Making Your Suggestion Scheme Make Sense

by Ron Kaufman

Harness the power of your in-house creative ideas.

Markets today demand greater innovation. Changes are coming faster than ever before.

Your competitors are ever more nimble.

Customers have rising expectations. You need new ideas, better processes, more innovative products and services, and more effective ways to build strong futures with those customers.

Companies can no longer survive with staff members who expect management to provide "all the right answers". Today, companies require a steady flow of ideas and solutions from those who are closest to the processes and the customers, those with their "ears to the ground".

To maintain an adaptable and responsive organization, you must develop a culture that actively solicits input and recommendations from every level of your staff.

Fortunately, senior managers are more receptive to this approach than ever before. But how can you transform the mindset of staff, who, for years or even generations, were trained to "keep your mouths shut, lay low, just follow orders"? How can you encourage your frontline staff to open their minds, explore new ideas and share their best recommendations?

One technique is the "Staff Suggestion Scheme"; a time honored process of wooden boxes and pre-printed forms for staff to write out their ideas and submit them for management consideration.

Many companies have tried this approach, but few can report real satisfaction with the number, consistency, or quality of staff contributions. Even fewer can report widespread enthusiasm for their "Suggestion Schemes" at all.

Here are six ideas you can implement right away to make your suggestion scheme more effective:

1. **Respond to all written staff suggestions immediately (within one week) and in writing.**
   Be candid. If the answer is no, say so. If the answer is yes, state when staff will see implementation. If the answer is maybe, explain the issues involved and give a date for further reply. And stick to it. Nothing builds trust and credibility faster than making new promises... and keeping them.

   One exception: do not reply to obscene or abusive suggestions. A strong company culture has no place for such destructive "input". Your best response is not to reply.

2. **Respond to suggestions publicly, for all to see.**
   Usually, when one staff member writes, she speaks what is on the mind of many. Reply openly on a designated bulletin board, in a weekly printed update, or by electronic mail. Thank the writer(s) for their query or contribution. Include staff names on suggestions to be implemented.

3. **Give an award, prize or monetary incentive for best suggestions, and give it right away.**
   Many Suggestion Schemes invoke a multi-step process for evaluation and eventual granting of an award. First, the suggestion boxes are emptied (sometimes only once a month). Second, a Committee sifts and sorts for "realistic" submissions. Third, a Management Committee appraises the freshness, viability, cost savings or increased revenue from each suggestion. Fourth, someone in "Senior Management" decides upon the amount of reward to be given to the appropriate staff members. And finally, an actual awarding of the "prize" is conducted.

   The cycle time for this process is usually four weeks or more. In some cases the senior management review is only conducted once a quarter. What is your company's cycle time for awarding prizes to a staff suggestions? Would you be inspired if you had to wait that long?

   Try this approach: Dedicate $1200 to the project. Give the money away in $100 increments every month for one year. Each month, give $50 to the best idea, $20 for the second best idea, and $10 each to the 3rd, 4th and 5th best suggestions.

4.
   In the first months, few may believe that you will give out the money in a timely manner, and possibly only a handful of staff will participate. But no matter how small or meagre the suggestions, give out the money anyway! As soon as staff realize you are serious, the boxes will be filled with suggestions.

5. **Establish categories for regular awards.**
   Categories can help staff focus and generate new ideas. Here are examples of categories that you can use: Ideas that can be implemented immediately, ideas for getting closer to our customers, suggestions for cost savings or increasing revenue, new ideas focusing on a chosen theme for the month, ideas that most dramatically challenge the current paradigm of our thinking, recommendations for the future direction of our business.

6. **Make a big event out of awarding your suggestion scheme prizes.**
   Some companies use lunches, staff teas or monthly meetings to award prizes. One company makes up large, special "dollar bills" for each winning suggestion. In the center is the face of the staff member who contributed. In the corners is the amount of money his or her suggestion earned. And surrounding the portrait is a description of the suggestion itself. These "dollar bills" line the wall of the staff lounge and company cafeteria. The result is popular group recognition for winners and a "culture building" impact that keeps the suggestion scheme going strong.

   At the end of the year, give recognition to the volume of suggestions received, the winners who have been rewarded, and the changes enacted as a result. Then, pose a challenge to everyone to double the volume of suggestions in the coming year.

   And, if the quality of ideas warrant, double your cash prizes, too. Four winners a month last year? Increase it to eight winners per month next year.

7. **Most of all, implement.**
   Act upon what your staff suggests. Nothing demonstrates your commitment to this approach better than a staff suggestion recognized, rewarded and immediately put to work.

Are there even more practical ways to improve your company's suggestion scheme? Sure there are. Got a suggestion?