



Assessment of Employee Engagement in the Implementation of an Employee Suggestion Program in Company X – Research Results

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Abstract: One of the most frequently implemented tools in Polish enterprises, which arises from the Lean Management concept, here understood in its broader sense, are so called schemes of employee suggestion. Their primary objective is to activate (motivate) employees of a specific enterprise to share their ideas, suggestions which could influence the improvement of an organization. Programs of this type which operate efficiently are also the answer to the eighth type of waste, according to the categories proposed by T. Ohno – not capitalizing on employees' creativity. The programs represent a cohesive element in the broad idea of employee participation in organization management. This paper presents the findings of a survey on the perception and involvement of employees working for a specific enterprise in the functioning of an employee suggestion scheme.

Key words: employee suggestion system, Kaizen, continuous improvement concept

JEL codes: M11,M12

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“The important thing is never to stop asking questions. Curiosity has its own reason for existing. It is enough if one tries merely to comprehend a little of this mystery every day. Never lose a holy curiosity. The people who don't ask questions remain clueless throughout their lives – Albert Einstein.”

1. Introduction

According to the definitions cited in the literature and pertaining to “idea”, “suggestion”, also commonly referred to as “Kaizen”, this is a proposal put forward by an employee so as to improve his or her workstation or other areas and processes within an organization. In order to encourage employees to engage in this kind of activity, many enterprises implement special organizational solutions in the form of formal programs such as employee suggestion schemes/programs, idea management systems, and in Japanese Kaizen Teian. Putting forward ideas is usually carried out in writing or via electronic means. Next, they are evaluated and if recognized as meaningful, they are implemented with the proposers being rewarded. The employee suggestion scheme is often called the tool which allows for the elimination of the eighth type of waste – unused employees’ creativity.

The employee suggestion scheme, understood as a program which provides a means for employees of all levels and departments to propose their ideas on a regular basis with the aim to make the functioning of the organization more efficient has been in place, since November 2016, in a production company engaged in the transport industry in Wrocław with the program operating under the name “Kaizen – continuous improvement”. The objective of the program is “improvement in terms of quality, efficiency in using all resources, better organization, work safety and working conditions through continuous proposals and implementation of improvements”. (The Regulation of the Motivation System of Kaizen Program – continuous improvements of company X, 2006 : 1).

The aim of the paper is to evaluate engagement of employees in the implementation of the employee suggestion program in company X on the basis of a survey. The paper is comprised of four sections. In the first one, the theoretical assumptions around the functioning of employee suggestion schemes are presented. The second section characterizes company X. The third section encompasses the analysis of the survey and employees’ engagement in the achievement of the objectives of the scheme. A summary and general findings conclude the paper.

2. Essential characteristics of employee suggestion scheme – theoretical approach

The employee suggestion scheme is an integral part of continuous improvement addressing a specific employee. In literature, the first documented scheme involving suggestions proposed by employees dates back to 1770¹ when the British Navy introduced a procedure allowing for bringing up suggestions of changes without running the risk of repression from the superiors. The employee suggestion program was launched in Toyota in 1951 after E. Toyoda visited Ford Motor Company in 1950 (Koch 2017: 22). Employees appreciate all kinds of such programs because: they are given the right to think, for they are entitled to speak and state their opinion, because they feel they can make a difference, because they have the genuine right to make decisions, because they have the genuine right to be independent. The only thing they need from the management staff is support in the form of endowing employees with responsibility and allowing them to be heard (Bryke 2015: 8).

The underlying assumptions surrounding the functioning of the employee suggestion scheme are as follows:

- ✓ the implementation of all suggestions which bring in even the minimum added value for a unit in relation to the outlays (work, costs) spent on its implementation.
- ✓ there is a process in place designed to assess and evaluate suggestions before their implementation (zero-one system – yes or no, the approval determined whether or not there is added value).
- ✓ functioning of a separated organizational cell dealing with promoting Kaizen culture, communication with employees and application assessment.
- ✓ substantial standardization of processes in that a suggestion once implemented applies over its entire economic lifetime and does not vanish along with the staff turnover. This a key element without which the employee suggestion scheme will not be effective in the long term.
- ✓ Implementation of suggestion by its author or under his or her supervision.
- ✓ Providing employees with knowledge and tools, through periodic training, necessary for effective development of one's own improvement projects.

