

Employees' Suggestion Scheme and Business Excellence at Ajman Land and Property Department

Author Details: Dr. Mohamad Shehada
Al Isra University

Abstract

Employee suggestion scheme is an important tool which had been used by different companies where innovation and creativity became crucial factor to achieve cost saving, revenue increase and customer satisfaction. The Leader (President) of Ajman Land and Property Department (ALPD) at the Emirate of Ajman at United Arab Emirates (UAE), being a creative and open-minded person, tries his best to move (ALPD) to a higher level of efficiency and effectiveness.

This paper will explore how (ALPD) achieved business excellence through Employee Suggestion Scheme by highlighting the following issues:

- The importance and relationship between employee suggestion scheme and the TQM / business excellence models.
- The detailed process activities/stages of employee suggestion scheme at (ALPD).
- Critical success factors that enabled (ALPD) to maximize the utilization of this concept.
- Challenges and obstacles which (ALPD) faced in its journey of applying a practical and effective employee suggestion scheme and how it overcome that.

Keywords: Organizational Excellence, Human Resources Management, Employee Suggestion Scheme, Critical Success Factors, Enablers.

Introduction

The concept of Employee Suggestion Scheme (ESS) can be defined as “systematic approach to induce ideas from the shop floor to bring up to the top management” (Buech, V.I.D., Michel, A. and Sonntag, K. 2010). The ESS will enable and enhance the flow of two way communications between management and its employees. Statistics show a lot of money saved by organizations due to improvement ideas from their employees through formal suggestion systems (Verworn, B.2009). Many companies attribute advances in quality and innovation to their employee suggestion systems. For example, one major airplane manufacturer incorporated no less than 1,250 employees' ideas in designing one of its latest and largest planes (Du Plessis, A.J., Marx, A.E. and Wilson, G. 2008).

This proves that employee suggestion scheme (ESS) is a success project that can be used in private, public and even non- profit organizations regardless of their size.

Excellence awards motivate companies to create a systematic approach to implement the concept of employee suggestion scheme and encourage them to measure its deliverables periodically in order to compare them with the best in class for the purpose of review and assessment.

Two major objectives were gained from applying ESS, firstly to improve the organization overall performance and secondly to enhance employees' involvement. Top management believes that employees will be more motivated and loyal if they see their ideas and suggestions are practiced and successfully implemented and as a result they are rewarded and appreciated for their input.

Ajman Land and Property Department in Prospective

The activity of the Lands and Properties Department at Ajman began in 1968 as per a princely decree from the late Ruler of Ajman when it was a part among the departments of the Municipality of Ajman. In 1985 a princely decree was issued by the same ruler to establish the department of the Lands and Properties as a local and independent department.

The **Vision** of Ajman Land and Property Department is to: “Ensure creating a quality competitive real estate environment by year 2021” and its **Mission** is to: “Regulate and develop the real estate sector to safeguard the rights of property owners and traders; to render the services of the property registration, documentation and

evaluation; to strengthen the corporate and social partnerships, depending on our national competencies while observing transparency, excellence and integration”.

The Values of ALPD include:

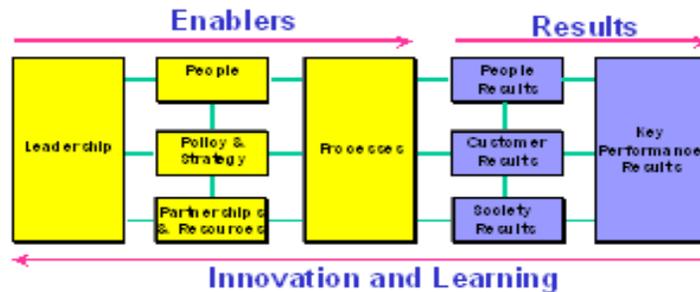
- 1- Teamwork spirit approach
- 2- Customer First
- 3- Integrity, Transparency & Trust
- 4- Creativity & Innovation
- 5- Perfection

Strategic Goals of ALPD

- 1- Ensure accuracy & credibility of real estate properties registration, as well as organization & development of real estate agencies.
- 2- Upgrade the institutional capacity to render high quality services to customers.
- 3- Guarantee providing all administrative services in accordance with the quality, efficiency and transparency criteria. (Ajman Booklet 2016).

