## An Overview of Employee Suggestion Schemes:

The Past, Present and the Future

### Flevy Lasrado

### Abstract:

Innovations are becoming increasingly important for organizations to remain competitive in the dynamic business environment. Employee Suggestions Systems (ESS) is a useful tool used in the organization to elicit employees' creative ideas. Over the past decades, suggestion schemes have been studied from many perspectives. The objective of this paper is to present the history and evolution of suggestion schemes, from their early beginnings to sophisticated computer based systems that are widely popular in many countries. It begins with the discussion of origins of suggestion systems, followed by discussing how they have evolved over the years, and understands a typical process involved in suggestion system. The future model is discussed that can sustain and contribute significantly towards the success of the organizations. Through a literature review, it's described the existing research on suggestion schemes to understand the critical drivers and barriers for the success of the suggestion schemes. This paper also cites and illustrates the well-known suggestion systems used by UAE organizations and their benefits.

This paper should be of value to practitioners of suggestion schemes and to academicians who are interested in knowing how this program has evolved, and where it is today and what future it holds. This paper has assimilated the existing knowledge on suggestion systems to provide a quick run through to the field and has extended the search for drivers and barriers to suggestion scheme from creativity and innovation literature.

Keywords: Employee, Suggestion System, Creativity, Innovation, Employee Involvement, Ideas Management.

### 1. Introduction

An Employee Suggestion Scheme (ESS) is described as a formalized mechanism that encourages employees to contribute constructive ideas for improving the organization in which they work (Milner et al., 1995). Another elaborate definition explains "suggestion schemes elicit suggestions from employees, classify them, and dispatch them to "experts" for evaluation" (Cooley et al., 2001). After this, the suggestion might be adopted, in which case the suggestion maker will be rewarded. But even if a suggestion is rejected, the suggestion maker may still be rewarded with a token gift. So the managers or dedicated committees evaluate the suggestions and implement the one that works (Chaneski, 2006). The reward may range from a certificate to a reward commensurate with the savings generated by the suggestion. Researchers in this area explain that the suggestion scheme is a mechanism or a tool that fosters creativity, elicits untapped reservoirs of ideas and fuels both product or process innovations, triggers a work place improvement, improves process effectiveness, saves money or helps generate new revenue and increases organizational commitment and accountability among employees (Carrier, 1998; Buech et al., 2010; Fairbank and William, 2001. Townsend, 2009; Islam, 2007; Arthur et al., 2010 Lloyd, 1996). Thus they are structured to have many goals and purposes (Kanna et al., 2005).

There are others who view suggestion systems as mechanism to improve quality as well (Islam, 2007; Kanna et al., 2005). It is a known fact that no one would know the job, its specific processes( Darragh –Jeromos, 2005) better than the employees themselves as they are on the shop floor and are experiencing the advantages of what they are doing(Du plessis et al., 2008). Therefore, the suggestion scheme can be an advantageous way to gather suggestions in the work place by fostering this concept and taping into all employee creativity (Darragh-Jeromo, 2005).

Over the past decades, suggestion schemes have been studied from many perspectives. In this paper, our objective is to present the history and evolution of suggestion schemes, from their early beginnings to sophisticated computer based systems that are widely popular in many countries. We start by discussing the origins of the suggestion system, followed by how it has evolved over the years, and understand a typical process involved in the suggestion system. Through a literature review, we describe the existing research on suggestion schemes in order to understand the critical drivers and barriers for the success of suggestion schemes. This paper also identifies future research opportunities in this field.

### The History and Evolution of the Suggestion Schemes

In 1721, Yoshimune Tokugawa, the 8th Shogun, placed a box called "Meyasubako" at the entrance of the Edo Castle for written suggestions from his subjects (Arif et al., 2010). Although this is the most basic system known, an industrialized suggestion systems origin traces back to the 19th century. In 1880, William Denny, a Scottish shipbuilder asked his employees to offer suggestions in order to build ships in better ways (Islam 2007). Following this, the Kodak company became pioneer in this endeavor with its program being introduced in 1896 (Carrier, 1998). Industry associations, such as the Employee Involvement Association (EIA), then came into existence and they have contributed greatly to the increased formalization, objectivity, and professionalism of suggestion programs (Townsend,2009). Formerly, the National Association of Suggestion Systems, the EIA has instituted educational, statistical, and professional development programs to raise the bar of best practices in the encouragement, evaluation, development, and implementation of ideas that add value to their organizations. The IdeasUK, UKs foremost association for the promotion of employee involvement programmes was founded in 1987, its prime purpose being to assist organizations in both the public and private sector, an organization with more than 100 members worldwide. On the other hand in Japan the program was well known as the Kaizan Program. While Kaizen-oriented suggestion systems are primarily interested in generating many small improvements, western suggestion systems encourage the pursuit of innovation (Ohly et al., 2006). Simultaneously, suggestion schemes also became popular in many countries and they have a considerable history that includes USA, Europe, Asia and the Middle East (Cooley et al., 2001).

The well-known suggestion schemes have been in existence for over 60 years and companies like Japan's Toyotas and India's Tata Steel Mill represent a usage of these historic systems. Around the 1990s suggestion schemes became increasingly popular. In 1994, one employee suggestion alone saved British Gas £4.4 million. The research around 1996 reported that the world class suggestion systems are exceeding 40 ideas per person annually, with greater than 80 percent implementation rates and high levels of participation (Savageau, 1996). The ETA 2004 annual suggestion program provided statistics from 41 of its member organizations in the United States. From this limited sample, a total of more than \$811 million in savings and other benefits were realized as a result of employee suggestion programs (Townsend, 2009). The latest 2009 Annual Survey of IdeasUK highlighted the following benefits amongst their membership organizations such as Boots, HSBC, Ministry of Defence and Dubai Aluminum.

