

# Differences between traditional systems and modern suggestion system

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## To cite this article

Ali Pakdel, Shah Rollah Abdul Wahab, Maliheh Lotfi. Differences between Traditional Systems and Modern Suggestion System, *American Journal of Business, Economics and Management*. Vol. 2, No. 2, 2014, pp. 64-69

## Abstract

Promoting working life and providing meaningful and real participation of employees is an instrument for responding to rapid transformation and enhancing the organizational expectance. Employees in today's organizations looking for involvement in the workplace more than everything else, that, it's accomplished by implementing suggestion system. Suggestion system includes two parts, traditional and modern suggestion system, that traditional parts have developed in western countries and modern that practiced in Japan. It is believed that the modern suggestion system could assist organizations and employees for performing and utilizing from advantage of this system. This paper, discusses ten major differences between traditional and modern suggestion system.

## Keywords

Suggestion System, Kaizen, Management Support, Performance, Productivity

## 1. Introduction

It is believed that organizational development is a response towards challenges in the rapid transformation world. In the perspective of an organization, the challenge includes responding to customer needs and providing staff and services with high performance in an effective [11]. The alliances also use the organization to transform to its structure in a way to provide work life be long and consistent more place. Providing a chance for employees to participate in an organization is viewed as an effective way in facing this challenge. In the evaluation of human civilization, as increasing production potential and technology development depend on much power of productive human mind, management use of management styles that its base is attending to human as the most valuable resource. It's emphasized to employee participations in this style, because involvement and participation in making decision and performance lead to satisfaction [18].

Summary of previous study [ 5, 8, 11, 13, 17 and 20], has tried to implement the suggestion system, but often most of them faced with problem in achieving their potential for performance of that after a short time [9]. Suggestion system is a profitable resource from organization productivity. On average, saving plans has given 1 dollar as a reward for per 13 dollars saved to employees who submit a suggestion. In the USA, rewards for net savings in the suggestion system were 7000\$ [13].

## 2. Description of the Cooperation Concept

Cooperation as a way to create and support something can happen in two separated but relevant way. From the management point of view, cooperation is grounded in beyond human motivations [3]. Person who participates in management and uses his thought steps into his promotion

and improvement way when people are situated into the thought exchange process, and are called to determine their work and life goals and also enjoy proper position, their motivator agents will be activated and their production strength will increase a new way will appear and new world will be opened. In such situation human steps in the way toward important, creates new relations and can use new opportunities. Finally includes big social goals into his determined goal and even gives them superiority. If we consider the employee's cooperation, in an extend range, from consulting to cooperation into the decision making it will be apparent that most of the Iranian managers don't even believe in consultation [15].

In Iranian common sense the manager's consulting with its employee's represents apparent symbol of weakness and breaking the management authority. And managers naturally avoid it. According to a report about cooperation, in a statistic society with a population about 160, 76% of educational managers and in a society with a population about 200, and 67% of industry managers didn't believe in cooperation even in consulting [15].

Improvement of work life and providing real and meaning full cooperation between all employees is a practical instrument in reaction to rapid changes and increasing organizational expectations, the employees of contemporary organizations seeking involvement and cooperation at their work place, as much as possible.

One of the basic requirements for managers of organizations and companies, particularly in the modern age, is cooperative decision making, one of the dimensions of this decision making, is the applying the cooperative management system (suggestion system). Certainly, by applying this system properly and truly fundamentally, managers would be able to go a head of their rivals and would be more successful than their competitors in achieving their goals [17].

Cooperation in decision making is a multi-dimensional concept, and we can analyze it from different aspects. Including: subjects that it covers, the organization level at which it is performed, the degree of (the employees influence), the range of the people engaged in cooperative system and finally regarding legal bases, (the success the degree of success) in cooperative plan is to some extent based on the compatibility of these dimensions and (their mutual effects). For example, experience has shown that, in organizations, the direct cooperation in low levels of the organization and the indirect cooperation in the strategic levels of organization are more successful.

"The cooperative decision making could be changeable based on form and formation bases" and could be designed formally or informally, directly or indirectly [3].

Formal the cooperative decision making includes the formal instruments of decision making such as unions, councils and board, whereas the cooperative informal decision making is formed based on the personal relations between manager and his employees.