The Link between ESS with the TQM / Business Excellence Models

TQM and Organizational Excellence effort are initiated to maintain different objectives such as customer satisfaction where different criteria elements are used to insure the deliverables of this concept. The diagram below shows the 9 criteria that used to assess the organization against the Excellence model. One of them is people management which contains the existing of well-established mechanism for obtaining the suggestions and ideas from the staff. The outcome of the ESS supports the quality and excellence of the organization processes.



The ESS aims to achieve the following:

- Motivate the staff for innovation and creativity.
 - Encourage and maintain the excellence organizational culture.
 - Enhance the communication between staff and their superiors.
 - Empower the staff to be part of the corporate change process and continuous improvement.
 - Improve the processes and quality of services.
 - Meet customer satisfaction and expectation.
- (Van Dijk, C. & Van den Ende, J. 2002)

Benefits of the Employee Suggestion Scheme

What Organizations can gain?

- Cost reduction: optimizing the organization resources, reducing the suppliers cost.
- Revenue increase: diversifying the business, higher the market shares.
- Customer satisfaction: improving product/service cycle time.
- Enhance the corporate communication
- Acceptance of change.
- Best practices application

What Employees can gain?

- Improve the employees’ moral.
- Participation of employees in the improvement process.
- Incorporate team work.

- Employees' rewards and recognition.
- Increase creativity.
- Job security.
- Personal development

(Neagoe, L.N. and Klein, V.M. 2009)

Methodology of Implementing ESS

The methodology of implementing a comprehensive employee suggestion scheme in most organizations consists of the following phases:

Phase 1: Planning & preparation

Phase 2: Identify the goals & Objectives

Phase 3: Develop incentives & policy

Phase 4: Design the ESS framework

Phase 5: Awareness and training

Phase 6: Follow up & development

(Rapp, C. and Eklund, J. 2002)

Phase 1: Planning & Preparation

In this phase it is required to start with the organization top management to get their support by meeting the decision makers at the organization. It is one of the most critical issues whereby it needs to get their approval and involvement for implementation including the fund, award and ESS budget. A formal meeting with the top management of the ALPD was scheduled and the following issues were discussed:

- Success stories of ESS best practices. Dubai Land and Property was a good example.
- The pre requisite of establishing an ESS program (Top management approval, money, training of employees, and infrastructure)
- ESS consistency with corporate TQM and excellence initiatives
- The level and details of management commitment
- Formulation of the steering committee (4 people) of the ESS program to be responsible for supervising the design, development and approval of the ESS program with coordinating with the ESS administrator.

Phase 2: Identify the Goals & Objectives

The steering committee and the system administrator of ALPD had determined the primary goals and initial objectives of the ESS before it was launched. The goals were determined according to the overall thrust and direction of the ESS, and the specific objectives were provided with focus on idea generation, promotional efforts and managerial control.

Examples of long term goals for the ESS were:

- Reducing costs
- Increasing revenues
- Improving services

Sample of the ESS short term objectives was shown below and more quantitative targets that relate to the goals were emphasized. Examples were:

- Cut total outsourcing costs by 10% during the current year.
- Reduce the expenses cost by 9% within six months.
- Increase average customer satisfaction scores by 0.25 points within two years

Objectives were also directed to the ESS. These objectives were:

- Collecting 100 ideas during the first month of the ESS.
- Gaining Dh5,000, 000 in savings in the first year of the ESS's operation.
- Implementing 25 suggestions during the first six months.
- Collecting 1 suggestion from 50% of the employees within the next 2 years

We asked ourselves few questions which helped us determine the goals and objectives that might lead to the largest, earliest successes in ALPD. Those questions were:

- How ALPD performance' indicators were compared to those of similar size organizations in the UAE?
- In what organization's areas were latent ideas most likely found?
- What kinds of improvement ideas potentially involve most employees?
- What would be the profit impact of a percentage improvement?

