

SECTION 7

CLASSIFICATION AND EMPLOYEE RELATIONS

7.02 EMPLOYEE INNOVATION AWARDS PROGRAM

AUTHORITY: TREASURY BOARD MEMORANDUM MB#134/97

ADMINISTRATION: P.E.I. PUBLIC SERVICE COMMISSION

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1. Purpose of Employee Innovation Awards Program Guidelines

- a) To encourage innovation within the Public Service and recognize and reward employees and teams for suggesting innovations which are implemented and which significantly:
 - i) reduce government costs,
 - ii) improve service to the public, or
 - iii) result in improvement to workplace safety or wellness

2. Application of the Policy

- a) All casual, temporary, permanent, and contract employees of the civil service employed by a department, as defined in the next paragraph, are eligible to submit suggestions and receive awards through participation in the Employee Innovation Awards Program.
- b) For the purpose of this policy, "department" shall include provincial departments, agencies, commissions and crown corporations listed in Schedules A and B of the Financial Administration Act. Department shall also include the Human Rights Commission. Members of the Employee Innovation Awards Advisory Council are not eligible for cash awards as defined herein.

3. Policy Approval

- a) This program was originally approved by Treasury Board on September 17, 1997, in minute MB#134/97 and is coordinated by the P.E.I. Public Service Commission, with advice from the Employee Innovation Awards Advisory Council. The program underwent a thorough review in 2002 and the revised program was approved by Treasury Board on January 8, 2003 in minute TB#376/02.

4. Interpretation / Definitions

a) Definitions

For the purpose of this document "innovation" means: the creation or promotion of a new service, product or variation on current practice that is

unique and adds value to the organization's internal and external clients.

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Departmental Contact means: the person assigned to work with the Council and the suggester by the Deputy Head of the department responsible for implementing the suggestion.

Departmental Representative means: the council member appointed by the Deputy Head of the department or agency that they represent.

5. Employee Innovation Awards Advisory Council

5.1 Membership

The Employee Innovation Awards Advisory Council (the Council) will be comprised of at least a chairperson, and one representative of the PEI Public Service Commission, each department and the Union of Public Sector Employees. The duties of council members are outlined in Appendix C.

5.2 Subcommittees

Subcommittees of the Employee Innovation Awards Advisory Council may be formed to address specific aspects of the suggestion process. The council may also designate representatives to assist as required.

5.3 Appointment/Term

Council members will be appointed by the Deputy Head of the department or agency which they represent and may serve up to three years and may be re-appointed at the request of the Deputy Head.

5.4 Meeting Quorum

A quorum for each meeting will be 50 per cent plus one of the active council members at the time of the meeting.

Council members will be expected to attend 60 per cent of the meetings within a 12 month period from April 1 to March 31. If a member fails to meet this criteria he/she may be asked to resign.

6. Program Coordination

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- a) The program will be coordinated by an employee of the P.E.I. Public Service Commission with advice and assistance from the Employee Innovation Awards Advisory Council. The duties of the program coordinator are outlined in Appendix D.

7. Suggestions

7.1 Definition

A suggestion is an innovation which:

- a) identifies a problem, potential problem or opportunity;
- b) presents a specific solution to the problem, potential problem or an approach to realigning an opportunity;
- c) is written on the prescribed suggestion form and signed by the suggester or completed electronically;
- d) has been forwarded to the Employee Innovation Awards Advisory Council which:
 - i) determines if the suggestion meets the definition of innovation and meets criteria set out in these guidelines;
 - ii) if the suggestion does not meet definition and criteria, notifies the suggester in writing;
 - iii) if the suggestion does meet definition and criteria, assigns a level based on program guidelines and a council member to assist in implementing the suggestion; and
 - iv) ensure the assigned Council member makes contact with the appropriate department to determine feasibility of implementation.
- e) These steps must be completed prior to implementation. Any suggestion that has been implemented before the above process is complete will not be eligible for an award under the program.