### 3. The Importance of Subject

Make decisions individually fundamentally deciding to group or individual or in group is also a decision making regarding the cooperation. If groups are employed to work, then, according to the description of others, they will participate in decision making processes. The related matters concerning when cooperation should be encouraged and what its effects should be are extensive. But there is an agreement upon the basic matters. First of all in most of the cases, managers and executives often deny the concept of cooperation and they believe that it is not acceptable [18].

As an example, the recent survey of commercial executive managers indicates that most of them (%79) believe that members of high level management are aware of problems, better than anybody, and they have the right to make [take] organizational decisions as they consider then advisable.

In most cases, the cooperation is considered as an aggression to the particular rights of the management. Second, based on significant evidences available, subordinate enjoy cooperating in decision making process. People like to participate in decisions which seen important to them and this cooperation often increases the commitment towards the group decision and its acceptance. Third, there are some limitations regarding the positive effects of the cooperation. The decisions should be regarded important and relevant by the participants, their assistance should be considered and the decisions should be in areas that the cooperators are conversant in most of the people do not tend to participate in every decision, especially in decisions which are not important to them, but if they help, they like their help to be considered seriously [15].

### 4. Significance and Basic difference between Traditional System and Modern Suggestion System

Review of Japanese and westerns suggestion systems concepts, processes and achievement represent that western countries had a big mistake in understanding the Japanese suggestion system [3]. In fact, suggestion system in the other countries is not like Japanese suggestion system called Kaizen, and their approach, process and achievement have fundamental difference and are not. However, other countries experienced suggestion system for the first time, but the Japanese used for that as a management system widely [10]. Over 1980, that Japan represented its revolution result called lean production, Japan excellence in world markets; along with that, the Japanese management system was adapted from all around the world.

Suggestion system was used by the Japanese as a Kaizen important tool for individuals. Although other countries along with sampling from Japanese, created a suggestion system in most organizations and developed it, but never gain Japanese achievements [16]. For example, annual submitting suggestion average In USA and Europe is for

each person between 2 and 3, that this figure for Japan is 50. Therefore, while the suggestion system for an American per year creates three improvements, the Japanese create one in every week [14]. Ten basic differences between traditional and modern system are expressed as follows;

#### 4.1. First Difference: Concept and Size of Suggestion

Unlike western culture valuating productivity and great improvement that offered by a limited portion of capable organizational employees and naturally it's not inclusive [19]. Japanese culture relies on continuous improvement of all processes, services, products and instruments. That creates based on small improvement by all employees [18]. According this, suggestions on western suggestion systems are planned or great improvements that their numbers in an organization are limited and they are not presentable by everyone. So, participation rate and number of suggestions are low. But offering little suggestion plan is accomplished by individual in their work. These improvements often are implemented and then recorded. This system also is a tool for dissipation and is part of the lean production revolution [11]. Brief descriptions are expressed in this context as follows; Combating with waste is an idea and culture that emerged from Toyota production school and it's considered as a revolution in production management in Japan and western [14]. This system emphasis on the continuous improvement (Kaizen) for all processes [4]. In this case working method composed of production and services with participation and training of all employees.

This system offers the capability of detecting waste. They can detect and resolve tens waste in activities that already think it's true. Waste refers to any motions that allocate organization's resources, but doesn't create value added. Organizations that move toward lean production by Methodology, could lead Muda proportion to the value added from 1000 to 1 in common organization toward 200 to 1 and more lies. Muda in this organization is great but invisible, that spend organizations' resources and decrease values added, and lead to a low yield organization which not only could not gain adequate profit for investors, but also has not sufficient power to pay employees salary and benefits [10].

To overcome this situation must create passionate movement, public and increasing against waste in an organization. According to this idea, everyone is most qualified and most responsible person for detecting and removing was related to his or her work. Because he or she is at the forefront of waste monster, so in such organization every individual must be responsible for his or her task and preserving related norm to work and try for improving business standard, detecting and resolving the work issues. How individual class is higher, his or her portion in improving processes to duties that person must do that is more [20].

In anti-waste movements, its used from various techniques include: Quality Control Systems, 5s,

Suggestion system and every one undertakes combat duty with various Muda [1]. Among these issues, suggestion system is an instrument for staff countering against small Muda in their job. Suggestion system means in a Toyota (Soui Kufuu Seido) that can translate it to productive idea. In this system, received more than 20 million suggestions during 40 years and now also are received more than 700000 suggestions from employees in a year. In fact these improvements which individuals perform them at their work place with administrator's knowledge and permission and then record them. This is why more that 99% of received suggestions are implemented [8].