- Cost savings of over £100m with the average implemented idea worth £1,400.00.
- Return on Investment of at least 5:1.
- Employee involvement increased with average participation rates of 28%

The trend of cost savings due to employee suggestions continues till today.

### The Existing Research on Suggestion Systems

# An illustration of a formal process involved in the suggestion schemes

Suggestions systems have come a long way (Arif et al., 2010) transiting from anonymous postboxes (Crail, 2006) or suggestion box to a sophisticated computer based electronic suggestion system (Fairbank and William 2001; Ahmed, 2009). The suggestion system is a process of two or more stages comprising mainly the suggestion making, the evaluation and implementation of the idea (Van and Ende, 2002; Prathur and Turrel, 2002; Lipponen et al., 2008; Bakker et al., 2006; Marx, 1995;Griffiths et al., 2006). There has been a negligence of research on the initial ideas generation phase that precedes the innovation mainly because one major group of researchers, who consider organizational creativity is fostered through the personal characteristics and

motivations of creative individuals turned its attention to context and organizational factors(Carrier,1998).

In recent times the suggestion schemes have also been known as Idea Capture Systems or Idea Management Systems. Leach (2006) claims that the Idea capture system can fall into four categories:

- 1. Centralized suggestion schemes
- 2. De-centralized suggestion schemes
- 3. Work based systems
- 4. Informal systems

Literature shows that the subject of suggestion schemes is multidisciplinary. Broadly the theoretical base for suggestion schemes emerges from the literature on creativity and innovation. This is mainly because the researchers describe suggestion systems as tools that stimulate creativity or innovation (Carrier,1998). Innovation begins with creative ideas (Amabile et al., 1996) and thus creativity and innovation are interlinked and the process in the suggestion system is mainly focused on eliciting the employee's creative ideas and implementing them to fuel innovations. The creativity and innovation literature also highlights the contextual, organizational and individual factors that foster creativity and innovation but it is also evident that the contextual factors that foster creativity and innovation would also foster the suggestion making as well (Ohly et al.,2006). The factors cited to be drivers to creativity, suggestion system and innovation are identified below.

# Factors fostering Suggestion Making, Creativity and Innovation

A good suggestion scheme should play a vital role in improving communication and promoting and enhancing the sense of common purpose (McConville, 1990). People need social, informational, and economic support to be able to create something new (Majdar, 2005). The creativity in an organizational context emerges from a process of sharing information with other people within the organization (Bakker et al., 2006). Although the social networking alone cannot be considered as an important source of information for innovation (Bigliardi et al., 2009), the high quality social exchange relationships (Kudisch, 2006), social influences (Klijn et al., & 2010), collaboration (Björklund, 2010; Fairbank et al.,2001), and diverse group exchanges (Shalley et al.,2004) can stimulate employee creativity. Even in a field where innovation is essential, most of the acute challenges do not concern innovation skills, but rather the organizational context of innovation - the work communities' culture, habits, and practices (Björklund, 2010). Creativity and innovation will only be sporadic occurrences and will not thrive without a supportive environment and culture (Malaviya & Wadhwa, 2005; Amabile et al., 1996). Every organization has its own culture and needs, and its suggestion system should be molded around that (Marx, 1995). The organization structure often hinders tacit knowledge sharing by establishing wrong authorities (Alwis et al., 2008). Several studies have shown how certain organizational structures facilitate the creation of new products and processes, especially in relation to fast changing environments (Lam, 2010). Organization structures have to be modified in different industries so that the organizational structure of a company or a department supports transfer and transmission of tacit knowledge in the best way (Alwis et al., 2008).

Management practices of the organization play a role in the success of the suggestion programs (Carrier, 1998). Management has a responsibility to satisfy the need for employee participation and they are required to create a culture which is supportive of employee involvement in the decisions which affect their work (Reychav et al., 2010). Senior management ought to demonstrate their faith in the scheme, promote and support it and encourage all managers to view it as a positive force for continuous improvement (McConville, 1990). Management must get actively involved by creating the opportunities for employees to submit their ideas, get those ideas properly evaluated, give recognition when it is due and implement them as soon as possible (Du plessis, 2008). Converting managers, particularly those in the "middle" is crucial (McConville,1990). Undoubtly, people will produce creative work when they perceive for example that the management is required to encourage (Amabile et al., 1996). Therefore, an observable commitment from top management can encourage employee's active participation in the scheme.

Studies have shown that a traditional, autocratic management style results in low levels of employee engagement and motivation (Hayward, 2010). Empowering leadership has the capacity to positively influence employee psychological empowerment -an element of importance in affecting creative outcome (Zhang, 2010). On the other hand leadership styles that include threats, intimidation, and coercive tactics appear to universally discourage creative behavior on the part of employees (Anderson et al., 2008). The coworker support (Madjar, 2008; Majdar 2005; Shalley et al., 2004; Arif et al., 2010) is another important element that can trigger employees to make suggestions. Tatter (1975) notes that, the best way to kill the system is to let an idea remain in limbo for four, five or six months. The goal should be to completely process a suggestion in about 30 days – and in no more than 60 days. To handle employee creativity effectively, it is important to organize the process of idea extraction to idea follow-up properly, otherwise employees will not be motivated to put their ideas forward and many ideas will be lost (Van & Ende, 2002). The knowledge possessed by individual employees can only lead to a firm competitive advantage if employees have the motivation and opportunity to share and utilize their individual knowledge in ways that benefit the organization (Arthur et al., 2005). Therefore the development of an infrastructure (Marx 1995) with simple methods (Hultgren, 2008) for submitting suggestions (McConville, 1990) is a key aspect of the suggestion scheme. The companies' lack of action on suggestions provided by non-managerial employees can de-motivate employees from participating in employee relation programs (Cho and Erdum, 2006). Fairbank (2003) argues the formal Employee Suggestion Management systems(ESMS)s are superior to the stereotypical suggestion box because they make it easier for employees to submit ideas that will eventually be implemented, provide a transparent process for evaluating the suggestions, and generate timely feedback regarding the fate of the suggestions and any

rewards they earn. Such a system can help to monitor the progress of the scheme on a regular basis (Hultgren, 2008). The more comfortable employees are with the format, the more suggestions will be received, and the more money will be saved (Mishra, 1994).

