



# Good Practice Guide



Factory Improvement Programme

## SETTING UP AN EMPLOYEE SUGGESTION SCHEME

An employee suggestion scheme is a formal mechanism, which encourages employees to contribute constructive ideas for improving their organization. It is a common tool used for factory improvement and as a way to develop better workplace relations.

### PROSPECTIVE USERS:

Any factory team that wishes to achieve cost savings, improve product quality, workplace efficiency, customer service, and working conditions.

### PROBLEM ADDRESSED

Employee suggestion schemes provide a way to capture employees' ideas on areas that are often not within their control.

### PROCESS

Typically the process involves workers writing their suggestion on a piece of paper and placing it in a box that is easily accessible. A designated manager publicly empties the suggestion box on a regularly scheduled basis, such as once a week, and reads the suggestions. A committee then decides which suggestions to implement and responds to suggestions.

### Steps in implementation

1. Place a suggestion box in a public space. This should be in a strategic and convenient location for employees to drop their suggestions.
2. Explain to workers that they can write their suggestions on how to improve operations either within their own work area or the factory in general on a piece of paper and place it in the suggestion box. Many enterprises provide a theme for each month. For example, one month is for quality improvement suggestions, while another month focuses on energy conservation or canteen improvements.
3. Have a designated manager who is senior enough to demonstrate commitment to the mechanism empty the suggestion box on a regularly scheduled basis, such as once a week, and read out loud the suggestions.
4. Create a committee to review all suggestions and determine which ones should be implemented based on pre-define criteria. The committee should comprise both men and women from all parts of the organisation and representing various demographic groups, including management, supervisors, line managers and workers.
5. Follow through with the suggestions, implementing those ideas that can benefit the enterprise and respond to those suggestions that cannot be implemented.
6. Reward workers for their suggestions and do not penalize them for any critical suggestions.

### RESOURCES REQUIRED

A box (or several boxes, depending on size and layout of factory)) to receive suggestions, placed in a strategic and convenient location for employees to drop their suggestions.

### POSITIVE IMPACT

An employee suggestion scheme can help a factory:

- become a high performance employee focused organization
- achieve best value
- improve efficiency, performance, productivity and service delivery
- improve morale and the working environment for employees
- improve health and safety.

### CHALLENGES AND PITFALLS

An ill-conceived, hastily launched, undefined employee suggestion scheme can turn people off and generate ill will, cynicism and misunderstanding. It is therefore crucial to put in place a set of guidelines for planning out how the scheme will work and also for communicating the process to others. Guidelines should cover:

- Logistics (where the boxes will be placed, how often they will be emptied etc.).
- Process (who can participate, deadline for submissions etc.).
- Criteria (types of suggestions, how suggestions will be judged etc.).
- Incentives (what rewards may be available for submissions).
- Committee members (who is involved).

Another challenge is to ensure that there is full management support for the employee suggestion scheme. Top management must demonstrate buy-in and show enthusiasm and commitment toward the scheme if it is to generate the desired results.

### INDICATORS FOR MONITORING

There should be continuous monitoring and review of the suggestion scheme in order that problems are detected at the earliest opportunity and employees continue to have faith in and participate in the scheme.

Finally, it is important to respond to suggestions promptly and provide timely feedback in order to demonstrate to employees that ideas are taken seriously and employees whose suggestions are not accepted are not deterred from making further suggestions.

#### Further Information Available:

FIP References:

Module 7 - Workplace Relations