



## **The Vermont Legislative Research Shop**

### **State Employee Suggestion Programs**

Almost every state has some sort of governmental suggestion program for their state employees, and many have suggestion programs that are open to the public. Many of these programs include incentives to reward people who make suggestions that end up saving the state money. New York has had such a program for over 60 years, and California for over 50 (Quinn, 2007). Vermont does not currently have such a program.

States have different methods for determining which suggestions to implement and how much to award the suggester. Most states have some sort of board that determines the quality and feasibility of suggestions, and often determine the rewards. Other states have formulas for determining the amount of the award based on the amount money the idea has saved the state, typically in the first year. When creating a suggestion/incentive program, it is very important to have a reliable and non-corrupt way of determining which suggestions are chosen, and a good formula by which to determine the amount of awards. Suggestion boxes have clearly saved states money but structuring a program to maximize the benefits may be difficult.

### **Suggestion box program costs**

The new face of a suggestion box program is high-tech, fast, far reaching, and allows individuals to build upon the ideas that others have created. Two examples of companies – Brightidea and Imaginatik – produce Web-based programs that gather the ideas from all individuals and organize the suggestions into usable information. Such systems can start at \$2,500 for very small single-use programs. However, large companies and government can expect to pay \$300,000 to \$500,000 for programs that allow collaboration from others. These programs are not email based and companies have found using them far outweigh the costs of hiring specialists and paying travel costs to bring them all together to one location. Companies like Pfizer believe that the best answers to their companies' problems come from people within the company (Weiss 2006).

### **Current State Government Employee Suggestion programs**

#### **Wisconsin**

Wisconsin has had a State Employee Suggestion Program since 1954. Founded as the Merit Board Award, the program encouraged state employees to make unusual and helpful suggestions

to help improve state government. In 1999 the state partnered with students from the University of Wisconsin to help improve the WESP (Wisconsin Employee Suggestion Program). This provided marketing and business student with the opportunity to work on an important project, and provided the state with cheap labor. The

The distribution of awards is based upon amount of net first year savings. A chart of possible awards can be found in Figure 1.

**Table 1: Possible Awards in Virginia State Employee Suggestion Program**

Virginia Department of Human Resource Management. 2003. *Employee Suggestion Program Procedures Manual*. Retrieved February 27, 2008 from <http://esp.dhrm.virginia.gov/>.

Weiss, Tara. 2006. "The Suggestion Box 2.0." *Forbes* (December 2006). Retrieved February 27, 2008 from [http://www.forbes.com/leadershipinnovation/2006/12/12/leadership-innovation-software-lead-innovation-cx\\_tw\\_1212ideas.html](http://www.forbes.com/leadershipinnovation/2006/12/12/leadership-innovation-software-lead-innovation-cx_tw_1212ideas.html)

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