#### 4.2. Second Difference: A Mechanism to Implement Suggestions

In the study, the second difference is a mechanism to implement suggestions [2]. The following table represents the comparison between traditional system and Kaizen;

*Table 1. Comparison between Traditional System and Kaizen.*

Traditional Suggestion System	Kaizen Suggestion System
1- To implement suggestions that often need to management act.	1- Suggestions often are in organizational unit and administrators and sometime suggested his self can make a decision about it and doesn't need to management acts.
2- To implement suggestions that often need for resources like budget.	2- Suggestions usually are practicable with resources which exist in the organization and doesn't need to external source and budgets.
3- Suggestion performer often is not bidder own.	3- Bidder is the performer of his or her plan.

#### 4.3. Fourth Difference: Motivation Method for Suggestion System

In this section, the third difference is motivation method for suggestion system [20]. The following table represents the comparison between traditional system and Kaizen;

*Table 2. Comparison between Traditional System and Kaizen.*

Traditional Suggestion System	Kaizen Suggestion System
1- Submitting methods are limited (usually cash).	1- Compensating method is various (cash, differentiating, impact on performance evaluation, promotion).
2- Examiner will pay for the meeting.	2- Reviewer and administrator rewards depend on performing the suggestion.
3- Reward payment need to long time.	3- Reward payment is accomplished faster.

#### 4.4. Third Difference: How Suggestions are reviewed

As suggestions are important topics or in other hand are the important plans for organizational improvement in

traditional suggestion system. Then corporate managers should review and approve the plans and usually management committee at senior levels of the organization is formed. In these systems, first suggestion must be reviewed and then perform [18]. Instead in Kaizen suggestion systems, as suggestions are small improvements in individual work place that is reviewed by a supervisor and doesn't need to manager committee establishment for suggestion reviewing. By the way, as most of Kaizen suggestion in these systems first are implemented and then recorded; in practice reviewing of suggestion lead to subscribing by suggestion reviewing committee [4].

#### 4.5. Fifth Difference: Utilizing from Quantitative Suggestion System Indicator Targeting Mechanism

In suggestion system main index in the modern suggestion system includes: Per accepted the suggestion, per implemented suggestion, and a number of special suggestions that is identified by company senior managers. Its fulfillment in each month is announced as a performance index of the suggestion system and partnership criterion of units and individual [7]. This case accelerates suggestion system development in organizations; and as regard has provided units comparison possibility to achieve goals, it draws unit manager's attention to their employees' performances [13]. Following figure represents the suggestion system targeting (see figure 1).

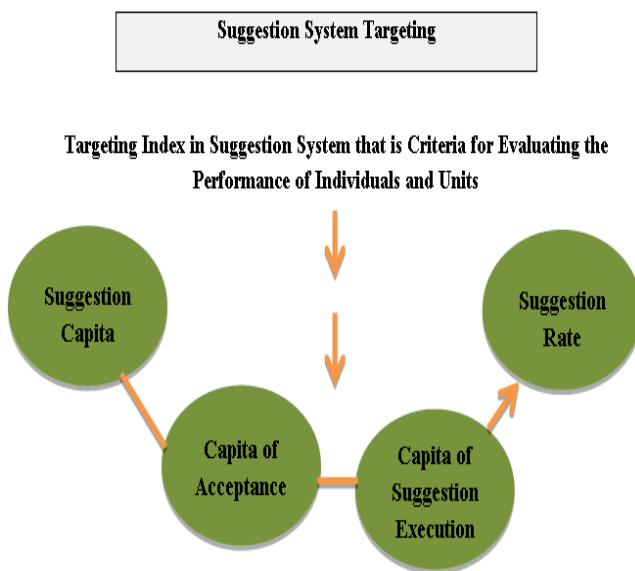


Figure 1. Suggestion System Targeting.

#### 4.6. Sixth Difference: Suggestion Amplitude

Range of individual's suggestion offering in suggestion system is limited to his or her work or unit. In fact, this system creates the spirit for breaking the habit and avoiding from repeat the previous methods. Instead, individuals in

traditional suggestion systems suppose the suggestion topic beyond his work and offer suggestion about others or the whole organization [12]. People usually offer suggestion more about other works that about them. As people don't know the task, policies, limitations, pervious experience and future programs of other parts of the organization and usually it is not enough research. In this area, most of these suggestions are inapplicable and don't specify a point of view or new point for reviewers.

