

BAE SYSTEMS

When BAE SYSTEMS identified the need to become more competitive, it turned to ideas management experts ISDE for a solution to encourage innovation and improve internal communications.

Historically, BAE SYSTEMS relied heavily on Defense contracts for its core business, but when the method of awarding contracts changed, BAE SYSTEMS realised that in order to survive, it had to become more competitive. To achieve this aim, the company decided to harness to skills of its 120,000 employees and invite suggestions regarding cultural improvements and new initiatives that could potentially save money and time.

The company determined that, as with most businesses, some areas of BAE SYSTEMS would benefit from increased employee input through a simple to use and rewarding contribution programme. Essentially, BAE SYSTEMS recognised the need to implement an effective ideas management program.

Searching for a Solution

In order to assess the alternatives available, a core steering committee was formed from people interested in the concept of ideas management and Mr Dave Burlison was appointed full time as BAE SYSTEMS Recognition manager and given the task of researching existing programs in use throughout the UK.

Mr Burlison takes up the story; *"Initially, we looked at around 20 solutions used by other companies, including in-house designed IT programs as well as the conventional 'box-on-the-wall' solution, but many seemed to lack a comprehensive structure. They were either too top heavy, didn't live up to expectations or required too much administration."*

Another main issue identified by Mr Burlison was that employees soon became disillusioned if they didn't receive acknowledgement of their idea, were not informed of its progress or didn't obtain recognition if their idea was used.

Mr Burlison explained that he was tasked with finding a solution that would be all things to all people; *"Basically, we had to convince the sceptics that an ideas management program could work for the benefit of the company. We had to cover all possible angles, and answer any concerns with a positive response. We did give serious consideration to creating an in-house system or investing in a consultancy solution, but the associated costs proved to be prohibitive."*

Despite the difficulties, Mr Burlison didn't give up, *"In my mind, and on several dozen Post-it notes, I had sketched out the ideal solution, which would meet everyone's needs; the sceptics, the employees and the company as a whole. Our chosen solution had to incorporate a database as well as a realistic communications structure. Just using an ideas database won't work. The ideas have to be tracked and traced effectively in order to provide the feedback required to keep the workforce interested and relevant savings need to be tracked to ensure a full cost benefit analysis can be produced."*

In addition, the ideal system had to remove the high volume of administration work associated with these types of programs and be able to track and monitor any savings made through the program in order to justify the initial and running costs.

At this stage in the assessment, Mr Burlison was referred to IdeasUK, an organisation with the primary objective of encouraging staff innovation programmes. IdeasUK also acts as a focus for advice and guidance on the development of successful ideas management programs, so Mr Burlison approached them for a recommendation, and was put in touch with member company, ISDE.

The Solution

ISDE presented its proven ideas management program, PrIsM to BAE SYSTEMS and it was an instant hit. Tailored to fit individual company processes, ISDE's automated software solution encourages, manages and tracks employee ideas to improve business processes and provide significant cost and time savings.

Mr Burlison continued, *"At first I was shocked at the solution offered by ISDE because it almost exactly matched the aims set out in my notes. ISDE was proposing my ideal automated ideas management program, and due to the flexibility of PrIsM, any other requirements could be incorporated into the software with little problem. Not only could PrIsM be adapted to suit our internal processes, but it would also provide tangible proof of any results achieved through the program. Something to keep the sceptics satisfied, the employees motivated and management informed."*

Mr Burlison discovered that even after mapping the PrIsM software to suit BAE SYSTEMS's processes, the finished system was still cheaper than any other product he had looked at.

Once ISDE received the go ahead for a pilot program from the steering committee, "Ideas in Action", the chosen corporate brand for BAE SYSTEMS, was born. Initially, the program began at a single site and after eight weeks, it began rolling out to other sites.

Simple, effective processes

Ideas in Action encourages BAE SYSTEMS employees to submit ideas for cost savings, process improvements and design changes through a variety of methods. Due to the culture at BAE SYSTEMS, most personnel have access to networked workstations, which provide access to the program. As a result, 70% of ideas are submitted electronically, reducing administration costs. However, due to the nature of the production environment, Ideas in Action also accepts paper applications. Once submitted, ideas are logged into the system and an employee receives a letter thanking them for their input. The idea is then automatically checked against previous ideas for duplication and referred electronically to the correct evaluator for appraisal.

If deemed a valuable idea, this is quickly recognised and the employee receives an additional acknowledgement and is kept informed of progress throughout the evaluation process. In addition, PrIsM provides each evaluator with an electronic diary, which delivers automatic prompts whenever an action, such as progress report, is required. These automated actions ensure the success of the program by maintaining the process flow.

If an idea is implemented, the employee receives a set amount of pay-out points, which can be exchanged for goods or experiences detailed in an awards catalogue compiled by BAE SYSTEMS, in conjunction with its partner Maritz Ltd, or even given to charity.

For example, at the Marine division of BAE SYSTEMS, 6000 personnel generated over 2000 ideas in 18 months. In excess of £18million of tangible savings was made, and overall, £400,000 worth of points was paid out in rewards.

"It is amazing to see the response from employees once they start to realise that by participating in Ideas in Action, they can use their skills and suggestions in exchange for bicycles for their children or a holiday for themselves," enthuses Mr Burlison about the success of the program. *"Ideas in Action gives us a formal way to say thank you to everyone that becomes involved. No other initiative can compare."*

Tangible Results

Although Ideas in Action is not yet used throughout the whole of BAE SYSTEMS, it has received approval and high levels of participation in areas running the program. In addition, it's use as an additional communications tool has greatly increased BAE SYSTEMS's internal profile.

Since starting the program, even the sceptics are convinced and Mr Burlison is positive, *"In these days of driving down costs, I can't understand why businesses don't want to listen to their own staff and save money. Overall, we are more than pleased with the success of Ideas in Action. It has delivered the program we were originally looking for and greatly enhances our Chairman's Awards for Innovation. This award is a thank you given for extremely innovative ideas including new products or groundbreaking ideas that have had a significant impact. This year, four out of the ten silver awards have been made to ideas that came through the program - that speaks volumes about our success."*

Future strategy

Looking to the future, Mr Burlison sees driving the project to the next level as BAE SYSTEMS's biggest challenge; *"I now want to work at targeting the employees who don't already participate and understanding why this is the case. Everyone within the company has the ability to contribute towards our success and I am looking forward to working with ISDE to ensure that the program becomes even more successful and encourages even more innovation and creativity. Going on ISDE's past experience and high levels of support, the future for Ideas in Action looks extremely promising."*

