INTEROFFICE MEMORANDUM

TO: FINANCE COMMITTEE
FROM: CATHERINE CONLOW, CITY MANAGER
SUBJECT: EMPLOYEE INNOVATION
DATE: OCTOBER 2, 2014

At a Finance Committee meeting in August, Frank Carr came forward with the suggestion of creating an Employee Innovation Recognition program. In researching the issue, the City established such a committee by administrative policy in 1996. (Attached)

In an email to me Mr. Carr suggested the following:

1. Do not offer monetary compensation for accepted suggestions. Recognition is much more effective.

2. Have a group of dept. heads pre-screen the suggestions so that you or your designee don't have to weed out some of the suggestions.

3. Every suggestion has to be either used or forwarded back to the employee with a reason why the suggestion could not be used. This is very important so that the employee will not feel discouraged.

4. All department heads must understand that these suggestions are not intended to indicate that are not managing well, but the program allows the employees to feel like they are an important part of their department.

For the most part, the 1996 policy is similar to the suggestions made by Mr. Carr with the exception of point 1, which suggests that the monetary compensation not be offered. My understanding is that this committee has not met in years and I would speculate that it may have been discontinued because of monetary reasons, although I have not found any specific knowledge on the implementation.

Should we want to go forward, the compensation part would need to be modified to fit with Mr. Carr's suggestion.

EMPLOYEE INNOVATION AND SERVICE RECOGNITION AWARD PROGRAM

1.0 PURPOSE

The purpose of the Employee Innovation and Service Recognition Award Program is to involve City employees in actively seeking improvements which can be made in City operations and to acknowledge the efforts of individual employees and groups of employees who have provided exemplary service to our citizens. This program is designed to recognize employees for ideas or performance which has or will result in cost reductions, enhanced revenues, improved service levels, or enhanced public service efforts.

2.0 PROCEDURE

2.1. In order to be considered for an award under this program, the employee, fellow employees, and/or an employee's supervisor must complete an employee innovation and service recognition award form and forward it to the City Manager's Office. Forms will be made available at all established City work locations.

2.2. Completed forms may be mailed directly to the City Manager's Office. If initiated directly by an employee, the employee has the option of requesting his or her director/division head to review the form and complete their evaluation of it prior to forwarding it.

2.3. If the form is received directly from an employee without the director/division head evaluation completed, the City Manager shall forward the form, without the employee's name, to the director/division head for review and comment. If appropriate, the director/division head shall also compute the direct savings to be realized from the suggestion or performance.

2.4. Once completed, the form shall be presented, again without the employee's name, to the Employee Innovation and Service Recognition Committee.

3.0 EMPLOYEE INNOVATION AND SERVICE RECOGNITION COMMITTEE

3.1. An Employee Innovation and Service Recognition Award Committee shall be appointed by the City Manager and shall be composed of the following members: the City Manager or designee, a Department Director, a Division Head, and at least three employees representing different departments.

3.2. The Committee shall meet as required to review award nominations and to consider whether to recommend the award of recognition. Any committee member from the same department from which an innovation has originated or for which a service recognition award is under consideration shall abstain from participating in discussion of that item.

3.3. The Committee shall also be charged with developing systems and programs to increase the level of recognition provided to employees for their performance and service.

4.0 INNOVATION AWARDS

4.1. To be eligible for an Innovation Award, the idea or performance must:

4.1.1. Be an original idea which has not previously been discussed or approved, or be an idea which has previously been rejected but which, due to changed circumstances, should now be considered;

4.1.2. Be implemented and in place or be capable of implementation within a reasonable period of time and within existing or available resources;

4.1.3. Be over and above the normal duties and responsibilities of the position held by the responsible individual;

4.1.4. Meet one or more of the following objectives:

a) Result in cost reductions to the City;

b) Improve service levels without increasing costs;

c) Improve employee or public work site safety;

d) Improve service to the public.

5.0 SERVICE RECOGNITION AWARDS

5.1. To be eligible for recognition, the service provided must:

5.1.1. Be an exceptional instance of individual or group effort in going above or beyond the normal standards of service to a citizen or group of citizens or, in the case of internal service departments, to our own employees;

5.1.2. Be a program or a longer term effort which is designed or operated in such a way as to provide consistently exceptional service to our citizens; or

5.1.3. Be an idea or implemented change which brings about a significant improvement in a service which is regularly provided to the public or our own employees.

6.0 AWARDS

6.1. The Employee Innovation and Service Recognition Committee may give or recommend awards as follows:

6.1.1. For innovations or performance resulting in direct savings or increased revenues, 20% of the annual or one-time savings or increased revenues up to a maximum of $1,000 per innovation.

6.1.2. For innovation, performance, or service eligible in other categories, a range of awards beginning with letters of commendation and increasing to cash awards of up to $100 per innovation or service.

6.1.3. All cash awards must be approved by the appropriate City Council Committee.

7.0 GENERAL

7.1. Executive Staff, including Department Directors and Division Heads, is eligible for non-cash awards only.

7.2. Supervisors and Department Directors are urged to nominate employees for awards based on ideas the employees have developed and/or implemented and exceptional service which they have provided.

7.3. Examples of ideas which may be eligible for a cash award include: one-time savings on projects resulting from ideas of an individual employee or group of employees; savings resulting from improved work processes; equipment modifications; the identification of new vendors or products; and other ideas which reduce operating costs or improve revenues.

July 3, 1996