¹ The literature often states that the first official employee suggestion scheme was established in 1898 by Eastman Kodak

- ✓ A reward and incentive bonus scheme for originators (Imai 2007: 131 – 132)

After creating and developing a suggestion, an employee submits it for assessment. If at this stage the project is evaluated as bringing added value, it is handed over to the employee for its implementation with the employee being provided with the resources needed and being rewarded with an incentive bonus, usually periodic bonuses, e.g. on a quarterly basis, according to the bonus policy in place. In assuming that data for the analysis will be obtained from the employee suggestion scheme, the quality of the data exchanged will be of significance. Employee suggestions bringing in value to the analysis are those which bring added value to a company, which is the primary quality feature allowing the data base to be qualified for the analysis (Imai 2007: 147). The employee suggestion scheme is one of the multiple tools derived from the Lean concept (Lean management is a management methodology aimed at creating such a work culture which makes all participants of the organization interested in reducing costs continuously, increasing quality level and reducing lead time. All this with a view to meet customers' expectations to the utmost and prosper by smoothly adapting to the surrounding conditions. It puts emphasis on eliminating any kind of waste" (Pawłowski Pawłowski Trzecieliński 2010: 13)). A suggestion scheme that is well prepared provides employees with plenty of benefits and an organization with substantial financial results. While implementing the scheme, companies which value employee suggestions often wonder whether to choose the Japanese or the American model.

The Japanese scheme assumes:

- ✓ usually no financial motivation,
- ✓ increasing employee morale as an important effect of staff engagement,
- ✓ strong emphasis put on non-financial incentive (being able to influence decisions made by management staff, proving one's own creativity, etc.),
- ✓ proposals are submitted individually or as a team (e.g. quality circles or zd groups - zero-defect).

The American scheme assumes:

- ✓ strong emphasis put on economic advantages – what does the company gain by implementing a good idea,
- ✓ wide spread use of financial incentives, non-cash or social rewards – cinema tickets, SPA, team-building event (Nowacka 2014: 28 – 29).

Without prejudging which motivation model (scheme) is more effective, one has to conclude (in the Polish context, the American model is most commonly applied; however, the author has come across enterprises in Poland which use the Japanese scheme) that a well designed process of submitting and implementing employee ideas can yield positive effects for the functioning of an enterprise across numerous areas. It represents the tendency, very fashionable in today's schemes, to increase substantially employee participation in the management of a company. Nowadays, this type of schemes represent the instruments encouraging employees to stepping up the activities in terms of innovation. While shaping the organizational culture accordingly by using communication platforms, open door models, suggestion boxes companies motivate employees to a greater creativity – modeled after the solutions applied by the likes of Google (Bełcik 2017: 14).

An effective employee suggestion program should be characterized by the following elements:

1. Employees are encouraged to submit their ideas.
2. Submitting ideas is easy.
3. The evaluation of ideas is quick and efficient.
4. Employees receive constructive and exhaustive feedback.
5. The implementation of an idea is carried out without undue delay.
6. Ideas are analyzed in terms of additional benefits.
7. Employees are given recognition and the company celebrates the program's successes.
8. The program is measured and continuously improved (Robinson, Schroeder 2006: 121 – 143).

3. Characterization of company X

The company under study is the largest international investor in the transport industry, employing a workforce of over 1500 in Poland, where it has four production facilities– located in four provinces: Śląskie, Łódzkie, Mazowieckie (Masovia) and Dolnośląskie (Lower Silesia). The production company in Lower Silesia has a long standing tradition, dating back to 1833, of manufacturing vehicles: bodywork and frame for powered industrial trucks. After 1945 the undertaking was one of the largest in Poland in terms of the production volume and number of employees. Since 2001 the owner of the company has been an international corporation based in North America. The users of the products are transport companies from Germany, Sweden, the

Switzerland, USA and Italy. The facility employs about 700 workers, with 200 working in administration and the other 500 as shop-floor workers (self-reported data based on the company's website: access date: 1.07.2016).

4. The perception of the employee suggestion scheme – survey analysis

Drawing on the comprehensive research conducted in company X in 2015/16 (detailed outline of the research, research sample, assumptions adopted, etc. the author presented in the paper “**An assessment of the implementation of the philosophy of continuous improvement in company X – part 1**” in CENTRAL AND EASTERN EUROPEAN JOURNAL OF MANAGEMENT AND ECONOMICS 1 Vol. 4, No. 1, 27-40, March 2016). It should be noted that among the company's employees it is a common practice to refer to the system devised for submitting employee suggestion as “Kaizen”. From the methodological perspective, this term denotes “a good change” and is related to the concept of continuous improvement. Considering this inaccuracy, the term “Kaizen” will be used interchangeably with “employee suggestion scheme” further on in the paper as the formal way of encouraging employees to submit as many of their improvement ideas as possible. The conclusions contained in this chapter are drawn based on explicit attitudes of the employees surveyed.

