

Everyone should be able to contribute to innovation

“ Devised at the end of the 19th century in Scotland, Employee Suggestion Systems were successful in the US but more popular in Japan after 1950.

In North America, the systems didn't change the management model. Ideas were collected from employees, and management rewarded the best. In Japan though there was a paradigm shift: everyone could contribute; any idea could be significant; and employees were rewarded collectively, rather than individually.

According to specialists in the subject, professors Alan Robinson and Dean Schroeder, high-performance ideas systems generate at least 12 ideas per employee per year. In their book *The Idea-Driven Organization* 32 companies were analysed, 19 in the US, eight in Europe, four in Asia and one in Brazil: Brasilata, of which I was chief executive for 37 years and have been vice-chairman for the past six.

Brasilata is a leading canmaker in Brazil with around 1,000 employees. Despite being in a mature sector, it has been considered one of the country's most innovative companies. During 2020 its ideas system received more than 58,000 ideas, or 58 per employee. The company practises what I call Horizontal Innovation, a system that makes innovation democratic, by attracting ideas from all the employees.

In researching other Brazilian companies in mature sectors that have systems that generate at least 12 ideas per employee per year, I have so far only found one other, the Ball Aerosol Packaging plant in Brazil (formerly Tubex Brazil). According to Jorge Angel (Ball Aerosol Packaging Brazil managing director): “The number of ideas reached 12 ideas per employee per year in 2020 and some of them with potential to bring innovative developments. This programme is a good engagement tool.”

The success of the system in Brazil motivated Tubex Holding to implement the system in Germany. Managing director Leopold Werdich said: “Even knowing that we needed to fully translate, adjust to the different culture and optimise the software, we implemented the system in 2020 and



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we are seeing a positive response. The investment in time paid off.”

It is not easy to implement a programme that collects more than 12 ideas per employee per year, for two main reasons. First, because managing many ideas coming from the whole organisation is complicated. Second, because the culture of the managers needs to be changed.

Regarding the first reason, computing capacity today enables good management but this was not always so. Until recently, communication by email was a priority, but in the latest version of the system an app has been designed so ideas can be submitted and controlled by smart phone.

In the second reason – the cultural problem – the challenges are more complex. Managers, especially those at middle and lower levels, believe that the ideas of the shop floor personnel are not valuable enough to justify the effort required to seek them out. It also means that they believe that because they are managers, they should have the exclusive right to put forward any ideas.

For a high-performance ideas system to function properly, it is essential that it be based on the strategy of making the company fully innovative. Everyone must be responsible for innovation. Bosses need to be valued in some way for the number of ideas their direct employees come up with. Experience shows that when the bosses on the shop floor buy into the system, ideas flow in vast numbers.

Innovation is not just a matter for specialists. The company's internal culture should lead to innovations being collected from all employees.

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