ESS Goals Statement

The primary goals of the ESS were to reduce costs, increase productivity and improve services by giving employees a chance to share their improvement ideas and suggestions with ALPD.

Phase 3: Develop Incentives & Policy

There were some critical issues that were addressed by the committee and the system administrator of ALPD when making rules and policies for the ESS. They were summarized as follows:

1. Which employees would be eligible to receive awards?
2. What types of suggestions would be eligible?
3. Was it a must to have suggestions which were job related or out of the employee Job Scope?
4. Types of Awards: Cash, Paid time off, celebrate with the CEO, Travel, Plaques and certificates
5. Ceiling of the award
6. When employees should be awarded?
7. Suggestions evaluation process
8. Tangible / Intangible Ideas
9. Team/Group Suggestions
10. Degree of Disclosure
11. Appeals procedures

Phase 4: Design the ESS Framework for ALPD

This phase consisted of the following steps:

- Identifying a name/logo for the ESS.
- Designing a process flowchart.
- Articulating rules and eligibility using effective tools.
- Developing policy manual.
- Designing forms and tracking systems

Developing Program Identity

The name of the suggestion program was important. It should remind employees of the program and create a sense of excitement and encouragement. The name that was suggested by ALPD was "The Strong Hawk".

Designing a System Logo

The ESS had used a logo of its own that was distinctive from other departments in the Country. The logo that was used conveyed something about ideas and innovation. The logo that was used by ALPD was one of its kind.

Designing a Process Flowchart

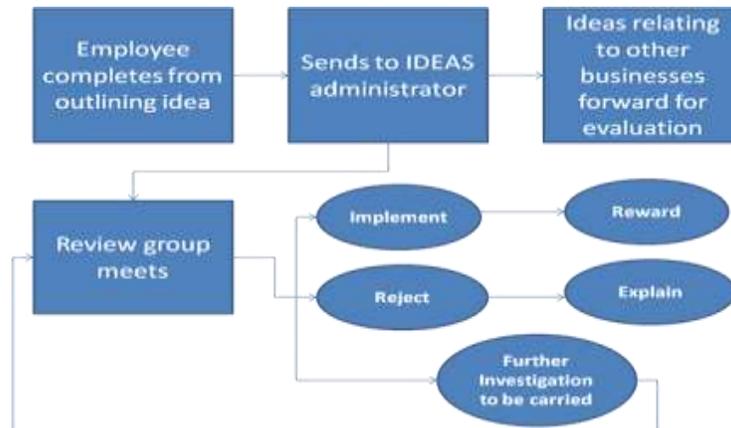
The flowchart of system processes had illustrated step - by - step what happen to suggestion from the time it was generated by the employee to the time it was adopted and the letter that was sent to him/her.

The process flowchart illustrated the following elements:

- How suggestions were generated?
- How suggestions were preceded?

- What forms were used?
- How suggestions were filed / recorded?
- Who evaluated the suggestions?
- Who made decisions on suggestions?
- Who communicated the final decisions to those who suggested the idea?

Below is a sample of a process of Employee Suggestion scheme at ALPD.



Articulate Rules and Eligibility Using an Effective Tools

It was very important to use proper tools for disseminating the rules of the ESS among all employees of ALPD with different levels of organization. Such tools were used as follows:

- Letter from CEO.
- Intranet.
- Internal magazines & multimedia.
- Meetings and workshops

Writing a Policy Manual

It was a good idea to have a policy manual that outlines the policies and procedures of the suggestion program and that was prepared eloquently by ALPD.

Designing Forms and Tracking Systems

Design an Employee Suggestion Form

The employee suggestion form of ALPD was used to document the suggested idea. The employee suggestion form contained the following information:

- Tracking Information.
- How to fill out the Form.
- Personal Information on those who suggested the idea.
- Description of suggestion.
- Description of current method.
- Savings or benefits expected.
- Signature of the person suggested the idea.
- Putting Rules.