While interpreting the data collected from the production workers that is presented below, the following assumptions were adopted with respect to responses given by respondents²:

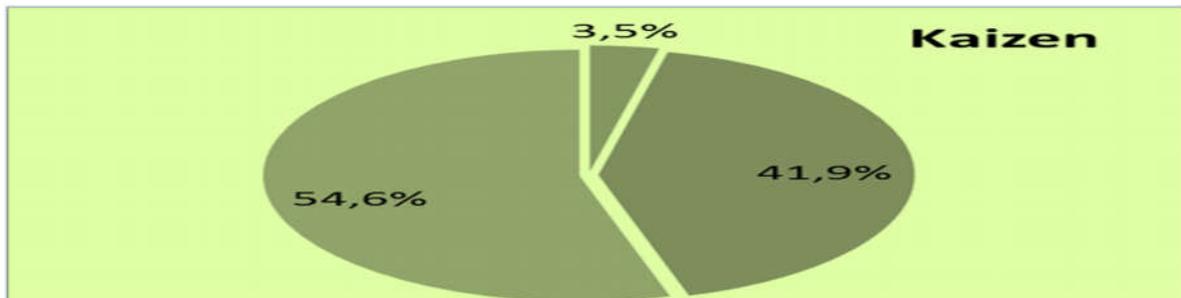
- ✓ „**I use**” – employee participates in the employee suggestion scheme, i.e. he or she submits ideas,
- ✓ “**I know**”- employee reports that he or she knows the scheme, yet does not actively participate in it,
- ✓ “**I don't know**” – employee does not know the phrase – i.e. he or she has not heard of the existence of the employee suggestion scheme in company X.

4.1. Production workers by operational teams

Figure 1 presents a collective approach to how the employee suggestion scheme is perceived by production workers (without distinguishing operational divisions).

² Production workers are divided into operational teams (divisions)

Figure 1. The perception of Kaizen as understood by production workers – a general approach



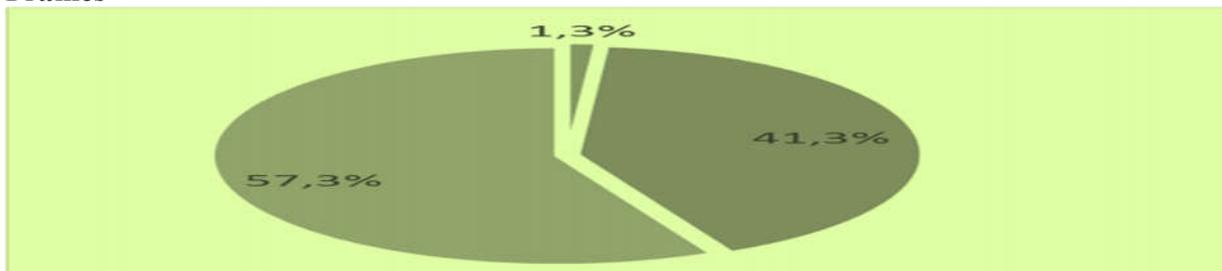
Source: self-reported data based on the survey

While evaluating the Kaizen concept, over half of respondents report that they use this tool of continuous improvement in their work. Over **40%** knows the meaning of this expression, while only a little over **3,5%** does not know the term at all. Further on, the data are presented in detail taking into account workers and their division according to operational teams.

4.1.1. Operational team “Frames“

Figure 2 shows the perception of the employee suggestion scheme by the workers of an operational team: Frames (Ramy).

Figure 2. Perception of the term Kaizen as understood by workers of the operational team Frames



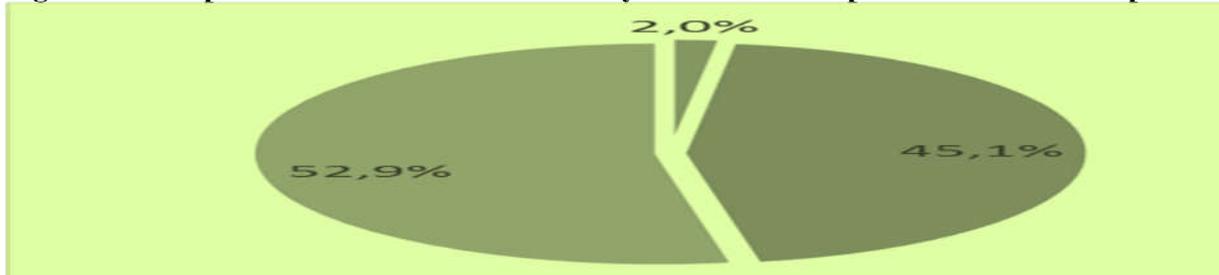
Source: self-reported data based on the survey

Over half of workers of the Frame division reports their participation in the employee suggestion program, with over **40%** knowing this expression, while the percentage of those who do not know it is little over **1%** of employees (less than the statistical error of the study).