Good ideas can come from anyone, at any level, any place, anytime (McConville, 1990; Majdar ,2005). Therefore a suggestion scheme should make all its employees at all levels eligible to participate (McConville, 1990; Lloyd, 1996). The involvement can be increased if employees develop a sense of belonging to the organization (Cruz et al., 2009). Empowerment is necessary so that the workers evaluate their own ideas before making a suggestion, as suggesting many ideas do not necessarily mean greater cost reduction and at the same time, it would be an added cost to process and may cause delays (Wynder, 2008). The biggest obstacles in the suggestion cycle lie in the area of review, evaluation and guidance (Neagoe et al., 2009). When the review, evaluation and guidance aspect of the system functions properly, it can be a great motivating force that will attract many excellent proposals (Neagoe et al., 2009). If ideas are made public, these ideas, good and bad, could have started other creative ideas elsewhere in the organization (Stenmark, 2000). A modern well-managed suggestion scheme lies not in the immediate financial returns, but in the contribution made to achieving greater involvement and team- work (McConville,1990). Creative ideas are more often the product of social interaction and influence than of periods of thinking in isolation (Majdar, 2005) The cash rewards and recognition alone will not make a suggestion system successful (Strane,2000). Employee morale should be boosted by creating success stories and measuring the success of the scheme through the implementation of ideas (Marx, 1995; Hultgren, 2008; Lloyd, 1996; Cho & Erdem 2006).

A suggestion system is clearly a money saver in an organization (Mishra, 1994). Employees must be rewarded not only with tangible but also intangible benefits (Ahmed 2009). Incentives are important for employees to feel that submission of their useable ideas will be rewarded (Du plessis et al., 2008). It was also found that the volume of employee suggestions over time will be positively related to the amount of payout (Arthur et al., 2010). Depending on the attention given to advertising the schemes and how participation is rewarded, organizations could improve the return on the idea capture system (Leach et al., 2006).

Individuals have the greatest possible number of characteristics that positively influence their creative performance (Muñoz-Doyague, 2008). Keeping workers intrinsically motivated is the key part for improving creativity and performance. No doubt, intrinsic motivation is a universally important and substantial factor (Suh et al., 2008). Sending individuals to state-of- the-art seminars, training programs, and conferences as a reward for their creativity might increase the positive impact (Griffiths-hemans et al., 2006). This will be the energy of renewal and the drive to a successful future.

#### The Barriers to suggestion systems

Research also reports on barriers that could hinder the

success of the suggestion scheme. They are mainly cited as work load pressure, task reutilization, task standardization, unsupportive climate, aversive leadership, co-worker mistrust, coworker incompetence, budget problems, impractical idea, technical issues, competition, delay in assessment, controlled supervision, lack of support, fear of evaluation, free riding, lack of self-confidence, low commitment to organization and system, rigid rules, self-interest, challenge of the work and resistance from middle managers(Alwis & Hartmann 2008; Amabile et al., 1996; Anderson & Veillette 2008; Bakker et al., 2006;Carreir 1998; Oldham and Cummings 1996;Lyold 1990;Toubia,2006; 1999;Mclean 2005; McConville Sadi,2008;Wong& Pang).

Finally, the existing research also evidences that although the interest and practice in Continuous Improvement (CI) are widespread in many organizations, many of them have major problems in sustaining success in their CI programs (Rapp and Eklund, 2007). Despite the increasing popularity of the gain sharing plans, evidence for their effectiveness has remained mixed (Arthur et al., 2010). Suggestion systems should not exist primarily as a means to recognize employees only (Darragh - Jeromos 2005) but to utilize the scheme to its fullest extent. So a well designed system will accomplish both these goals resulting in tangible as well as intangible benefits (Ahmed, 2009). Overall suggestion system is a great mechanism that involves individual and teams in improving the organization performance (Crail, 2006) and they have a strong and significant effect on both process and product innovation (Townsend, 2009). It perfectly matches today's market need to deal with knowledge based workers who expect their involvement to be recognized and utilization of their skills to its fullest (Kesting et al., 2010).

