

## The Power of Everyday Frontline Employee Driven Innovation

The management of ideas is, in many organisations, large and small, a huge untapped or poorly underutilised resource. Yet ideas are the prime source of improvement and innovation. Moreover, good Idea Management brings with it a change in the culture of an organisation. The recently published book ***Innovative Lean: A Guide to Releasing the Untapped Gold in Your Organisation, to Engage Employees, Drive Out Waste and Create Prosperity*** by **Andy Brophy & John Bicheno** develops the process and roadmap to establishing an Idea Management System.

Employees see problems and opportunities every day in their immediate work areas that their managers do not. When employees are not given the opportunity to be heard and the time to implement their ideas they lose faith in management and are thus not fully engaged in their work.

The foundation of a good idea system is based on the realisation that there is far more capability/capacity in our people than is actually being harnessed. The essence of the Lean Philosophy is developing within each employee an improvement seeking and waste elimination mindset. If everyone even improved their job 0.1% everyday that adds up to a 24% improvement per employee year on year. That equates to a colossal competitive advantage over time and competitors cannot copy these compounded small improvements.

Operational waste can take many forms including waiting, excess walking, unnecessary services, rework and defects, energy, excess inventory, etc. There is no end to improvement opportunities if we become sensitized to waste as the thought provoking quote from Shigeo Shingo reveals.

“If the nut has fifteen threads on it, it cannot be tightened unless it is turned fifteen times. In reality, though, it is that last turn that tightens the bolt and the first one that loosens it. The remaining fourteen turns are waste.”

Idea Management’s purpose is to deliver continuous incremental innovation, employee involvement, and up-skilling to the workplace. Employees are coached to put forward ideas that make their job easier, can be implemented quickly, eliminate the cause of problems, save money, and don’t cost much to implement.

*Using this system Technicolor with 1,800 employees generated 20,000 ideas, implemented over 12,000 of them, and saved the company over \$10 million within a year.*

We commonly hear; “That’s already happening here, we just don’t write the ideas down”. However is there anything else that we do that is important to us like, for example your expense system that you don’t have a process for? Ideas are too important to be left to chance

and in the absence of a defined process they will be pushed to the back burner due to urgent day to day pressures.

Traditional methods of attempting to capture ideas such as suggestion boxes don't work. There is the story about the suggestion found in the suggestion box; "Can you get rid of the suggestion box? Nobody ever uses it!" Employees feel they would be better off dropping their ideas into a paper shredder if they never hear about previously submitted ideas. Suggestion systems also get stuck in their own bureaucracy. There are long implementation times, low participation rates (typically < 5% of workforce) and high rejection rates, partly because some are duplicate suggestions which have already been paid for. Most traditional suggestion systems fall prey to ideas for other people to do something about, rather than the originator of the idea. If all you have to do is suggest an idea for someone else to implement you can say whatever you like.

Lean uses the Kaizen approach to Idea Management where emphasis is placed on total workforce participation. Idea activity is an expected part of the job. There are high participation (typically > 50% of workforce) levels in comparison to suggestions box type approaches.

This is because roles and responsibilities for the idea system are outlined at all levels. Ideas are visually displayed on boards, implemented fast, and recognised. New skills are learned by employees through interacting with support functions when implementing their ideas. People are coached to recognize "hidden" waste and the idea system is integrated into daily problem solving. Idea activity is also measured. The employee's direct manager mentors and supports the idea originator during implementation. Small ideas don't take enormous time and resources to implement and are not a burden on management, the opposite in fact.

There are also very high approval rates for ideas put forward. Employees are coached as to what constitutes a good idea. "Bad ideas" are viewed as training opportunities; the intent behind the idea is teased out and put forward again. Peer accountability is expressed through employees posting their ideas in the work area. Ideas are often tested and implemented prior to putting forward into the idea system.

Well run Idea Management Systems are realising substantial returns. Subaru's employees, save over \$5000 per employee. American Airlines IdeAAs System saves on average \$55 million a year. In 2009 the Idea System at The Baptist Healthcare Hospital in Florida realised over \$25 million in cost improvements.

Surprisingly the best performing Idea Systems don't pay a percentage of savings for ideas. With monetary rewards there are winners and losers, to overcome this you should make ideas and creativity part of the job.

The key is to tap into people's intrinsic motivation, the natural desire that they have to make a positive difference. It is the buzz got from making an improvement. The greatest reward for employees is to see their ideas used. An example of recognition is a variety of token items and monthly raffles for implemented ideas.

An example idea process flow is:

1. Employees write down ideas every time they find a problem or see an opportunity for improvement and post them on the local idea board. Whenever possible a picture of the before and after situation is captured.
2. The idea generator evaluates and filters their idea with their peers (this saves supervisor evaluation time and improves idea quality). Their supervisor then responds to the originator within 24 hours of the idea been brought forward.
3. Consider the ripple effect for all ideas and the impact they might have if shared elsewhere.
4. The person who comes up with the original idea should implement the idea themselves or with their work team. If additional help is needed from maintenance, I.T. etc. the idea originator oversees the completion of this.
5. Record implemented ideas in an idea log electronically.
6. Monthly metrics track that the goal of two ideas per month/person is reached and display the results. Metrics for success include: number of ideas per employee/team, volume of implemented ideas, participation rate and implementation time.

If the cycle above flows smoothly the improvement activity will also flow slickly, one idea will lead to another and continuous improvement will translate into improved performance and higher employee engagement.

Included also in the book is the methodology to run an accelerated idea workshop. The intent of this workshop is to show management the potential power in creating a culture of continually harnessing employee ideas. Real life case studies of eight organisations from the manufacturing and service sectors including hospitals that have high performing Idea Management System were researched for the book and the findings and results are discussed in a separate chapter.

The book works though some of the accessories that make for a physically conducive creative environment. It also details recommendations for intentionally striving to nurture a creative and innovative culture. A chapter also provides a worked series of twenty creativity tools that

can be taught to employees to improve the authentic quality of their ideas and/or to improve general creative thinking ability. This is an especially useful gift to employees both as a profit generating set of tools and as a suite of personal life skills.

In closing, the personal and organizational costs of failing to fully engage the passion, talent, and collective intelligence of the workforce may be far greater than our comparatively high wage cost base. Idea Management Systems run to their capability in best-in-class organizations are providing the solution to this and are a non transferrable asset.

The book is available from amazon.co.uk and amazon.com. For more information contact:

[andy@lean2innovativethinking.com](mailto:andy@lean2innovativethinking.com) or [picsiebook@btinternet.com](mailto:picsiebook@btinternet.com) or visit

[www.lean2innovativethinking.com](http://www.lean2innovativethinking.com)



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