In this regard, it should be noted that suggestion system is an instrument for employee's eyes and brain activation about their work or units and breaking the habit result of repetition of previous and frequent methods [20]. It's interesting that the suggestion system never prohibit employees from submitting suggestion on related to work. Perhaps from these suggestions some which sufficient research done about them or be offered for employees who are familiar to the working process, be useful and applicable. But it must be emphasized constantly that people should take advice to attend their work and fight against criticism aversion.

#### 4.7. Seventh Difference: Utilization of Information System in Suggestion System

Today, the utilization of information system in modern suggestion systems is quite common so that it's used as the main distinction between modern suggestion systems that called Idea [9]. Management System and the traditional suggestion that refer to a suggestion box information system of suggestion system. While that mechanized all process and forms and eliminate the paper from system bring following advantages;

A- Accelerating to suggestion system and eliminating the time waste in form transformation.

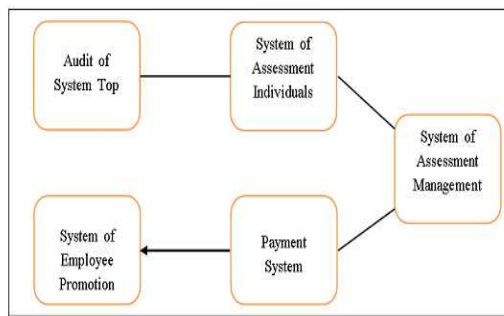
B- Facilitating the activities if the secretariat.

It can be sure that information system has value added equivalent of one person for suggestion system administration, and create various suggestion system reports.

C- Creating valuable database from improvement idea that resulting in improvement record and its development in organization [11].

#### 4.8. Eight Difference: Suggestion System Linkage with other Management System

The design approach is one of most important difference between traditional and modern suggestion system. Unlike traditional suggestion system that is designed in island form and are independent of the other organizational management system, modern system design tries to link with other related management system [20]. It is effective in the fast institutionalization and development of suggestion system. Following figure represents suggestion system relevance with other system (see figure 2).



**Figure 2.** The Relationship between Suggestion System with other Systems (Frese *et al.*, 1999).

#### 4.9. Ninth Difference: Suggestion System Influence Level on Organizational Culture

As employees participations are low in traditional suggestion system and suggestion penetration also is little and per person doesn't offer suggestion more than 2 or 3 times, so participation is not effective in changing employee work behavior [1]. But in a modern suggestion system it created an atmosphere that employees habit change sensitivity and lead to following behavior;

- A- Asking questions continuously;
- B- Attending to details in the workplace;
- C- Making paper and research about own job continuously;
- D- Having active eyes for observation of the problems, wastes, weaknesses and opportunities to improve;
- E- Documenting their ideas;
- F- Taking the spirit of fault finding and analysis business.

#### 4.10. Tenth Difference: Amount and how to Need for Management Support from Suggestion System

Presence of managers in traditional system in process of suggestion systems is required because suggestions are relates to important organizational issues [4]. But in Kaizen system, senior manager's presence is not required to process reviewing and in these systems and emphasis more on management system support something like following factors;

- A- Good experience in reward payment;
- B- Participation in suggestion system policy;
- C- Participation in determining and suggestion system served a quantitative purpose;
- D- Utilization from the suggestion system calls the method for organizational problem resolving;
- E- Considering units and employee participation performance of suggestion system as important in payment performance and productivity payments performance [6].

As it is clear, foregoing support doesn't need to continuous manager's presence that is something problems

and damage making an emphasis more on approving instructions [16].

## 5. Conclusion

In conclusion, modern system stimulates employee motivation to create productive mind and offer their ideas. Above performance of the Kaizen suggestion system represents a new and productive suggestion existing in the organization. Modern suggestion system tries to assist its management with others idea collecting and premier plans excerption. We see that Japanese organizations which transform their traditional system of the modern system are successful in reaching long term and short term goals.

In final should be expressed that as an overall result among ten important and basic differences between traditional and modern system in suggestion system. Suggestion system influence level of organizational culture and how to need management support from suggestion systems than other eight factors are more important and tangible. Modern systems in the suggestion system cannot improve their employee's attentions and interests without employee motivation in the organization.

## Acknowledgment

I would like to state my appreciation to University Technology Malaysia (UTM), which afforded me the opportunity to do my PhD and expand my academic as well as dealing prospect.

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