7.2 Resulting Benefits

An acceptable suggestion must be feasible to implement and result in substantial or other significant benefits in one or more of the following categories:

- a) efficient use of resources;
- b) improving service, procedures, systems or methods;
- c) reducing costs, materials, handling or waste;

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- d) increasing productivity; or
- e) improving workplace safety or wellness.

7.3 **Suggestions not eligible**

A suggestion will be denied if:

- a) it is a duplication of a suggestion currently under review;
- b) the process for implementation is already established and initiated at the time the suggestion is submitted;
- c) is something that the employee has been tasked to find a solution for, something that the employee gets paid to do (i.e., a computer programmer developing a new program), or something which the employee has the authority to implement;
- d) it deals with matters related to collective bargaining, employee benefits, or personal grievance or opinion; and/or
- e) it is a suggestion for which the cost of evaluation and/or implementation exceeds the benefits to be gained.

8. **Criteria**

8.1 **Criteria**

To be eligible for an award, a suggestion must meet the following criteria:

- a) the proposed solution and the anticipated benefit resulting from the suggestion are clearly stated in the submission;
- b) it holds a reasonable prospect of implementation and net benefit, as judged by the Employee Innovation Awards Advisory Council; (the council may require elaboration of benefits or implementation potential prior to acceptance.);
- c) it is not a duplicate of an active suggestion or a proposal which has been previously, or is currently, under consideration by government.

8.2 **Time Limit on Suggestion:**

A suggestion is considered "*active*" for a period of two years from the date of receipt by the Program Coordinator. One 12-month extension may be permitted under special circumstances if the suggester submits a written request to the Employee Innovation Awards Advisory Council before the

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end of the initial two- year period. In the event that the suggester should leave the employment of the provincial government, the council, in consultation with the suggester and the Deputy Head of the affected department, will determine whether or not to proceed with the suggestion.

If a denied suggestion is implemented by government within the active period, the suggestion will be considered to have been implemented and the innovation subject to award as per Section 10 of this document.

If a suggester fails to provide council members with documentation or information regarding the suggestion, the council may exercise the right to terminate the suggestion within the two-year period.

If a department, who is responsible for either implementing or denying a suggestion, does not notify the council of its decision within 1 year from the date of submission of the suggestion, the council may assign a time frame to the department within which they must inform the council of its decision. If the suggestion will be implemented, the department must provide the council with a date and plan for implementation. If the suggestion will be denied, the department must provide the council with a letter outlining valid reasons for denial.

9. Procedures

- 9.1 Suggestions will be submitted to the Employee Innovation Awards Program coordinator. Applications can be completed online.
- 9.2 The coordinator presents the suggestion to the council for review based on program guidelines.
 - a) If the suggestion does not meet the program criteria, the council shall notify the suggester in writing.
 - b) If the suggestion meets program criteria, the suggestion is assigned to a council member. Suggestions cannot be assigned to a council member representing the same department as the suggester if it may result in a potential conflict of interest.
 - c) Acceptable suggestions are categorized by the council in one of the following six categories:

Category 1 - suggestion has benefit to local office/branch or similar

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regional sites. These suggestions are forwarded to the Deputy Head of the suggester's department for implementation and celebration.

Category 2- suggestion has benefit to local office/branch and Department.

Category 3 - suggestion involves a time saving and/or service improvement and benefit is realized within the department.

Category 4 - suggestion has benefit to local office/branch, department and all of the public service with possible impact on the general public.

Category 5 - suggestion involves a cost savings which is difficult to monitor and determine.

Category 6 - suggestion involves a cost savings which is identifiable and monitored for one year.

9.3 For categories 2-6, the assigned council member will contact the Deputy Head of the department which will be responsible for implementing the suggestion. The Deputy head will assign a departmental contact who must make contact with the council member within four weeks of receipt of the suggestion. If the suggestion is to be implemented, this departmental contact will work with the suggester toward determining:

- a) the feasibility of implementing the suggestion;
- b) the anticipated benefits or net benefits of implementation, if any;
- c) how the net benefits could be measured;
- d) how the suggestion could be implemented;
- e) whether further action to implement the suggestion is appropriate; and
- f) how the department would like to address any savings.