4.1.2. Operational team Components

Figure 3 shows the perception of the employee suggestion scheme by the workers of an operational team: Components (Komponenty).

Figure 3. Perception of Kaizen as understood by workers of an operational team Components



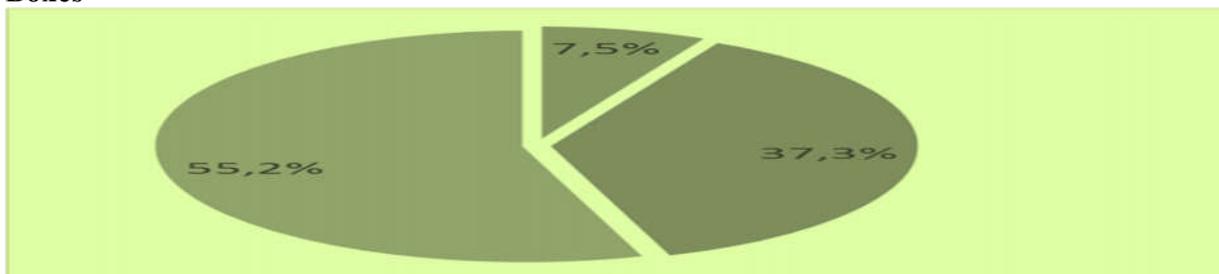
Source: self-reported data based on the survey

Over half of employees of the Components division state that they use the tool in the operational practice, with over **45%** reporting that they know the term, while only **2%** states that they have not come across this formulation while working for the company.

4.1.3. Operational team Boxes

Figure 4 shows the perception of the employee suggestion scheme by the workers of an operational team: Boxes (Pudła)

Figure 4. Perception of the term Kaizen as it is understood by workers of an operational team Boxes



Source: self-reported data based on the survey

Over **55%** of the workforce from the division Boxes uses the Kaizen tool in their work, while almost **40%** of respondents reports knowing the term, with over **7%** not knowing it.

4.1.4. Operational team Paint Shop

Figure 5 shows the perception of the employee suggestion scheme by the workers of an operational team: Paint Shop (Malarnia)

Figure 5. Perception of the term Kaizen as understood by workers of the operational team, Paint Shop



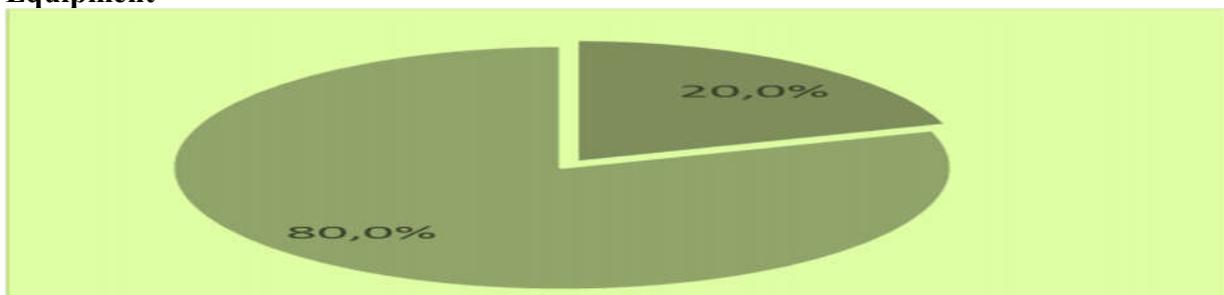
Source: self-reported data based on the survey

Over half of workers employed in the Paint Shop division reports that they know the meaning of this terms, with **40%** stating that they use this tool in their work, while only **3,4%** of respondents reports not knowing this term.

4.1.5. Operational team Equipment

Figure 6 shows the perception of the employee suggestion scheme by workers of an operational team: Equipment (Narzędzia).

Figure 6. Perception of the term Kaizen as understood by workers of the operational team, Equipment



Source: self-reported data based on the survey

Over **80%** of the division Equipment reports participating in the employee suggestion scheme, while **20%** only heard about this term.

In order to gain a better view of the data presented so far, the table below shows the collective perception of the production divisions operating in company X.

