

Suggestion Schemes

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Creative talent exists in every employee; for he is well placed to suggest improvements in the way his job is done.

A Suggestion scheme can be defined as a management tool, which encourages employees to contribute ideas for improvement and innovation in the organisation. It is based on the rationale that creative talent exists in each employee and that they have the ability and are well placed to make suggestions to improve the way their job is being done.

Generally, employees are asked to submit in a recommended format, suggestions by placing them in a suggestion box, which is usually located in a conspicuous area. The suggestions are then collected and evaluated; if they prove feasible they are adopted for future implementation in which case the suggester is rewarded.

Both Private and Public sector Organisations have adopted Suggestion Schemes. In the Private Sector the motives include; increased profits, reduced costs, enhanced staff moral and improved staff retention. In the public sector they have been used as means of improving responsiveness to the public, facilitating innovation and service improvements.

The perceived ease and simplicity of executing a Suggestion Scheme have made them an attractive approach. On the other hand, it has also contributed to their lack of success. This emanates from the misconception that a suggestion scheme begins and ends with the "Suggestion Box." It has given rise to what is commonly called the "Just putting up a box syndrome", that is, a suggestion box with little or no management commitment or effort. This syndrome is characterized by infrequent checks for contributions, low implementation rate and absence of reward/award or due recognition for suggestions that are implemented. This may discourage staff from further participation.

The Role of Suggestion Schemes

Most public institutions are bureaucratic organisations, and as such the bulk of the work processes are rule driven. Sometimes a necessity arises to modify rules either because of a need to respond to changes in the external environment or errors in the said rules. This may cause Management to initiate change to specific operating procedures, in which case, suggestions Schemes can act as an alternative or additional source, hence they perform a corrective role.

Additionally, Suggestion schemes perform an innovative role, novel ideas for improving existing processes can be suggested even if no imperfection can be identified in the system. If implemented innovative suggestions can lead to improvements that are not necessarily corrective.

Making a Suggestion Scheme a Success

The success of a suggestion scheme does not lie in the simplicity or complexity of the scheme, but rather in how the company actually motivates the employee to participate, this can be done by taking the following steps.

1. Management Commitment and Support

Top Management should demonstrate support and sincerity in setting up the suggestion scheme by taking a personal interest in it, they should become directly involved in the promotion and evaluation activities as well as in the formulation of policies for the scheme.

2. Complete autonomy to Managers and Supervisors

Managers and Supervisors should be given full autonomy to administer the suggestion scheme. Their responsibility should include: -

- ✓ Setting targets for sections
- ✓ Monitoring employees' participation
- ✓ Gathering feedback
- ✓ Enthusing and motivating employees
- ✓ Communicating and explaining policies

3. Well-defined guidelines and criteria with clear targets

An administrative system should be developed to facilitate the processing, evaluation, monitoring and rewarding of employees. A committee should be set up with the responsibility of developing policies, setting targets, determining reward systems and monitoring of the scheme. There should also be a clear criterion, which allows management to steer the scheme towards achieving its targets.

The Central Provident Fund Board (CPF Board) in Singapore identified seven evaluation criteria. Such as, is it practical, specific, and cost effective? Does it solve the entire problem, is it beneficial to the organization, is it the best alternative, and above all, is the suggestion compatible with the Board's corporate philosophy?

4. Transparent and Just Evaluation and Reward System

Evaluation criteria should be detailed and consistent. The scope of the suggestion should be clearly defined and guidelines given as to what is an

acceptable suggestion and what qualifies for an award. These should include, cost savings, improvement in work methods and processes, improvement in quality, meeting safety and hygiene regulations and creativity and originality.

A good combination of tangible and intangible awards can be organized in order to motivate employees to participate. These awards can be either Monetary or recognition awards in the form of citations presented by head of Department, publicity in company newsletter and/ or notice boards.

5. Training and Development

Close attention should be paid to staff development and continual staff upgrading. All new employees should be given a basic orientation course to familiarize them with the management style, their role and responsibilities in the workforce, social activities of the organization and participation schemes. Companies with successful suggestion schemes are those that demonstrate a commitment to training and development, this paves the way for employees to join in the various activities with their colleagues.

6. Continual Promotional and Sustenance Activities

Promotional Programs and activities are necessary in order to sustain employee's interest and participations in the suggestion scheme. At least one organizational wide promotion each year is desirable. Promotional awards such as "**Best suggestion of the year**" and "**Highest number of Suggestion awards**" can be given.

7. Regular feedback and Monitoring of Performance

It is essential that regular feedback and performance monitoring is undertaken to manage and measure the extent of interest and participation in suggestion schemes. This may be done by regular reporting via various sections in the organization, effective communication between management and employees in addition to good data collection.

Benefits of Employee Suggestion Scheme

Employees find their job more meaningful and interesting when they participate in the decision-making process. Additionally, they identify with the organization and pledge their commitment to improvement of productivity, improved service and Management practice.

Therefore If executed correctly significant benefits can be derived from Suggestion Schemes. Here are some of them: -

- Utilize the constructive ideas of employees, while simultaneously allowing them a tangible share in the benefits that may accrue from implementation of suggestions.

- Enables employees to campaign for change through the continuous development homegrown remedies.
- Reduce the tendency to resist change since the reforms are not mandated by top management, but emanates from individuals who are directly involved in the processes.
- Develop employee moral and self-esteem and assists in the creation of a positive attitude towards work.
- Cultivate a sense of belonging and responsibility in improving their work environment.
- Encourage cooperation in solving shop-floor problems as well as joint decision-making at the lowest level.

- Foster two-way communication between employer and employee that serves as a management safety valve through the provision of an opportunity for the employee to have a 'voice'.

- Lead to the improvement of working relations and the work environment resulting in a happier workforce.

With constant commitment from management and workers, suggestion schemes can act as a catalyst for change management, invigorating the workforce and the organization. Consequently making significant gains in productivity, innovation and service standards.

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