#	Indicators	Source
1	Supervisory encouragement	Mclean 2005;Marx 1995;Shalley & Gilson 2004;Tatter 1975;Frese et al 1999;Lloyd 1996;Ohly et al 2006;Arif et al 2010;Hardin 1964
2	Co worker support	Madjar 2008;Majdar 2005;Shalley & Gilson 2004;Arif et al 2010
3	Top Mgt Support	Huang & Farh 2009; Amabile et al 2004; Carreir 1998; Egan 2005; Jong & Hartog 2007; Marx 1995; McConville 1990; Du plessis 2008; Ahmed 2009; Mishara 1994; Powell 2008; Prather & Turrell; Rice 2009; Zhang 2010; Khairuzzaman; Bell 1997 ; Unsworth 2005; Hayward 2010.
4	organizational Encouragement	Fairbank and Williams 2001;Alves et al 2007;Ahmed 1998;Alwis & Hartmann 2008 Amabile et al 1996;Arthur & Kim 2005;Björklund 2010;Darragh-Jeromos 2005;Ellonen et al., 2008;Griffiths-hemans & Grover 2006;Janssen, O., 2004;Kiljn & Tomic: 2010;Xudisch 2006;Neagoe & Klein 2009;Molaen 2005;Malaviya, P., 2005;McConville 1990;Powell 2008;Prather & Turrell; Recht & Wildren ;1998;Shalley & Gilson 2004;ArlJavi et al 2007;Rietzschel 2008;Zhou& George(2001);Stranne 1964;Van & Ende 2002;Beil 1997 ;Khairuzzaman;Bigliardi & Dormio 2009
5	Communication	Alves et al 2007;Acki 2008;Arthur et al 2010;Binnewies et al 2007;Björklund 2010;Klijn & Tomic 2010;Kudisch 2009;Madjar 2009;Madjar 2005;Madjar 2009;Majdar 2005;McConville 1990;Ahmed 2009; Recht & Wildero 1998;Shalley & Gilson 2004;Tatler 1975;Khairuzzaman;Monge ;AI-Alawi et al 2007;Clark 2009;Fairbank and Williams 2001;Stranne 1964
6	Evaluation	Egan 2005; Rietzschel 2008;Neagoe & Klein 2009;Marx 1995;McConville 1990;Ahmed 2009;Powell 2008;Tatter 1975;Van & Ende 2002;Hultgren 2008;Lloyd 1996;Winter 2009;Sarri et al ,2010;Fairbank and Williams 2001.
7	Publicity	Reuter 1976;Mishara 1994;Tatter 1975;Fairbank and Williams 2001. Kudisch 2006;Neagoe & Klein 2009;Leach et al 2006;Marx 1995;McConville 1990;Prather & Turrell;Lloyd 1996;Winter 2009;Crail 2007
8	Resources	Alves et al 2007; Amabile et al 1996; Griffiths-hemans & Grover 2006; Kiljn & Tomic 2010; Mclean 2005; McConville 1990; Shalley & Gilson 2004; Van & Ende 2002; Lloyd 1996; Bigliardi & Dormio 2009; Clark 2009
9	Rewards	Lloyd 1996; Kiljin & Tomic 2010,Arthur & Kim 2005,Arthur et al 2010. ;Bartol & Srivastava 2002;Darragh-Jeromos 2005;Neagoo & Kein 2009;Leach et al 2006;Lloyd 1999;Marx 1995;McConville 1990;Du piessis 2008;Ahmed 2009;Mishara 1994;Rapp and Eklund 2007;Rice 2009;Shalley & Gilson 2004;Tatter 1975;Tegiborg-Lefevre, a.C., 2010;Van & Erde 2002;Arf et al 2010;Bell 1997; Frese et al 1999;Winter 2009;Al-Alawi et al 2007;Baird& Wang 2010;Bartol & Srivastava 2002;Clark 2009;Crail 2007;Rietzschel(2008);Suh& Shin 2008. Lyold 1999
10	Training	Paulus 2008;Tatter 1975;Baird& Wang 2010;Stranne 1964;Birdi 2005
11	Effective simple System	Reuter 1976-Lloyd 1996 Arthur & Kim. 2005.Lloyd 1999.Marx 1995 McConville 1990;Farbank 2003.Mikehara 1994.Prather & Turrell-Rapo and Extund 2007.Tatter1975/Nan & Ende 2002.Artif et al 2010;Frese et al 1999;Hultigren 2008; Winter 2009;Bigliardi & Dormio 2009;Clark. 2009;Fairbank and Williams 2001;Lyold 1999;Bassadur 1992;Hultgren 2008
12	feedback	Cho & Erdem 2006 ;Bakker et al 2006 ;Buech et al 2010;Leach et al 2006;Mishara 1994;Powell 2008;Rapp and Eklund 2007;Arif et al 2010;Hultgren 2008;Fairbank and Williams 2001. ;Stranne 1964;Bassadur 1992;Van & Ende 2002;Du plessis 2006
13	Implementation of suggestion	Marx 1995;McConville 1990;Hultgren 2008;Lloyd 1996;Cho & Erdem 2006
14	Job factors	Amabile et al 1996;Anderson & Veillette 2008. ;Björklund 2010;Buech et al 2010;Griffiths-hemans & Grover 2006;Hinst 2009;Powell 2009;Rego et al 2009;Moley & Gilson 2004;Shalley & Gilson 2004;Frese et al 1999;Axtell et al 2009;Molexo-Doyague et al 2009;
15	Empowerment	Recht & Wildero ,1998;Lipponen et al 2008;Mclean 2005;Powell 2008;Axtell et al 2000;de Jong & den Hartog 2010; Unsworth 2005
16	Expertise	Bantel& Jackson 1989;Björklund 2010;Griffiths-hemans & Grover 2006;Klijn & Tomic 2010;Madjar 2008;Majdar 2005;Verworn 2009;Bigliardi & Dormio 2009
17	Individual attributes and self efficacy	Huang & Farh 2009. Egan 2005. Lipponen et al 2008. Verwom 2009. Frese et al 1999. Axtell et al 2000. Acki 2008. : Lipponen et al 2008. Binnewies et al 2007. Bjorklund 2010 Griffiths-hemans & Grover 2006. Kiljn & Tomic 2010 Jupponen et al 2008. Librihed 2008. Malaviya. P., 2005. Powelt 2008. Racht & Midleo 1, 1986. Stalley & Gilson 2004. Verworn 2009. Janssen 2004. Librihed 2006. Grout et al 2009. Huang & Farh 2009. Ackid 2006. Arthur et al 2010. Bjorklund 2010. Darragh-herroms 2005. Genza et al 2009. Huang & Farh 2009. Ackid 2006. Arthur et al 2010. Bjorklund 2010. Darragh-herroms 2005. Genza et al 2009. Huang & Farh 2009. Ackid 2006. Arthur et al
18	job control	Anderson & Veillette(2008);Mclean, L.D., 2005;Sadi (2008);Anderson & Veillette(2008) Wong& Pang (2003);Neagoe, L.N. & Klein, V.M., 2009;McConville(1990)