Table 1. A collective illustration of production workers' responses – comparative approach

Division	I know %	I use %	I don't know %
Frames	57,3	41,3	2,0
Components	45,1	52,9	2,0
Boxes	37,3	55,2	7,5
Pain Shop	51,7	44,8	3,4
Equipment	20	80	No indications

Source: self-reported data based on the survey

4.2. Administrative employees broken down by operational teams

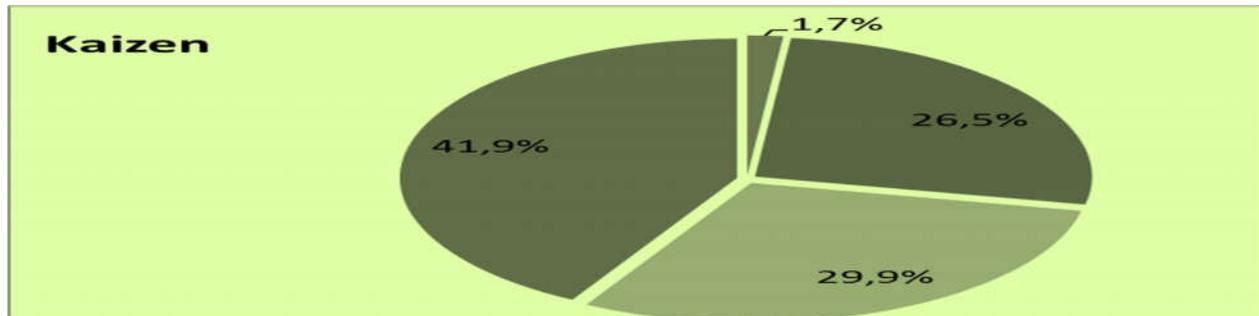
While interpreting the data included in the description below, the following assumptions have been adopted with respect to responses given by administrative workers:

- ✓ „**I use**” – employee participates in the employee suggestion scheme, i.e. he or she submits ideas,
- ✓ “ **I understand**” and “**I know**³” – employee reports knowing the scheme, yet does not actively participate in submitting ideas,
- ✓ “**I use**” – employee does not know the term – i.e. he or she has not heard about the existence of the employee suggestion scheme in company X.

Figure 7 presents a collective perception of the employee suggestion scheme by administrative workers (without separating them into administrative departments).

³ In the research section of the survey referring to administrative workers, two terms were used – “I understand and I know” as the confirmations of being aware of how the scheme works, while with respect to production workers, only one term was used: “I know”. The difference arises from a different approach to questions and the type of survey as well as its time frame.

Figure 7. The perception of the term Kaizen as understood by administrative workers – total perception



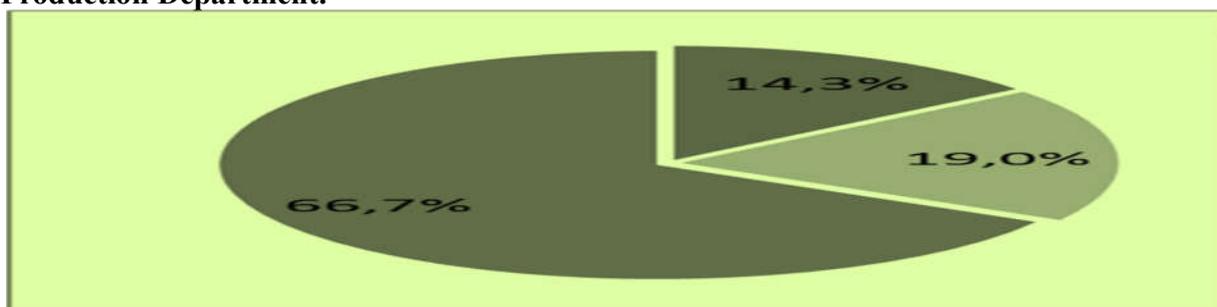
Source: self-reported data based on the survey

Over **40%** of administrative workers reports participating in submitting ideas under the employee suggestion scheme, with over half of respondents stating that they have heard about the existence of such scheme, while approximately **2%** of workers does not know the term.

4.2.1. Production Department

Figure 8 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Production Department (Produkcja).

Figure 8. The perception of the term Kaizen as understood by administrative workers of the Production Department.



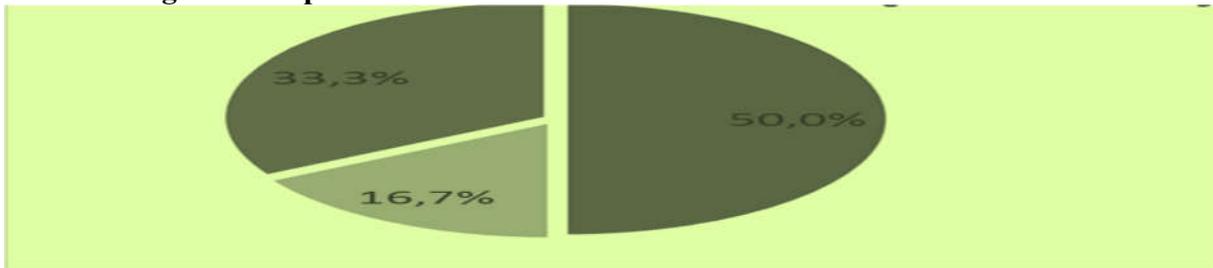
Source: self-reported data based on the survey

Over **70%** of employees of this department reports participating in the employee suggestion program, with over **30%** of respondents admitting to having identified the existence of such scheme.