If the suggestion is not to be implemented, a letter will be forwarded from the Council to the suggester outlining the reasons provided by the Department.

9.4 The council member is to coordinate meeting with the suggester and the

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departmental contact.

- 9.5 The council representative notifies suggester of the results of the department's decision regarding his/her suggestion.
- 9.6 If the decision is to proceed, the department will implement the idea and monitor resulting benefits. It is recommended that this be done through a team formed within the department. Should the department request, the council will attempt to provide a facilitator for the implementation team.
- 9.7 Progress towards implementation will be monitored by the Employee Innovation Awards Advisory Council. Periodic updates on progress will be forwarded to the suggester via a council member or departmental representative.
- 9.8 For those suggestions monitored for cost savings, at the end of the first year in which the innovation was implemented, benefits will be measured by the appropriate department and reported to the Employee Innovation Awards Advisory Council. This report will form a part of the council's recommendation to Treasury Board of an award for the suggester.

10. Awards

Individuals who make suggestions (“suggesters”) which are successfully implemented are entitled to recognition certificates, cash or gift awards.

10.1 Cash Awards

Cash awards presented to suggesters are a percentage of net savings (i.e., gross savings minus implementation costs). To be eligible for a cash award the net savings resulting from the innovation must be \$500 or more and must be obtained in a 12-month period within 24 months from the date of implementation of the suggestion. Cash awards are presented to suggesters whose suggestion falls within Category 6.

Cash awards will be based on the actual savings resulting from the innovation, measured after the fact by the implementation team and approved by the Employee Innovation Awards Advisory Council. Suggestions which result in a cash award will be recommended by the Employee Innovation Awards Advisory Council to Treasury Board for approval.

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The cash award will be 10 per cent of the value of the net saving, to a maximum of \$5,000. Cash awards are subject to all applicable federal and provincial taxes and will be reported as income on the suggester's T4.

If the suggestion is not implemented for any reason, a cash award cannot be made.

10.2 Gift Awards/Recreation

- a) Innovations which fall within categories 1, 2, 3 and 4 and cost-saving ideas valued at less than \$500 are eligible for gift awards.
- b) Innovations which fall within category 5 are eligible for a \$100 bonus cash award.
- c) Innovations which fall within category 6 are eligible for a cash award based on the total cost savings.
- d) Gifts may also be given in other situations as directed by the Employee Innovation Awards Advisory Council. The gift awarded will change periodically.
- e) An annual recognition award will be determined by the Council and presented by the CEO of the PEI Public Service Commission to the department whose employees had the most suggestions implemented in the past fiscal year.
- f) Each year, the Council will publish a call for submissions from departments for new innovative corporate ways of carrying out departmental mandates. All submissions will be forwarded to the coordinator of the program, screened by the Employee Innovation Awards Advisory Council, and forwarded to the Chief Executive Officer of the PEI Public Service Commission for final decision on the presentation of awards.

11. Presentations Of Awards

Upon completion of the implementation of a suggestion, the Council member assigned to the suggestion and/or designate may coordinate, with the suggester's Deputy Head's administrative assistant, an award celebration for the suggester, their Minister and/or Deputy Head, fellow employees, Minister and/or Deputy Head of the implementing department and/or Premier, where appropriate. Procedure for organizing an award celebration attached as Schedule B.

12. Appeals

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If an employee believes that he/she has submitted a suggestion which has been implemented without due credit, the employee may request a meeting with the Employee Innovation Awards Advisory Council to review the circumstances. The decision of the Council is final.

13. Ownership

The Province of Prince Edward Island reserves the right to make unencumbered use of every suggestion whether accepted or denied.

14. Publication

The council will publish an annual report, within the public service, containing information regarding the number and types of suggestions made, percentages of suggestions processed at each stage and implemented innovations.