Design An Evaluation Form:

- Evaluator Information.
- Summary of Expected Benefits.
- Award Recommendation.

Design a Tracking System:

The tracking system can be manual or computerized. ALPD used the manual tracking systems because ALPD is relatively small and the number of suggestions was small. The following processes led to an effective tracking system:

- Develop web based computer system
- Easy access to the site
- Integration with other systems
- Using the intranet

Phase 5: Awareness and Training

Training introduces the ESS to the organization and teaches everyone the details of their involvement. ALPD was very generous of giving in and out training to all employees regardless of their job or rank.

Implementing the Training Plan

The ESS administrator worked closely with the organization's professional training staff to develop training programs suitable for employees, supervisors, managers, evaluators and the ESS steering committee of ALPD. A key consideration of the training plan was the content of the training campaign. Not everyone in the organization had the same training needs. Employees were more interested in the ESS rules and idea/suggestion generation tools compared with evaluators. The training campaign was directed to:

- Top management and steering committee
- Employees of the organization
- Evaluators
- Department heads/ supervisors

As the training introduced the ESS to the organization it taught everyone in the organization how to be involved and contribute to the ESS. Promotion was a necessary tool to motivate participation and continuously reminded people of the ESS.

Ensuring Success

For the ESS to be successful employees at ALPD were to understand the program and knew how to generate and submit ideas; this was achieved through training.

Actions before Promotion

Before the program was officially began to accept suggestions, a prelaunch promotional effort was executed to get people interested in what was about to happen to make them curious. They were gradually moved into the following stages:

- Awareness of the program
- Curious about the program
- Adoption of the program
- Contribution & Execution of the program

First Year Promotional Plan

The promotional campaign of ALPD was planned a year in advance.

A variety of promotional tools and outlets were utilized in the context of several promotional objectives as outlined below:

- Reminding employees of the ESS, and prompt ideas. (posters /flyers /stickers)
- Demonstrating the organization's commitment to the ESS.
- Inspiring and motivating employees to submit ideas.
- Recognizing employees, supervisors, evaluators, implementers and other involved in the success of the ESS.

- Providing detailed information, answering specific questions and assisting employees in refining their ideas

Special Intermittent Promotions

ALPD received a flood of ideas during the first three to six months following the launch of the ESS. It maintained the process of handling and promoting the ESS smoothly and continuously after that the suggestions went stream properly and steadily. Special promotions were given for more effective and targeted efforts and additional prizes/ incentives were offered.

Phase 6: Follow up & Development of the System

With the development and introduction of any new ESS system at ALPD, employees and managers had raised several questions, concerns, and even criticisms of the new system.

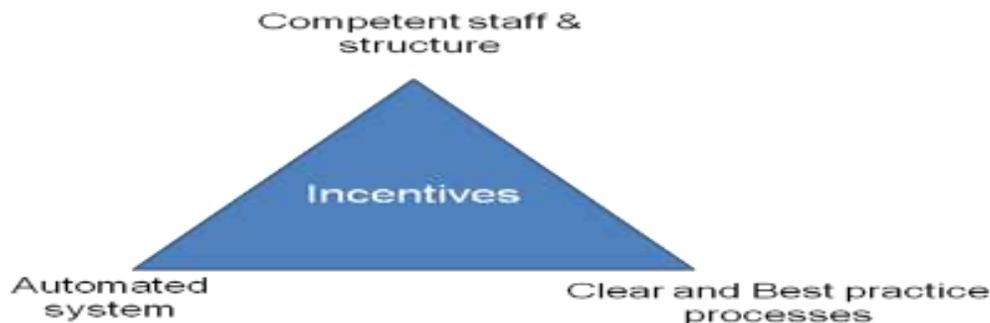
Maintaining and Improving the ESS

The ESS administrator and steering committee had periodically reviewed the ESS process for the purpose of improvement and review. The following was a list of issues related to the ESS that was needed to be considered in ALPD:

- Goals and objectives of the program to be met
- The process simplification of the program
- Eligibility of both employees and ideas for the program
- Effectiveness & efficiency to be gained from applying the program
- Incentives and awards to be given to employees
- Time frame for processing the idea.

