program

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