4.2.2. Asset Management Department

Figure 9 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Asset Management Department (Zarządzanie Majątkiem).

Figure 9. The perception of the term Kaizen as understood by administrative workers of the Asset Management Department.



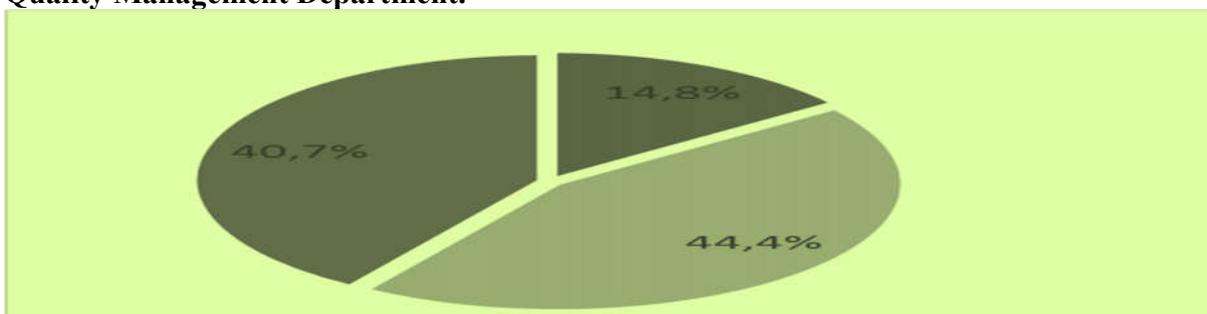
Source: self-reported data based on the survey

Over **30%** of administration workers of the Asset Management Department reports that they participate in submitting ideas under the employee suggestion scheme, with over **65%** of respondents reporting knowing the meaning of the employee suggestion scheme, yet not participating in the program.

4.2.3. Quality Management Department

Figure 10 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Quality Management Department (Zarządzanie Jakością).

Figure 10. The perception of the term Kaizen as understood by administrative workers of the Quality Management Department.



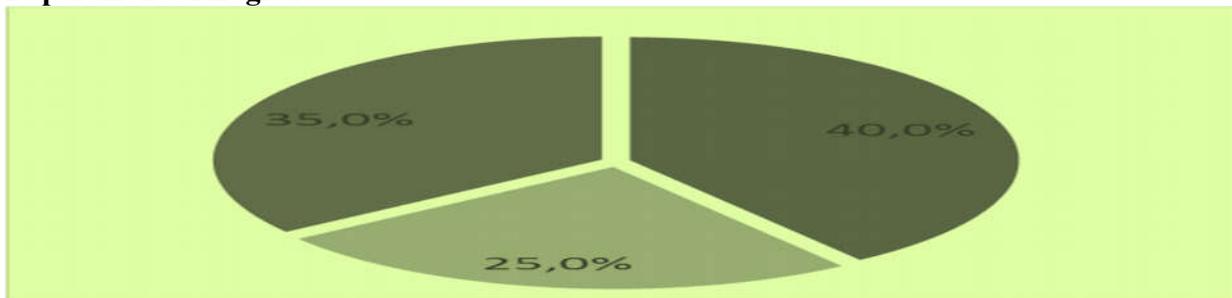
Source: self-reported data based on the survey

Over **40%** of employees of the department reports participating in the employee suggestion scheme, while **59,2%** knows about the existence of such tool, yet does not participate in the program.

4.2.4. Department of Logistics

Figure 11 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Department of Logistics (Logistyka).

Figure 11. The perception of the term Kaizen as understood by administrative workers of the Department of Logistics.



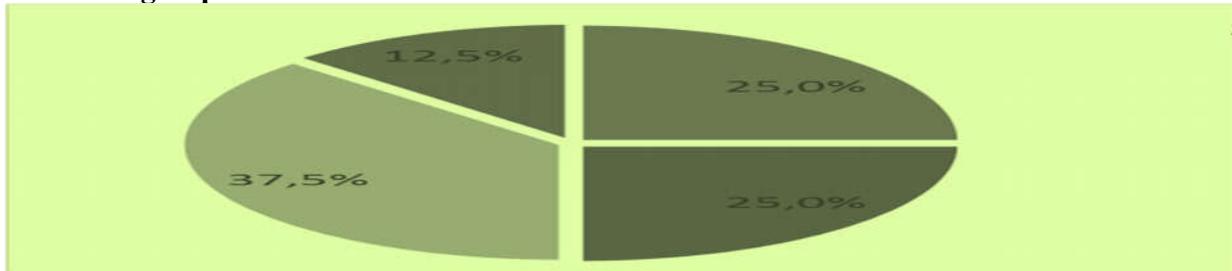
Source: self-reported data based on the survey

Over **35%** of the surveyed reports that they actively participate in the employee suggestion program, while **65%** reports that they have heard about the program yet do not participate actively in it.