Critical Success Factors for Effective Employee Suggestion Scheme

The following were the most critical factors that play a vital role in succeeding an employee suggestion scheme at ALPD:



Competent Staff and Structure, Automated System, and Clear and Best Practice Processes were considered the critical success factors that had an effective and efficient ESS at the ALPD. It was very important to be reviewed and improved comparing with the best in class and monitor their performance.

From the best practices it was proven that the following factors were crucial to have an efficient ESS:

- Top management support and contribution.
- Effective awareness campaign.
- Training staff on the ESS methodology and innovation tools.
- Commitment to the ESS policy and strategy.
- Praising the awarded staff and giving incentives on time.
- Transparency in announcing the results and awards.
- Keeping records and reports of the achievements.

Challenges and Obstacles Facing the Process of ESS

In general, there were some challenges and obstacles that might face the organization to achieve an excellent ESS. Some of these might include:

- Lack of management support for the employees who give the suggestions.
- Difficulty of knowing the ESS process by employees and of the organizational unit responsible for it.
- Consuming a lot of time to process the suggestion and obtain the approval.
- Lack of Balance between the high/attractive incentives and continuity of the ESS effectively.
- Difficulty of finding out a suitable tool to reward the employees.
- Not enough budget for the ESS initiatives at the organization

Recommendations

The ESS was highly successful at Ajman Land and Property Department and to move it even forward and better we recommend the following:

- Teach employees how to be creative.
- Question everything.
- Give them results.
- Remember the 80/20 Rule
- Let them down easy.
- If you don't measure it, you can't control it.
- Be prompt in your response.
- It all adds up (Small Ideas Are Welcome).
- Give managers and supervisors a piece of the pie, too.
- Deal with the "That's Your Job" personality.
- Practice makes perfect.
- Effectiveness is not necessarily uniqueness

Future Research

In order to monitor the performance of the ESS program at the organization, it is beneficial to make statistical comparison between some of the regional and international companies used Employee Suggestion Scheme and also to keep records of some of the statistics that show the followings:

- The Number of suggestions that had been given/rewarded by the organization staff on annually bases.
- The ratio of employees participated in giving suggestion compared with total number of the organization headcount.
- The annual budget consumed for the ESS rewards and incentives

References

Ahmed, A. M. (2009), "Staff Suggestion Scheme (3Ss) Within the UAE Context: Implementation and Critical Success Factors", *International Journal of Education, Business and Society: Contemporary Middle Eastern Issues*, 22, 153-167.

Al-Alawi, A.I., Al-Marzooqi, N.Y. and Mohammed, Y.F. (2007), "Organizational Culture and knowledge Sharing: Critical Success Factors", *Journal of Knowledge Management*, 11, 22-42.

Arif, M., Aburas, H.M., Al Kuwaiti, A. and Kulonda, D. (2010), "Suggestion Systems: A Usability Based Evaluation Methodology", *Journal of King Abdulaziz University-Engineering Sciences*, 21, 61-79.

Axtell, C.M., Holman, D. J., Unsworth, K.L., Wau T.D. & Waterson, P.E. (2000), "Shop Floor Innovation: Facilitating the Suggestion and Implementation of Ideas", *Journal of Occupational and Organizational Psychology*, 73, 265-285.