19	Organizational impediments	Stermark(2000);Alwis& Hartmann(2008). Anderson, T.a. & Veillette, a., 2006;Wong& Pang (2003);Toubia 2005;Bakker, H., Boersma, K. & Oreel, S., 2006);Amabile et al (1996);Lyold (1999);Fairbank, J.F., Spangler, W.E. & Williams, S.D., 2003;Dur Plessis, AJ, Marx, AE & Wilson, G 2008 Fairbank, J.F., Spangler, W.E. & Williams, S.D., 2003. Carrier C, 1996;Fairbank, J.F., Spangler, W.E. & Williams, S.D., 2003;Du Plessis, AJ, Marx, AE & Wilson, G 2008;BaMcConville(1990);Mostaf & El-Masry(2009)
20	Team work	Rapp and Eklund 2007; Amabile et al 1996;Aoki 2008;Carreir 1998;Darragh-Jeromos 2005;Mclean 2005;McConville 1990;Shalley & Gilson 2004;Baird& Wang 2010;Egan 2005;Pissarra & Jesuino 2005;Fairbank and Williams 2001.
21	Competition	Bakker, H., Boersma, K. & Oreel, S., 2006)
22	Support for innovation	Lipponen et al 2008;Hultgren 2008
23	employee participation	Alves et al 2007;McConville 1990;Lloyd 1996;Fairbank and Williams 2001. ;Cruz et al 2009; Neagoe, L.N. & Klein, V.M., 2009

### Discussion

Suggestion systems have evolved from a traditional suggestion box to sophisticated electronic systems aiming to encourage all employees to take part in suggestion schemes. Large organizations are focusing on achieving bigger goals at company level as well as at employee level to accrue the tangible as well as intangible benefits. However, company's need is to carefully implement the program. It needs to be tailored to meet their organization needs and what they expect from this system must be clearly known. Research in this field has been mainly focused on features of suggestion schemes, guidelines for implementation and critical success factors and critical barriers encompassing the organizational as well as the individual contexts.

The suggestion making and suggestion implementation are two crucial stages and both are equally important for the success of the scheme and are influenced by a number of factors. Organizations must therefore identify these critical factors to nurture both these stages. The schemes can be applied in any sector to elicit employee creative ideas but must have a formal mechanism to action this. Managers need to be aware of critical success factors that are essential for the success of the schemes. It is clear that suggestion schemes will not yield results without the active involvement of everyone in the organization, and the required resources and support from top management. The suggestion schemes are here to stay mainly because they are the vehicle for innovations. Today we live in a knowledge economy where innovation is not only significant but a key corner stone for an organization's growth and sustainability. Therefore, there is a future for suggestion scheme as a tool for fueling innovation. Organizations need to recognize and evaluate their schemes to yield its potential benefits. There needs to be sustainability in suggestion schemes. Organizations need to assess their schemes to recognize if the right conditions exist for their schemes to flourish.

### Conclusion

In this paper, we have traced the evolution of suggestion schemes from their early inception as suggestion boxes to the more sophisticated systems that can be used in any organization. The literature, while extolling the many virtues of suggestion program makes it clear that achieving the expected results from the programs is quite challenging as it involves organizational as well as individual level factors with a need to focus on creativity and transformation of the creativity into innovations.

This paper will be of value to practitioners by providing guidance in implementing a suggestion scheme. It should also be useful to academics who are interested in how suggestion schemes have evolved, and where the development is today. More importantly it gives an account of critical success factors and critical barriers to the development of suggestion schemes.

Although much research has been conducted on identifying these critical success factors to the author's knowledge, little focus has been directed towards developing a framework or model that would enable an organization to assess their schemes and identify their current status. Thus, an interesting topic to pursue in the field of suggestion schemes could be to develop a mechanism for assessing the sustenance in their suggestion schemes.

### References

Ahmed, A. M. M. B. (2009). Staff suggestion scheme (3Ss) within the UAE context: Implementation and critical success factors. Education, Business and Society: Contemporary Middle Eastern Issues, 2(2)

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, Vol. 11 No 2, pp.22-42

Alves, J., Marques, M.J., Saur, I. and Marques, P.(2007), Creativity and Innovation through Multidisciplinary and Multisectoral Cooperation, Creativity and Innovation Management, Vol. 16 No. 1,pp 27-34.

Alwis, R.S. and Hartmann, E. (2008), The use of tacit knowledge within innovative companies: knowledge management in innovative enterprises, Journal of Knowledge Management, Vol.12 No.1, pp.133-147.

Amabile, T.M., Conti, R., Coon,H.,Lazenby,J., and Herron,M. (1996), Assessing the work environment , Academy of Management ,Vol. 39 No. 5, pp. 1154-1184

Amabile, T.M., Schatzela, E.A., Monetaa, G.B., and Kramerb, S. (2004), Leader behaviors and the work environment for creativity : Perceived leader support, Leadership Quarterly, Vol.15 No.1, pp. 5 - 32

Aoki, K. (2008), Transferring Japanese activities to overseas plants in China, International Journal of Operations & Production Management, Vol.28 No. 6, pp.518-539.

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, Vol. 21 No. 2 pp.61-79.

Arthur, J.B. & Kim, D.-O. (2005), Gainsharing and knowledge sharing: the effects of labour–management co-operation, International Journal of Human Resource Management, Vol. 16 No. 9, pp.1564-1582

Arthur, J.B., Aiman-smith, L. and Arthur, J.E.F.B.(2010), Gainsharing and organizational learning: suggestions over time an analysis of employee, Management, Vol. 44 No. 4, pp.737-754.