4.2.5. Purchasing Department

Figure 12 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Purchasing Department (Zakupy).

Figure 12. The perception of the term Kaizen as understood by administrative workers of the Purchasing Department.



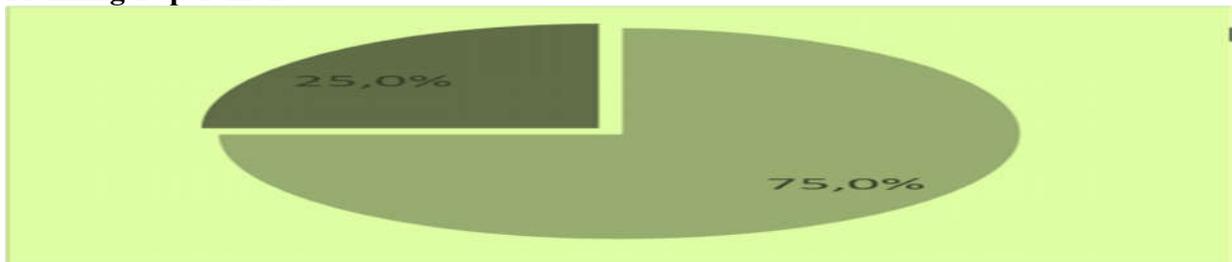
Source: self-reported data based on the survey

Over **12%** of employees of the Purchasing Department actively participates in the employee suggestion program, with over **60%** reporting being familiar with the rules of the program yet not participating in it, while $\frac{1}{4}$ of employees has not heard about this tool designed to support the process of continuous improvement.

4.2.6. Planning Department

Figure 13 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Planning Department (Planowanie).

Figure 13. The perception of the term Kaizen as understood by administrative workers of the Planning Department.



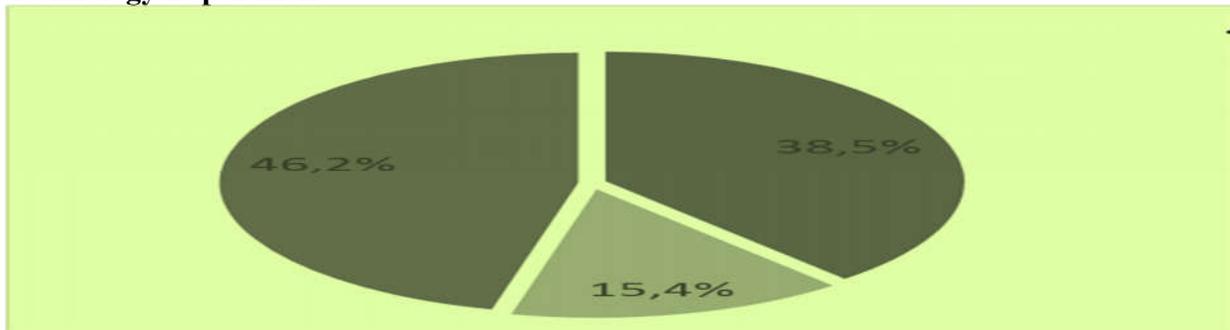
Source: self-reported data based on the survey

Every fourth employee of the Planning Department reports actively participating in the employee suggestion program, while $\frac{3}{4}$ of employees report that they know the rules and the philosophy involved in the functioning of Kaizen scheme; however they do not participate in the program.

4.2.7. Technology Department

Figure 14 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Technology Department (Technika).

Figure 14. The perception of the term Kaizen as understood by administrative workers of the Technology Department.



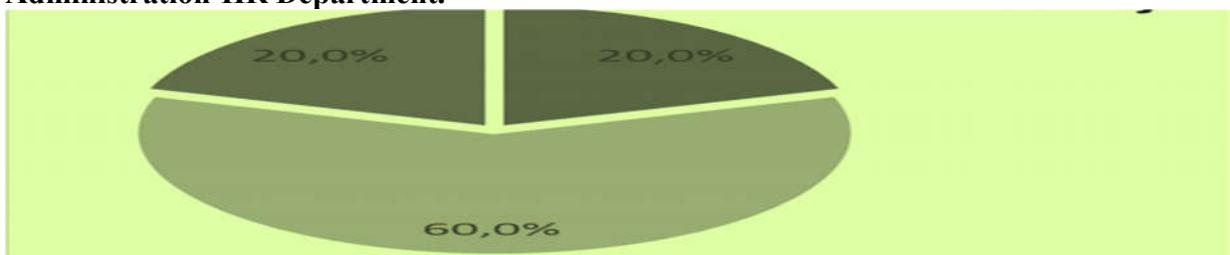
Source: self-reported data based on the survey

Almost **half** of employees of the Technology Department participates actively in the employee suggestion program, with another **half** reporting that they know the rules and the philosophy involved in the Kaizen scheme, yet they do not participate actively in the program.

