

CONTINUOUS IMPROVEMENT RECOGNITION SYSTEMS

A catalyst for long term employee engagement and cost reduction

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About the Author

Paul Alexander is the author of many white papers which apply to the financial industry. He is the creator of the bank process ADvantage-SOLutions and programs such as RealtyReferral, RealtyConnect, Customer Service as A Sales Tool and Negotiation is a Foregone Conclusion. Paul brings more than 22 years of highly diversified experience in the Performance Improvement Industry to his writings.

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Continuous Improvement Recognition Systems (CIRS) play a very distinct role in business today. Companies are constantly looking for ways to communicate better with employees, tap into the employee knowledge base, improve employee morale, recognize employees for exceptional behavior and, through these improvements, increase their bottom lines. Every initiative in this list falls within the category of employee engagement. All point to some facet of employee behavior which helps us to understand that what our employees do is either what makes our business great or causes us distress. Only engaged employees can positively engage customers and drive results, only engaged customers will make our businesses profitable and enduring.

For many, these goals seem lofty and elusive with the primary deterrent always being: “How do we get started?” The challenges to creating and implementing a successful ongoing process of improvement include: diverting employee attention from normal job functions, creating animosity within the work force by subjective recognition of performance, a failure of management to respond and follow through with the implementation of employee suggestions, a lack of relevance between company goals and individual benefits, effectively preparing employees to drive change, and an inherent unwillingness to change.

CIRS is meant to be a low intensity, ongoing, sustainable process of change in employee focus and continuous company improvement. This sounds great because everyone knows that the disruption factor is always in direct proportion to the level of intensity. At least, that is what we have always thought. However, through years of research and development, we have found that passivity is not productive and disruption is often good for business. Of course, a caveat is that extreme disruption is not sustainable; therefore, it is necessary to create and implement a manageable middle ground.

Change must always begin with a behavioral shift and this, of course, includes a learning process. The best way to learn is through practice and positive, frequent replication. If you were taking driving lessons, for example, and you only took a one hour lesson once per month, it would probably take years for you to become a good driver. This is primarily because you would forget much of what you learned between your lessons. Your mind and body would not be able to assimilate the dexterity required to be a good driver. Conversely, if you took a

lesson twice per day for an hour each time, within a week or so you could become a practiced driver. In this analogy lies the disadvantage of beginning only with a CIRS process. Most “would-be participants” will find the challenge of getting started daunting, unmanageable, and as a result, they will avoid participation.

An excellent solution is to begin with a carefully designed and administered high intensity program which will provide all participants with the opportunity to understand and practice the principles of success for any effective CIRS process. Of course, this high intensity beginning must be a program because it must have a clearly defined beginning and an end, as well as specific roles and procedures which will comprise the structure of change. This solution is equal to the two driving lessons per day in that the behavioral shift which you desire becomes, in effect, second nature for the participants.

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There is a significant, viable case to be made for the implementation and application of this fast paced, intense platform prior to CIRS. It develops a new set of behaviors within the workforce and prepares the environment for the implementation of CIRS. An excellent term for this pre-CIRS program is twelve weeks (twelve weeks of idea submittal), followed by a 12 week break and then the launch of CIRS. This program will prepare the environment, give your employees the training, practice, and understanding required; while at the same time driving significant, immediate bottom line savings for your company. Following is a rudimentary comparison between the initial 12 week program and an ongoing process of CIRS:

| | TEAM\$AVE | CIRS |
|----------------------------------|--|--|
| PROGRAM PERIOD | 12 WEEKS OF IDEA GENERATION | 52 WEEKS OF IDEA GENERATION WITH A REOCCURRING OPTION FOR RENEWAL |
| TEAMS ARE | 7 MEMBERS; VOLUNTARY, SELF FORMED AND CROSS FUNCTIONAL | 3 TO 7 MEMBERS AD HOC, FORMED TO DEVELOP EACH IDEA, BASED UPON EACH INDIVIDUAL MEMBER’S POTENTIAL CONTRIBUTION |
| TEAMS MEET | 1 HOUR PER WEEK ON COMPANY TIME, MORE ON THEIR OWN TIME AS DESIRED | AS NEEDED ON THEIR OWN TIME |
| TEAMS EARN | EACH MEMBER EARNS AN EQUAL NUMBER OF POINTS REGARDLESS OF TEAM SIZE BASED UPON PREDETERMINED RANGES OF IDEA VALUES | EACH MEMBER EARNS AN EQUAL PERCENTAGE OF A TEAM POOL BASED UPON PREDETERMINED RANGES OF IDEA VALUES |
| COACHES ARE | MANAGEMENT APPOINTED CHEERLEADERS FOR SEVERAL TEAMS | MANAGEMENT APPOINTED AND AVAILABLE TO HELP IDEA ORIGINATORS FORM TEAMS AND DEVELOP IDEAS ON AN AD HOC BASIS |
| RESOURCE MANAGERS ARE | MANAGEMENT APPOINTED BASED UPON JOB RESPONSIBILITIES | MANAGEMENT APPOINTED BASED UPON JOB RESPONSIBILITIES |
| EVALUATION COMMITTEES ARE | MANAGEMENT APPOINTED FOR PROGRAM DURATION | MANAGEMENT APPOINTED FOR PROGRAM DURATION |
| IMPLEMENTERS ARE | AD HOC BASED UPON REQUIRED EXPERTISE AND AVAILABILITY | AD HOC BASED UPON REQUIRED EXPERTISE AND AVAILABILITY |

The creation and implementation of the twelve week program prior to the launch of CIRS prepares the environment, contributes substantial bottom line savings, and establishes an understanding of the Improvement, Reward and Recognition process.

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Lessons and behaviors learned throughout the program will be highly beneficial to the employees and the employer.

As previously described, the creation and implementation of the twelve week program prior to the launch of CIRS prepares the environment, contributes substantial bottom line savings, and establishes an understanding of the Improvement, Reward and Recognition process. It guarantees that the environment is prepared to accept CIRS. The employees will have: learned and practiced new behaviors; experienced the feeling of shared success; enjoyed the value of teamwork; and will be anxious for other, ongoing opportunities through which they can contribute to the company's and their own success.

Once the twelve week process is complete, it is important to take a twelve week break which will facilitate the cleaning up of post program details. It will also provide a much needed change of pace for the participants and the company. At the end of the break, the CIRS process can be launched in a manner similar to the initial program.

As noted, in the high intensity twelve week program, teams are formed and operate with the same members for the duration of the program. In the CIRS, teams will be formed starting with the seed of an idea for an improvement from any employee. An employee with an idea may seek the help of a coach to follow the correct procedure. Coaches completely understand the process due to the fact that they were well trained during the twelve week program and had the opportunity to practice and apply their training. Together with the Coach, this idea originator seeks out some number of additional Team Members (between 3 and 7) based upon each member's area of expertise, potential understanding of the idea, and their regular daily job responsibilities. The dynamic of these ad hoc, chosen teams, is to fully develop the idea, trouble shoot its effects, and maximize its value.

Nearly every company can benefit from this fast start program and/or CIRS. The decision to start with an intense short term program or merely begin with CIRS should be made based upon management's established objectives and previous experience. If a company has previously implemented a highly successful cost reduction program, then it may be very beneficial to begin with CIRS. However, if a company's experience consists of no previous program or poor results from a previous program, it is preferable to begin with the high intensity program.

The fast start program, when properly implemented, will improve employee morale, communication, productivity, and profitability. It can be designed to generate a hard dollar fund that will finance the implementation of soft dollar ideas. Lessons and behaviors learned throughout the program will be highly beneficial to the employees and the employer.

CIRS, when properly implemented will improve employee morale, communication, productivity, and profitability. Employees will experience superior communications, opportunities, and a long term commitment from management to improve the processes of the company.

Whether you begin with a high intensity program and roll that into a long term process, or choose to begin with a long term process, employees will come to consider themselves and their contributions much more valuable to their company. The corporate environment in both cases will become more cooperative and less adversarial. Employees will see themselves as functional partners and, as they share in the value of their ideas for improvement, you will answer the most important employee question of all; “WHAT’S IN IT FOR ME?”

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