Axtell, C.M., Holman, D.J., Unsworth, K.L., WaU T.D. and Waterson, P.E. (2000), Shopfloor innovation: Facilitating the suggestion and implementation of ideas, Journal of Occupational and Organizational Psychology, Vol.73 No. 3, pp.265-285

Baird, K. and Wang, H.(2010), Employee empowerment: extent of adoption and influential factors, Personnel Review, Vol. 39 No. 5, pp.574-599

Bakker, H., Boersma, K. and Oreel, S.(2006), Creativity ( Ideas ) Management in Industrial R & D Organizations : A Crea-Political Process Model and an Empirical Illustration of Corus RD & T., Creativity and Innovation Management, Vol. 15 No. 3, pp.296-309.

Bantel, K. A. and Jackson, S.E.(1989), Top management and innovations in banking: Does the composition of the top team make a difference?, Strategic Management Journal, Vol.10 No. S1, pp. 107-124.

Bartol, K.M. and Srivastava, A.(2002), Encouraging Knowledge Sharing: The Role of Organizational Reward Systems, Journal of Leadership & Organizational Studies, Vol. 9 No.1, pp.64-76

Baruah, J. and Paulus, P.B.(2008), Effects of Training on Idea Generation in Groups, Small Group Research, Vol.39 No. 5, pp.523-541.

Basadur, M.(1992), Managing creativity: a Japanese model. Management, Vol 6. No 2

Bell, R.(1997), Constructing an effective Suggestion System, IIE Solutions, Vol. 29 No. 2, pp.24

Bigliardi, B. and Dormio, A.I.(2009),"An empirical investigation of innovation determinants in food machinery enterprises", European Journal of Innovation Management, Vol.12 No.2, pp.223-242

Binnewies, C., Ohly, S. and Sonnentag, S.(2007), Taking personal initiative and communicating about ideas: What is important for the creative process and for idea creativity?, European Journal of Work and Organizational Psychology, Vol.16 No.4, pp.432-455.

Birdi, K.S.(2005), No idea? Evaluating the effectiveness of creativity training" Journal of European Industrial Training, Vol.29 No. 2, pp.102-111.

Bjo" rk,J. and Magnusson, M.(2009), Where Do Good Innovation Ideas Come From? Exploring the Influence of Network Connectivity on Innovation Idea Quality, Journal of Product Innovation Management, Vol.26, No. 6, pp. 662–670.

Björklund, T. A.(2010), Enhancing creative knowledgework: challenges and points of leverage, International Journal of Managing Projects in Business, Vol. 3 No.3, pp.517-525.

Buech, V.I.D., Michel, A. and Sonntag, K.( 2010), Sugges-

tion systems in organizations: what motivates employees to submit suggestions?, European Journal of Innovation Management, Vol. 13 No. 4, pp.507-525.

Carrier, C.(1998), Employee Creativity and suggestion systems programs: An Empirical study, Creativity and innovation Management, Vol .7 No. 2,pp 62-72.

ChaneskiWayne S., Modern Machine Shop, The Suggestion Box Syndrome (And A Better Alternative). By: Chaneski 00268003, Feb2006, Vol. 78, Issue 9

Cho, S. and Erdem,M.(2006), Employee Relation Programs and Hotel Performance : Impact on Turnover , Labor Productivity , and RevPAR,.Journal of Human Resources in Hospitality & Tourism, Vol. 5. No. 2, pp. 57-68

Anderson, T.A. and Veillette, A. (2008), Contextual Inhibitors of Employee Creativity in Organizations: The Insulating Role of Creative Ability, Group & Organization Management, Vol.34 No. 3, pp.330-357.

Cooley, R.E., Helbling, C. and Fuller, U.D.(2001), Knowledge, Organisation and Suggestion Schemes, ISMICK 01, Management of Industrial and Corporate Knowledge, pages 47-56

Crail, M. 2006. Fresh ideas from the floor. Personnel Today, June 20, 2006, p30.

Cruz, N.M., Pérez, V.M. & Cantero, C.T. (2009), The influence of employee motivation on knowledge transfer, Journal of Knowledge Management, Vol.13 No.6, pp.478-490

Darragh-Jeromos, P. (2005), System that works for you, Super Vision, Vol. 66, No 7, pp. 18

Du Plessis, A.J., Marx, A.E. and Wilson, G.(2008), Generating ideas and managing suggestion systems in organisations: some empirical evidence, International Journal of Knowledge, Culture and Change Management, Vol 8, No. 4, pp.133-140.

Egan, T.M.(2005), Factors Influencing Individual Creativity in the Workplace: An Examination of Quantitative Empirical Research, Advances in Developing Human Resources, Vol 7. No. @, pp. 160-181

Ellonen, R., Blomqvist, K. and Puumalainen, K.(2008), The role of trust in organisational innovativeness, European Journal of Innovation Management, Vol 11 no 2, pp.160-181

Fairbank, J.F. and Williams, S.D.(2001), Motivating Creativity and Enhancing Innovation through Employee Suggestion System Technology, Creativity and Innovation Management, Vol. 10 No. 2, pp.68-74.

Fairbank, J.F., Spangler, W., and Williams, S.D.(2003), Motivating creativity through a computer-mediated employee suggestion management system, Behaviour & Information Technology, Vol. 22 No. 5, pp.305 - 314 Fenton-O'Creevy, M.(1998), Employee involvement and the middle manager: evidence from a survey of organizations, Journal of Organizational Behavior, Vol.19, No.1, pp.67-84. Frese, M., Teng, E. and Wijnen, C.J.D.(1999), Helping to improve suggestion systems: predictors of making suggestions in companies, Journal of Organizational Behavior, Vol. 20. No.7, pp.1139-1155

Gorfin, C.C.(1969), )The Suggestion Scheme: a Contribution To Morale or an Economic Transaction?", British Journal of Industrial Relations, Vol.7 No. 3, pp.368-384

Griffiths-Hemans, J.( 2006), Setting the Stage for Creative New Products: Investigating the Idea Fruition Process, Journal of the Academy of Marketing Science, Vol.34 No. 1, pp.27-39.