- Bartol, K.M. and Srivastava, A. (2002), "Encouraging Knowledge Sharing: The Role of Organizational Reward Systems", *Journal of Leadership & Organizational Studies*, 9, 64-76.
- Binnewies, C., Ohly, S. & Niessen, C. (2008), "The Interplay between Job Resources, Age and Idea Creativity", *Journal of Managerial Psychology*, 23,437-457.
- Buech, V.I.D., Michel, A. and Sonntag, K. (2010), "Suggestion Systems in Organizations: What Motivates Employees to Submit Suggestions?" *European Journal of Innovation Management*, 13, 507-525.
- Chaneski, W. (2006) *The Suggestion Box Syndrome (And A Better Alternative)*. Retrieved from <http://www.mmsonline.com/columns> .
- Cooley, R.E., Helbling, C. and Fuller, U.D. (2001), "Knowledge, Organization and Suggestion Schemes", *Management of Industrial and Corporate Knowledge*, 47-56.
- Du Plessis, A.J., Marx, A.E. and Wilson, G. (2008), "Generating Ideas and Managing Suggestion Systems in Organizations: Some Empirical Evidence", *International Journal of Knowledge, Culture and Change Management*, 8,133-140.
- Fairbank, J. F. Spangler, W. and Williams, S.D. (2003), "Motivating Creativity through a Computer-Mediated Employee Suggestion Management System", *Behavior & Information Technology*, 22, 305 -314.
- Flynn, M. Dooley, L. and Cormican, K. (2003), "Idea Management", *International Journal of Innovation Management*, 7,417-442.
- Fuller, U., Helbling, C., & Cooley, R. (2002), *Suggestion Schemes as Information and knowledge Management System*, Proceedings of the 7th Annual UKAIS Conference, Leeds Metropolitan University, England, UK, 226-234.
- Hultgren,P. (2008), *The Motivating Suggestion System*, Master Thesis in Industrial Engineering and Management Department of Management, BTH. *Ideas UK Annual Survey (2009)*. Retrieved 15 July 2010 from www.ideasuk.com
- IDS Studies; Personnel Policy and Practice; Suggestion Schemes; November 2000
Productivity & Development Center, an Introduction to Suggestion Scheme.
- Islam, R. (2007) *Evaluation of Suggestions by the Analytic Hierarchy Process: A Case Study on a Public University in Malaysia*, Proceedings of the 9th International Symposium on the Analytic Hierarchy Process for Multi-criteria Decision Making August 2-6, 2007,
- Lipponen, J., Bardi, A. and Haapamäki, J. (2008), "The Interaction between Values and Organizational Identification in Predicting Suggestion-Making at Work", *Journal of Occupational and Organizational Psychology*, 81,241-248
- Neagoe, L.N. and Klein, V.M. (2009), "Employee Suggestion System (kaizen Teian) the Bottom-up Approach for Productivity Improvement", *Control*, 10, 26 - 27.
- Rapp, C. and Eklund, J. (2002), "Sustainable Development of Improvement Activities – the Long-term Operation of a Suggestion Scheme in a Swedish Company", *Total Quality Management*, 13, 945-69.
- Rapp, C. and Eklund, J. (2007), "Sustainable Development of a Suggestion System: Factors Influencing Improvement Activities in a Confectionary Company", *Human Factors*, 17, 79-94.
- Van Dijk, C. & Van den Ende, J. (2002), "Suggestion System: Transferring Employee Creativity into Practicable Ideas", *R&D Management*, 32, 387 – 395.
- Verdinejad, F., Mughari, A.M. & Ghasemi, M. (2010), "Organizational Suggestion System in the Era of Holding by Developing an Innovative Model: The Case of Bonyade to Avon Holding in Iran (an applied model)", *Iranian Journal of Management Studies*, 3, 5-23. .

Verworn, B. (2009), "Does Age Have an Impact on Having Ideas? An Analysis of the Quantity and Quality of Ideas Submitted to a Suggestion System", *Creativity and Innovation Management*, 18, 326-334.

Winter (2009), "Staff suggestion schemes", *Management Services*, 53, 6-7.

Yuan, F. & Zhou, J. (2008), "Differential Effects of Expected External Evaluation on Different Parts of the Creative Idea Production Process and on Final Product Creativity", *Creativity Research Journal*, 20, 391-403.