

## **Designing, manufacturing and assembling building facades: employee engagement and empowerment helped to increase the overall company's productivity**

### **What does this case study demonstrate?**

An assembler in the company's production site, who was asked to reflect on what has changed since workplace innovation elements were introduced in their company, described today's situation as: "It is about constant thinking on how to improve one or another process or ways of working." "...before, if a person invented something that helped them in the production process, for instance, a tool or a more effective way of doing something, they only used this for themselves. After the working day, they took everything away and put it in their personal cupboards for the next working day. Whereas today, if somebody thinks of a tool or a process improvement element, everybody can share to make the production and work organisation processes more efficient." This mini-case study exemplifies how to achieve transformative mind set of your employees in your business.

**Workplace innovation elements:** learning and reflection; high involvement innovation.

### **Context**

The UAB Staticus is one of the biggest buildings' facades contractors in Scandinavian and Baltic states markets. The company's main activity is the aluminium-glass, frameless glass and ventilated facade structures design, manufacturing and installation. Distinctive features of the company are the highly qualified engineering staff, who are capable of creating and implementing nonstandard or even entirely new technical and architectural solutions and the company's ability to offer comprehensive solutions for covering the entire building facade. The company is working with major construction companies in Scandinavia, such as PEAB, SKANSKA, AF GRUPPEN or NCC. In the production area, profiles are cut, roll-formed and drilled, and then separate parts are assembled and prepared for installation. Each production stage is thoroughly controlled allowing orders to be performed in a high quality and timely manner.

At the end of 2013 and the beginning of 2014, the company's management decided to implement a Lean system on the company's production site and the administration department. As part of the system, particular attention was paid to an effective development and implementation of employee engagement practices of submitting production process or work organisation improvement related proposals (called "Kaizen" by the company employees). External consulting services were used to guide the process.

### **Workplace innovation practices**

Employee engagement practices and enabling tools of submitting a wide range of improvement related proposals (so called "Kaizen") were developed as part of the introduction of the Lean system in the company. The manufacturing /production site along with the administration part of the company (i.e. consulting, design, laboratory experiments, project management) were selected for piloting the initiative. In short, this is a practice where each employee in these sections of the company is encouraged to provide an active input, such as make suggestions or submit

improvement observations and in the majority of cases implement them by themselves, thus improving the company's development and fostering more effective ways of working. For this, a system and enabling tools, such as special boards for improvement notes (containing special paper forms and pens, regular announcements about suggestions submitted, visuals on implemented improvements and similar) were manufactured and installed in the common areas to stimulate, maintain and nurture the process on a daily basis. In addition to this, a system was developed on how to process the submissions as well as motivation and remuneration schemes, based on monetary rewards. After just a few months, the company was very satisfied with the results on the production site in particular. The initiative has increased cooperation and sharing of good practices among employees and an overall organisational learning; it also has contributed towards "tidying up" the production floor. And as a result the process has contributed considerably towards the transformation of the ways employees view the company and an overall increase of the company's productivity. At the moment the company thinks about the ways of how to transfer the practice to the other sections of the company, such as installation sites which are spread wherever the company is sub-contracted to do the work.

### **How did they do it?**

The company has used consulting services for common implementation guidance. It has developed physical tools (boards, improvement suggestion forms etc.), described the process and developed motivation and remuneration internal policies and systems. As it heavily relies on reputation, cooperation and trust, top management "ownership" of the initiative and ongoing support with extensive communication about the purpose, aims and objectives as well as feedback is the key for successful implementation of the practice. An overall implementation approach was more top-down than bottom-up. However, this has worked in given circumstances quite well (the production site is very busy and it relies on low-skilled employees, whereas administration and related units employ very high skilled, but at the same time highly booked up time-wise specialists), although more direct involvement of company employees into the ongoing development of the practice could bring additional benefits.

### **So who benefits?**

There are many beneficiaries linked to this practice in the company. One result is more engagement in changes by the company's employees through recognising their ability to provide valuable insights on how to make the company more effective. Employees feel more empowered and valued for being able to contribute to the development of working processes and therefore their own working environment in the company. The practice has considerably contributed to the overall company's productivity. According to the company's manager, before the production processes were not standardised, there was a lot of idle walking on the manufacturing/production floor even if the company was struggling to meet all high workload deadlines. Once the processes were reviewed according to workers' suggestions, an order was introduced in every single part of the process, which on its own part has resulted in higher efficiency and productivity of the whole company. Taking in mind that the manufacturing floor is very important for the company, but also for its current and potential clients (as every major client visits the company in person and visiting the manufacturing floor forms part of a business visit), good company impressions play a part in the company's business development process.

The practice has also transformed employees as well as company managers' minds in a way that they now have "a constant thinking on how to improve one or another process or ways of working" and the second – recognise and value employee contributions in making the company more effective and productive.

## **Prognosis**

The practice is considered as a very important tool in achieving long-term company's goals, therefore it is likely to be supported, developed and maintained over a long time period.