Hardin, E. (1964), Characteristics of Participants in an Employee Suggestion Plan, Personnel Psychology, Vol.17 No.3, pp.289-303

Hayward, S.(2010), Engaging employees through whole leadership, Strategic HR Review, Vol.9 No.3, pp.11-17

Hirst, G.(2009), A cross-level perspective on employee creativity : goal orientation , team learning behavior , and individual creativity, Academy of Management Journal, 52(2), 280-293.

Huang, J. and Farh, J. (2009), Employee learning orientation, transformational leadership, and employee creativity: the mediating role of employee creative self-efficacy, Academy of Management Journal, Vol. 52 No.4, pp.765-778.

Hultgren, P. (2008), The motivating suggestion system, Master thesis in industrial engineering and management Department of management, BTH.

Islam,R.(2007), Evaluation of suggestions by the analytic hierarchy process: a case study on a public university in Malaysia, viña del mar, chile, august- 8-3, 2007.

Janssen, O.( 2004), How fairness perceptions make innovative behavior more or less stressful", Journal of Organizational Behavior, Vol.25 No. 2, pp.201-215

Janssen, O., Vliert, E. van de & West, M., 2004. The bright and dark sides of individual and group innovation: a Special Issue introduction. Journal of Organizational Behavior, 25(2), p.129-145.

Jong, J.P.J.De. & Hartog, D.N.D.(2007), How leaders influence employees' innovative behavior, European Journal of Innovation Management, Vol. 10 No. 1, pp. 41-64

Jong, J.P.J. De. & Hartog, D.N.D. (2010), Measuring Innovative Work Behaviour", Creativity and Innovation Management, Vol. 19 No. 1, pp.23-36.

Kesting, P. and Ulhoi, J.P.(2010), Employee-driven innovation: extending the license to foster innovation, Management Decision, Vol.48, No.1, pp.65-84.

Khairuzzaman, W., Ismail, W. and Abdmajid, R.(2007), Framework of The Culture of Innovation: A Revisit, Jurnal Kemanusiaan, 9 . pp. 38-49

Khanna, A., Mitra, D., and Gupta, A.(2005), How shop-floor employees drive innovation at Tata Steel, KM Review, Vol.8 No.3, pp.20-23.

Klijn, M. and Tomic, W.(2010). A review of creativity within organizations from a psychological perspective, Journal of Management Development, Vol. 29 No.4, pp.322-343

Koc, T. and Ceylan, C.(2007), Factors impacting the innovative capacity in large-scale companies, Technovation, Vol 27. No. 3, pp.105-114.

Kudisch, J.D.(2006),Contextual and Individual Difference Factors Predicting Individuals: Desire to Provide Upward Feedback, Group & Organization Management, Vol. 31 No.4, pp.503-529.

Lam, A.(2010), Organizational innovation to improve the efficiency of health care markets, National Bureau of Economic Research bulletin on aging and health, Vol.(2), p.1-2.

Leach, D.J., Stride, C.B. & Wood, S.J.(2006), The effectiveness of idea capture schemes, International Journal of Innovation Management, Vol. 10 No. 3, pp.325-350

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, Vol.81 No.2, pp.241-248

Litchfield, R.C. (2008), Brainstorming rules as assigned goals: Does brainstorming really improve idea quantity? Motivation and Emotion, Vol.33 No. 1, pp.25-31

Lloyd, G.C.(1996), Thinking beyond the box, Health manpower management, Vol.22 No.5, pp.37-9.

Lloyd., G.C.(1999), Stuff the suggestion box , Total Quality Management, Vol, 10 ,No 6, pp.869-875  $\,$ 

Madjar, N.(2005), The Contributions of Different Groups of Individuals to Employees' Creativity, Advances in Developing Human Resources, Vol.7 No. 2. pp.182-206.

Malaviya, P., and Wadhwa,S.(2005), Innovation Management in Organizational Context: An Empirical Study, Global Journal of Flexible Systems Management. Vol. 6, No. 2, pp. 1-14

Marx, A.E.(1995), Management commitment for successful suggestion systems, Work Study, Vol. 44 No. 3, pp16-18

McConville, J.(1990), Innovation through involvement The TQM Magazine, Vol 2

McLean, L.D.(2005), Organizational Culture's Influence on Creativity and Innovation: A Review of the Literature and Implications for Human Resource Development, Advances in Developing Human Resources, Vol. 7 No. 2, pp. 226-246 Milner, E., Kinnell, M. & Usherwood, B.(1995), Employee suggestion schemes: a management tool for the 1990s? Library Management, Vol.16 No. 3, pp.3-8

Mishra, J. M. (1994), Employee Suggestion Programs in the Health Care Field: The Rewards of Involvement, Public PersonnelManagement, Vol. 23 no. 4, pp. 587

Monge,P.R., Cozzens, M.D., and Contractor N.S.(1992), Communication and Motivational Predictors of the Dynamics of Organizational Innovation, Organization Science, Vol. 3, No. 2, pp. 250-274

Mostafa, M.M. and El-Masry, A.(2008), Perceived barriers to organizational creativity: A cross-cultural study of British and Egyptian future marketing managers. Cross Cultural Management: An International Journal, Vol. 15 No. (1), pp.81-93.

Muñoz-Doyague, M., González-Álvarez, N. and Nieto, M.(2008), An Examination of Individual Factors and Employees' Creativity: The Case of Spain, Creativity Research Journal, Vol20(1), 21-33.

Neagoe, L.N. and Klein, V.M.(2009), Employee suggestion system (kaizen teian) the bottom-up approach for productivity improvement, Control, Vol.10 No. 3, pp.26 - 27. No.5, pp. 295-297.