4.2.8. Administration –HR Department

Figure 15 shows a collective approach to the perception of the employee suggestion scheme by administrative workers of the Administration-HR Department (Administracja-kadry).

Figure 15. The perception of the term Kaizen as understood by administrative workers of the Administration-HR Department.



Source: self-reported data based on the survey

20% of employees working in the Administration-HR Department participates actively in the employee suggestion program –submitting regularly suggestions, with 80% reporting of having heard about the existence of the program yet not participating in it.

In order to gain a better view of the data presented so far, the table below shows the collective perception of the administrative departments operating in company X.

Table 2. A collective illustration of administrative workers’ responses – comparative approach

Department	I understand and I know %	I use %	I don't know %
Production	33,3	66,7	No indications
Asset Management	66,7	33,3	No indications
Quality	59,2	40,7	No indications
Logistics	65	35	No indications
Purchasing	62,5	12,5	25
Planning	75	25	No indications
Technology	53,9	46,2	No indications
HR	80	20	No indications

Source: self-reported data based on the survey

4.3. Findings of the survey conducted

The survey findings are presented in bullet points.

- the employee suggestion scheme has been operating in company X since November 2006 – employees are aware of it; knowing it as Kaizen,
- over half of employees working in the production divisions (54,6%) actively participates in the employee suggestion program – the team that is most engaged is Equipment (80%) with Paint-shop being the least engaged team (44%),
- approximately 3,5% of employees of operational teams does not know or has never heard of the term “Kaizen”, “employee suggestion scheme” – the majority reporting of not knowing these terms was identified in the Division Boxes (7,5%), with the smallest number reported for the Equipment Division (0%) – it is worth noting that the responses are at the level of the statistical level which in practice means that all employees of the production divisions have heard about the program which supports submitting employee suggestions,
- With respect to employees working in administrative departments, only over 40% reports actively participating in the employee suggestion program – the approach

showing the highest engagement is recorded among employees of the Production Department (66%), while the lowest level of engagements is recorded among employees of the Purchasing Department (12,5%),

- Not knowing the term associated with the employee suggestion program is reported by less than 2% of respondents – with the most numerous group being made up of workers from the Purchasing Department – over 25%.

5. Conclusion

The aim of the paper was to assess the engagement level of employees of company X in the practical implementation of the employee suggestion program. The program has been operating in the company for over 10 years, contributing to continuous improvement in terms of the organization's functioning. While summing up the discussion on employees' attitudes and engagement in the employee suggestion scheme, some tendencies become clear: employees working in production divisions are much more likely to participate actively in the program than employees of administrative departments, with a similar group of about 50% (among production and administrative workers) being made up of persons who might be described as "observers" – i.e. they do not take part actively in the program, yet know the rules governing the functioning of the scheme, know the ideas; in increasing training and marketing activities performed by employees of the CI department, these people are likely to be induced to greater involvement, which in practical terms should contribute to more substantial benefits arising from the process of continuous improvement.

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Ocena zaangażowania pracowników w realizację programu sugestii pracowniczej

Streszczenie

Jednym z najczęściej implementowanych narzędzi w polskich przedsiębiorstwach wynikającej z szeroko rozumianej koncepcji zarządzania Lean Management są tzw. systemy sugestii pracowniczej, których głównym celem jest aktywizacja (mobilizacja) pracowników konkretnego przedsiębiorstwa do dzielenia się pomysłami, sugestiami mających wpływ na doskonalenie organizacji. Sprawnie działające tego typu programy są również odpowiedzią na ósmy typ marnotrawstwa uwzględniając kategorie zaproponowane przez T. Ohno – niewykorzystaną kreatywność pracowniczą. Stanowią spójny element szeroko rozumianej idei partycypacji pracowniczej w zarządzaniu organizacją. W niniejszym opracowaniu zaprezentowano wyniki badań ankietowych dotyczących postrzegania i zaangażowania przez pracowników konkretnego przedsiębiorstwa działania systemu sugestii pracowniczej.

Słowa kluczowe: system sugestii pracowniczej, kaizen, koncepcja ciągłego doskonalenia.

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