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Case Study and Briefing Paper:

The Principles and Practice of Continuous Improvement through Employee generated Ideas.

How Glasgow City Council use enabling software – Employee Voice – combined with systematic thinking processes, including Lean techniques, to make continuous improvement a *sustainable* part of their Transformation Agenda

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1. Introduction and process summary

Glasgow City Council, like all public sector organisations, has been pursuing efficiency and effectiveness gains as part of their Transformation agenda. And, like many organisations, as part of this agenda Glasgow City Council has also fully embraced systematic thinking including *Lean* thinking and training therein.

It is the combination of technology and effective team based organisational structure, along with the processes in *Employee Voice*, that delivers successful outcomes and makes a dramatic contribution to transformation.

Technology and Lean thinking.

Implicit in Continuous Improvement is listening to the views and ideas of the people who do the work and the purpose of *Employee Voice* is to provide a sustainable, Cloud-based platform for both sharing employee-generated improvement ideas and for their evaluation and ranking.

The system was set up such that improvement suggestions could be both spontaneous i.e. any subject at any time within specific *Communities* and also improvement ideas being encouraged through focus on specific *Challenges*. Both processes are used simultaneously and can be personalised to a specific situation and audience.

The *Employee Voice* application is not positioned simply as a suggestion box which happens to be online. It is seen as both a tactical tool for improvement idea generation and evaluation and also, on a wider perspective, an important contributor to employee engagement and the creation of a *Culture of Improvement*.

Making this latter aim systematic and sustainable is a key indirect role for *Employee Voice.* Whilst the right technology is crucial to usage and participation, an integral part of success is ongoing administrator training and coaching, combined with practical support in terms of performance measurement and product utilisation.

2. Principles and Practice - teaching employees about the process of Continuous Improvement

There were three aspects to this:

The first was to be clear that any task is part of a process and that thinking about the task in that way is the most likely way to realise a gain. This is in effect the Lean philosophy.

Secondly, the idea of *Marginal Gain* could and should drive initiatives and process improvement. Better to seek to improve 100 things by 1%, that one thing by 100%. The exemplar of Chris Hoy and the Cycling team's success is evidence of the efficacy of such thinking.

Thirdly, the notion that good ideas fall like beautiful snowflakes, perfectly formed and ready to be implemented, was shown to be false by the very nature of the process of an idea being shared within *Employee Voice*. Ideas for change need to be explained and critiqued and incubated, such that those affected by them feel involved in that process. It is also the case that ideas come from problems or specific knowledge about a process or facet of it. Knowledge of what works, or does not work well, is the foundation - and the justification - for change. That knowledge is shared and spread in *Employee Voice*.

3. Advice on identifying candidate Projects and areas for improvement

The Focus - as part of Lean training - is on the *classic* areas of potential improvement.

- Transport

- Inventory

- Motion

- Waiting

- Over production

- Over processing

- Defects (or complaints)

Direction is also given on the characteristics of potential projects that may be suitable cases for "Lean treatment", for example:

- Too many enquiries that cannot be resolved first time

- Too much rework

- Too many complaints

- Too many things not in our control

- Analysing the information needed from colleagues and the information they need from you

- Process steps with long lead times

- Excessive delays between steps

- Excessive checking and time-consuming monitoring requirements

- Steps with high inventory

- Supply Chain Issues – physical and informational

3. Routing and the idea Journey

Idea Classification and Routing is as a key component in success.

It is GCC's intention that no ideas submitted remain as "orphans". That is to say, if an employee has invested time in submitting an improvement idea, policy dictates that it must not be ignored or neglected. Therefore, there is clear recognition of the importance of getting ideas to the right improvement idea evaluators.

This allows rapid agreement on next actions, which may of course include not proceeding with a suggestion. This requirement implied effective classification and categorisation of improvement ideas and their routing to evaluators.

Ideas are therefore categorised and classified by:

- their category type
- then in relation to their origin within a Service area
- and within a department
- and finally a classification of an idea subject itself.

In the first instance, ideas are classified so that filtering/searching by employee participants can take place; the second need relates to routing - getting an idea to the right person whose expertise matches the idea - and the third to reporting and analysis

When an idea is categorised it is automatically routed to the right evaluator or Dept Head and that nominated person is alerted. On login, all improvement suggestions are easily viewed by the evaluator.

This solution also has the effect of making service heads and their team leaders part of the improvement community. It goes without saying that greatest success comes when leaders and managers, not only "employees" are engaged within an improvement community.

4. Operational gains

By using Employee Voice in conjunction with a process thinking emphasis, gains are being made in these five operational areas:

1. Improving the Idea generation and communication process itself; making that more efficient, and lowering associated costs.

2. Promoting peer-to-peer learning, co-operation and idea enhancement and implementation. That is to say: not all improvement ideas need senior management approval.

3. Decision making and analysis in relation to prioritisation, evaluation, development or implementation of an idea.

4. The Culture of Innovation and development of Trust within this *Employee Community*, including Reward and Recognition, is promoted.

5. Education in the principles and practice of Continuous Improvement.

Such improvement gains are characterised by:

- Time saving - better internal processes, smarter working or realignment of responsibilities.

- Money saving - avoiding of waste or making better use of existing resources.

- Human resource saving - both participants and senior managers' time in getting results.

- Innovation and transformation in product or service delivery.

- Saving time at physical meetings. There is also much time to be saved by this process of discussion and it enables a subsequent physical meeting to concentrate on making decisions in relation to propositions, not spending time re-iterating the problem.

- Efficiencies also follow because of *Employee Voice's* **Ideas Sessions or Challenges** and through divisional or departmental managers being able to initiate and manage specific topics where inputs are requested.

The time saving, efficiency and morale boosting gains from implementing a structure to submit, share, initially assess and then take ideas-to-action are made in these processes:

- Unifying and adding structure and prioritisation to collecting data and opinions.

- Ability to analyse outputs and report on activity, on ideas and their status.

- Ability to acknowledge participants' contributions rapidly and easily.

- Automatically communicating to all involved regarding the stages of development of an idea; that plus enabling automatically following of preferred ideas.

- By being able to re-visit improvement ideas over time, when circumstances may change or organisational needs evolve.

6. Measuring progress

While there are many aspects to promoting, and making natural, a *Culture of Improvement*, there is ultimately a key idea management system measurement from which all else follows.

It is this simple metric and goal:

To maximise the improvement ideas contributed per 100 employees and, following from that, the number of improvement ideas implemented per hundred employees.

Implicit in achieving this objective is knowledge and promotion of the idea of *Marginal Gain*, discussed above.

That is to say: an acceptance that small, incremental improvements - improvements suggested from all levels in an organisation's hierarchy - are very worth pursuing since they rapidly accumulate and, over a short period of time, they can create dramatic improvement and, ultimately, transformation.

7. Savings within an 8 month period within one service area alone.

"From all ideas implemented, we had 73 that saved us between 15 mins and 3 hours a week, amounting to £200,000 of the total cash saved – so small ideas are definitely worth finding."

"Outcomes of improvement ideas to remove non-value adding activity from our day to day work ... by re-balancing about 35 peoples' work processes, we made a saving of £875,000 per year."

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