Ohly, S., Sonnentag, S. and Pluntke, F.(2006), Routinization, work characteristics and their relationships with creative and proactive behaviors, Journal of Organizational Behavior, Vol.27 No.3, pp. 257-279.

Pissarra, J. and Jesuino, J.C.(2005), Idea generation through computer-mediated communication: The effects of anonymity, Journal of Managerial Psychology, Vol 20 No.3/4, pp.275-291.

Powell, S.(2008), The management and consumption of organisational creativity, Journal of Consumer Marketing, Vol. 25 No. 3, pp.158-166.

Prather, C. W., & Turrell, M. C. (2002), Involve everyone in the innovation process, Research Technology Management, Vol 45, pp.13-16

Rapp, C. and Eklund, J.(2007), Sustainable Development of a Suggestion System: Factors Influencing Improvement Activities in a Confectionary Company, Human Factors, Vol. 17 No. 1, pp.79-94.

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, Vol. 13 No. 7, pp. 945-69.

Recht, R. and Wilderom, C.(1998), Kaizen and culture: on the transferability of Japanese suggestion systems, International Business Review, Vol.7, No. 1,pp.7-22.

Rego, A., Machado, F., Leal, S. Cunha, M.P.E. (2009), Are Hopeful Employees More Creative? An Empirical Study, Creativity Research Journal, Vol. 21 No. 2, pp. 223-231.

Reuter. V.G. (1976), Suggestion systems and the small Firm, American Journal of small Business, Vol 1, No 2. pp.37

Reychav, I. and Sharkie, R.(2010), Trust: an antecedent to employee extra-role behavior, Journal of Intellectual Capital, Vol.11, No. 2, pp.227-247

Rietzschel, E.F., Nijstad, B. A. & Stroebe, W.(2010), The selection of creative ideas after individual idea generation: choosing between creativity and impact, British journal of psychology,Vol 101 No. 1, pp.47-68.

Sadi, M.A. and Al-Dubaisi, A.H.(2008), Barriers to organizational creativity: The marketing executives' perspective in Saudi Arabia, Journal of Management Development, Vol. 27 No.6, pp.574-599.

Sarri, K.K., Bakouros, I.L. and Petridou, E.(2010), Entrepreneur training for creativity and innovation, Journal of European Industrial Training, Vol.34 No.3, pp.270-288

Savageau, J. (1996), World class suggestion systems still work well, Journal for Quality & Participation, Vol. 19 No.2, pp-86

Shalley, C.E. and Gilson, L.L.(2004). What leaders need to know: A review of social and contextual factors that can foster or hinder creativity, The Leadership Quarterly, Vol.5 No.1, pp.33–53.

Shalley, C.E., Zhou, J. & Oldham, G.R. (2004), The Effects of Personal and Contextual Characteristics on Creativity: Where Should We Go from Here?, Journal of Management, Vol. 30 No. 6, pp.933-958.

Stenmark, D.(2000), Company-wide Brainstorming : Next Generation Suggestion Systems ? Proceedings of IRIS 23. Laboratorium for Interaction Technology, University of Trollhättan

Uddevalla, 2000. L. Svensson, U. Snis, C. Sørensen, H. Fägerlind, M. Magnusson, C. Östlund (eds.)

Stranne.L. V. (1964), Morale – The Key Factor In A Suggestion System, Industrial Management, Vol. 6 No. 11, pp.17

Suh, T. and Shin, H.(2008). When working hard pays off: testing creativity hypotheses. Corporate Communications: An International Journal, Vol.13 No.4, pp.407-417. Tatter, M.A. 1975, Tuning Ideas into Gold, Management re-

Teglborg-Lefevre, A.C.( 2010), Modes of approach to employee-driven innovation in France: an empirical study,

view

Transfer: European Review of Labour and Research, Vol.16 No.2, pp. 211-226

Toubia, O.(2006). Idea Generation, Creativity, and Incentives, Marketing science, vol 25 No 5, pp. 411-425

Townsend,W(2009). The Use of Suggestion Program Metrics for the Measurement of Innovation", Perspectives in Business. Vol. 6 No 1,pp 1-5.

Unsworth, K.L.(2005), Creative Requirement: A Neglected Construct in the Study of Employee Creativity?, Group & Organization Management, Vol 30, No 5, pp.541-560

Van Dijk, C. & Van den Ende, J. (2002), Suggestion system: transferring employee creativity into practicable ideas,R&D Management, Vol. 32 No. 5, pp 387 – 395.

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, Vol. 18 No 4, pp.326-334

Winter(2009), Staff suggestion schemes. Management Services; Winter2009, Vol. 53 Issue 4, p6-7, 2p

Wong, C.-keung S. & Pang, W.-L.L. (2003), Barriers to creativity in the hotel industry – perspectives of managers and supervisors, International Journal of Contemporary Hospitality Management, Vol. 15 No. 1, pp.29-37.

Wynder, M.(2008), Employee Participation in Continuous Improvement Programs: The Interaction Effects of Accounting Information and Control, Australian Journal of Management, Vol. 33 No. 2, pp.355-374.

Yuan, F. and 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, Vol. 20 No. 4, pp.391-403.

Zhou, J. & George. J.(2001), When job dissatisfaction leads to creativity: encouraging the expression of voice, Academy of Management Journal, Vol. 44, No. 4, pp.682-696

Zhang, X., & Bartol, K. M. (2010). Linking Empowering Leadership and Employee Creativity: the Influence of Psychological Empowerment, Intrinsic Motivation, and Creative Process Engagement. Academy of Management Journal, 53(1), 107-128.

> **Dr. Flevy Lasrado** University of Salford,UK f.lasrado@edu.salford.ac.uk