The Power of Front-Line Ideas

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DEAN M. SCHROEDER, PH.D.
AUTHOR, SPEAKER, & CONSULTANT

Herbert and Agnes Schulz Professor Management, Valparaiso University
Where does improvement come from?
Denise Coogan,

Zero Landfill at Denali National Park
Front-line people see lots of problems and opportunities that managers don’t.

The 80/20 Principle of Improvement and Innovation
### Some Companies Getting Lots of Ideas

<table>
<thead>
<tr>
<th>Company</th>
<th>Ideas per Employee per Year</th>
<th>Improvement Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Scania</em></td>
<td>50</td>
<td>15%</td>
</tr>
<tr>
<td><em>Autoliv</em></td>
<td>65</td>
<td>14%</td>
</tr>
<tr>
<td><em>Clarion Stockholm</em></td>
<td>67</td>
<td>Near 100%</td>
</tr>
<tr>
<td><em>Milliken Corporation</em></td>
<td>110</td>
<td></td>
</tr>
<tr>
<td><em>Boardroom</em></td>
<td>104</td>
<td>7X industry average productivity</td>
</tr>
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The Tip of the Iceberg at Coca-Cola Stockholm

- 2 Black Belt Projects (SEK 1.5 million in savings)
- 5 Green Belt Projects (SEK 1 million in savings)
- 1720 Front-Line Ideas (SEK 8 million in savings)
Coca Cola Stockholm
Front-Line Improvement
Idea on half-liter bottling line

Before

After

Broad Contact Area

Single Contact Point

Washer
The Problem

Most organizations are designed and managed for control and conformance - not for ideas and innovation.
Elms with Mayor Michael Hancock

Bryan Elms
Denver Department of Excise and Licenses

Reduced the wait time for business licenses from an average of 1hr 40min to 7min.

Stacie Loucks

Melissa Field
Actions Taken

• Put targeted performance measures in place.
• Free up some time by filling two enforcement position with service techs.
• Changed the way phone calls were handled.
• Trained all 39 employees through Peak Academy – one day for staff, five for managers.
• Required employees to come up with at least one improvement idea by the end of the year – about 4 months.
Easy Effective Front-line Ideas

• Reorganized the forms for application into license-specific packages.
• Put copier/printers at every work station.
• Created clear, step-by-step instructions with screen shots for the computer that applicants use to do background checks.
• Aligned the computer license input screens with the application forms.
• Standardized the way addresses were capture and recorded to make future access easier.
Results

• Radically reduced wait-time from 100 min to 7 min – surges from 8 hrs to 15 min.

• No budget increase despite significant new licenses to issue and increased volume.

• Significant reduction in staff turnover.
“How to we convert more new cars to patrol cars without radically increasing the size of the garage?”
Sample Ideas

• Pre-kit the conversion parts on special carts.
• Organize the key storage.
• Que the new vehicles next to the garage.
• Use a template to align decals.
• Use pre-made wire harnesses rather than cutting and stringing some 50 wires.
• Have brackets pre-drilled.
• Use laser-measured plastic seat covers over the back seats rather than swapping them out.
Sample Results?

• Eliminated many unneeded activities.
• Increase output from 12 to 36 vehicles per months.
• Cut conversion time from 300 hours to less than 25.
• Reduced maintenance cost by $153K per year.
• Generated $628K in surplus value on used vehicle sales.
Going after smaller ideas creates an improvement culture – everyone has them all the time.

Small ideas are less costly and less risky – learn as you go.

Accumulation of small ideas has a major impact.

Big improvements need lots of small ones to be successful.
To get large numbers of front-line ideas, a different type of organization is needed – an Idea-Driven Organization
Idea-Driven Organizations have …

1. Leadership committed to seeking and listening to ideas (and knowledgeable).
2. Systems to capture and manage front-line ideas as a regular part of work.
3. An organization aligned for ideas.
4. Regular training for more and better ideas.
5. Integration of all improvement processes.
1) It takes a different kind of leadership
“A manager has to have the humility to listen to and respect other people’s ideas if he expects to rise up at **INDITEX**”

Jesus Echevarria, Chief Commutations Officer
2) Systems to capture and manage frontline ideas

*NOT with a suggestion box-type system!*
Idea Board

Pyromation
3) Aligning the Organization for Ideas

Focus on what matters by linking front-line ideas to strategic objectives.
4) Help People Come Up With More and Better Ideas Through Training
“3-R” Activator Training

Reduce
Reuse
Recycle

Results?

✓ No Waste to landfill since May 2004!
✓ Millions in annual savings!
✓ Cleaner Environment!
5) An Integrated Concept of Ideas

- Leadership-Driven
- Mgmt-Driven
- Front-line Driven Ideas
- R&D
  - Six Sigma
  - Kaizen Events
UNLOCK THE POWER IN YOUR EMPLOYEES’ IDEAS

LEARN MORE AND VISIT THE BLOG AT IDEA-DRIVEN.COM

AVAILABLE ON AMAZON.COM