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15. SCHEDULE A

Guide to Calculate Net Savings Under the Employee Innovation Awards Program:

COSTS:	Costs prior to the suggestion: hours, days, administration, equipment, materials, etc.	TOTAL: a) _____
LESS:	Costs after the suggestion: hours, days, administration, equipment, materials, etc.	TOTAL: b) _____
	GROSS SAVINGS (a - b)	c) _____
LESS:	Implementation costs: new administration, equipment, materials, training, development work, forms, etc.	d) _____
	NET SAVINGS (c- d)	e) _____
	Apply formula to net savings 10 percent of net savings (Maximum \$5,000)	\$ _____

NOTE: Cost savings must be calculated in a 12-month period from date of implementation.

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16. SCHEDULE B

Employee Innovation Awards Program Procedure For Celebration

1. Suggestion has been declared implemented by the implementing Department. Council member ensures this is put in writing.
2. Council member notifies suggester and explains that a celebration is in order. Suggester must be notified of the procedure for the celebration as they may wish to not have such a celebration.
3. If acceptable with suggester, council member will then:
 - a) Contact administrative support to Deputy Minister of the suggester's department. Explain the procedure of the celebration to administrative support if not aware of procedure. Ask them to check with Minister and Deputy Minister's schedule to determine a time. Once time obtained, contact government photographer and suggester to determine if time convenient. If time convenient, confirm with all.
 - b) Ask administrative support to order coffee and food.
 - c) Ask administrative support to book room and notify all employees of suggester's Department of the date, time and location of celebration.
 - d) Notify other council members of the date, time and location of the celebration.
4. Council member take program picture and gift to the celebration.
5. Prepare speech which should contain the following information:
 - a) Identify who you are and your role in the process.
 - b) If you were not responsible for working on the suggestion, indicate the Council member who did.
 - c) Identify other council members present at the gathering.
 - d) Identify the reason for the gathering. Identify suggester and suggestion.
 - e) Outline benefits derived from the suggestion being implemented.
 - f) Identify Department responsible for implementing the suggestion.
 - g) Give brief outline of the purpose of the Employee Innovation Awards Program.
 - h) Encourage staff to think of ways to make improvements and make suggestions to the Program.

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- i) Provide information where applications may be obtained.
6. Attend celebration and provide speech. The Council Member should start off the celebration ceremony allowing time for the Minister and Deputy to speak as well as the suggester if so desired.

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17. APPENDIX C

Employee Innovation Awards Advisory Council Responsibilities

The Council is directly responsible to the CEO of the PEI Public Service Commission to:

- a) review suggestions received and decide whether to process the suggestion through the Employee Innovation Awards Program;
- b) on an individual basis, liaise with suggesters and departments regarding progress on evaluation and/or implementation of suggestions;
- c) review departmental decisions on suggestions to determine whether they have been fairly evaluated;
- d) request further information and investigation if the council believes that an innovation was not accurately evaluated by the affected department;
- e) receive, review and decide the outcome of program appeals;
- f) on an individual basis, investigate appeals from suggesters;
- g) return all correspondence and documentation related to a suggestion to the program coordinator upon closure of the suggestion (implemented or denied);
- h) provide advice to program coordinator on promotion of the Employee Innovation Awards Program;
- i) perform periodic evaluation of the benefits of the Employee Innovation Awards Program;
- j) periodically review the employee innovation awards process to ensure that it is operating in an efficient and consistent manner;
- k) arrange award presentation in consultation with program coordinator;
- l) assist program coordinator with the preparation of a Treasury Board submission when a cash award is to be issued;
- m) advise the suggester they must claim the cash award as revenue when completing their tax form.

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18. APPENDIX D

Employee Innovation Awards Program Coordinator Responsibilities

- a) receive, log and acknowledge all suggestions;
- b) review suggestions for completeness;
- c) forward suggestions to and liaise with the Employee Innovation Awards Advisory Council, its subcommittees and representatives;
- d) monitor the status of all suggestions;
- e) advise suggester whether suggestion has been accepted or rejected;
- f) assist in arranging award presentations;
- g) prepare submissions to Treasury Board for suggestion approval prior to implementation in consultation with the council member who has worked on the suggestion;
- h) arrange orientation for representatives as required;
- l) maintain program statistics;
- j) coordinate the publication of an annual report;
- k) advise payroll when a cash award is presented to an employee to initiate the issuing of a T-4.