

Who is having all of the ideas?

A recent survey commissioned by Vodafone UK showed that the majority of workers believe ideas are essential to the health of the UK economy, but 70% believe their company does not have a good reputation for rewarding new ideas, and over half say they are not formally encouraged to come up with new ideas. This seems a worrying trend. Both private and public sector bodies need both a culture for encouraging new ideas and a process for evaluating them and taking some action.

Furthermore, for the majority of the working population there is no incentive – financial or otherwise – to come up with ideas for improving products, services or processes.

The Vodafone survey found that 54% of workers say they are not formally encouraged to come up with new ideas or processes. What is more, 79% of the workforce is not offered any financial incentive to innovate, and just over 60% are given no time at all to generate ideas. As a result, 24% of those surveyed say that their ideas simply stay in their heads.

Among organizations that offer no incentives for idea generation, nearly one third of employees say they never have ideas. However, where personal recognition or shared financial rewards *are* offered, this figure falls to 8%. Similarly, in organizations where no incentives are offered, only 2% of employees say they have ideas 'many times a day', but where there is personal recognition, this figure more than doubles to 5%.

Innovation is generally accepted as being a good thing. The good news is that for more than two-thirds of respondents, innovation means fresh thinking. Just over half say that it means ideas that improve people's lives, while 32% say it means clever adaptation of current projects. The vast majority of respondents (93%) agree that new ideas and processes are essential to the very survival of UK companies. Furthermore, most respondents say that encouraging new ideas and fresh ways of working are either very or quite important to the overall success of their organization. Similarly, the majority (70%) state that generating new ideas and fresh ways of working was either very or quite important to their customers. Over all, only 51% of respondents feel their organization is good at coming up with ideas. Two-thirds of

senior managers say their organizations are innovative, while only 38% of skilled manual workers feel the same way.

Although creativity is often assumed to be the preserve of the new-hires and twenty somethings, the Vodafone survey found that creative dynamos can be found across all age groups and levels of experience within organizations. While 67% of young employees (aged 16–25) think of themselves as innovative, only 30% of employers agree. And the research tends to back employers up: for example, the over-55s are the most likely to come up with ideas at least once a day (12%). The generation of ideas, and their success rates, reaches a peak among those with three to five years' experience at a company, while innovation and fresh thinking do tend to fall off after ten years at one company. There is also a very short honeymoon period of creativity at the outset of a career. Status within an organization is a key factor and can be directly linked to the 'idea productivity' of individuals.

Nearly one-quarter (23%) of senior managers and professionals say they come up with new ideas at least daily. Over half (51%) of senior managers had ideas at least once per week, as do 37% of both middle management and new graduates. Only 17% of unskilled manual workers, 18% of clerical staff and 22% of skilled manual workers come up with new ideas at least once per week.

According to the survey results, 'Idea Generators' are most commonly found in Research & Development, IT/Systems and Marketing departments. They are most likely to be working in the Media & Marketing, IT/Telecoms and Utilities sectors. When asked which departments (other than their own) generate most of the new ideas in their company, respondents listed Research & Development (43%), IT/Systems (42%) and Marketing (40%) as the top three. There is then a significant drop to the next department on the list, The Board (35%).

Over one-quarter (28%) of respondents say they generate at least one idea per week. In the Media & Marketing sector, this figure rises to 47%, while it is just 19% in the Finance sector and 20% in the Travel & Transport sector. Only 9% of those working in Marketing & Media say they never come up with new ideas. Generally, 'Idea Generators' are more prevalent in smaller companies. People working in micro-businesses (with up to five employees) are three times more likely (21%) to generate ideas at least daily than those in organisations employing more than 250 employees (7%).

There seems to be a direct correlation between the incentives and opportunities on offer and the number of ideas generated. Those in micro-businesses are the most likely to receive individual financial rewards (35%), to spend a week or more out of the average month generating ideas (15%), and to see their ideas implemented always or most of the time (33%). This compares with figures of 23%, four% and 13%, respectively, for companies with more than 250 employees. The people who are most likely to feel they have their ideas listened to by management are managers themselves and new graduates. Over all, managers are more likely to enjoy personal and financial reward and encouragement to come up with new ideas, and are more likely to have their ideas taken up. Two-thirds (66%) of senior managers say they are formally encouraged to come up with new ideas to develop products or services (compared with the average of 46% across all levels). Among senior managers, 39% say their ideas are always or mostly implemented (17% for all levels). Over all, the research shows a clear correlation between the support, encouragement and incentives on offer and the successful generation and implementation of ideas.

While there is a hard core of 'Idea Generators' in the UK workplace who are able to develop and exploit their fresh thinking, there is a larger pool of creative thinkers – 'Idea Enthusiasts' – who are coming up with almost as many ideas but whose creativity is not necessarily being captured or followed through. 'Idea Enthusiasts' represent just over one quarter (28%) of the working population, according to the survey. While they do not enjoy the kind of positive environmental, managerial or financial incentives as the 'Idea Generators', they tend to come up with ideas irrespective of external influences and pressures. While 68% of employers believe that businesses need young people to make a dynamic workforce, 'Idea Enthusiasts' actually become more prevalent with age. The category is represented by 36% of all over-55s surveyed, and the incidence of 'Idea Enthusiasts' reaches a peak after one to three years' employment with a company. Smaller companies are also likely to have a higher proportion of 'Idea Enthusiasts'. The main difference between this group and 'Idea Generators', however, is that 'Idea Enthusiasts' are not necessarily realizing their ideas – representing a large potential untapped resource.

In contrast to the majority of those surveyed, 'Idea Enthusiasts' are less influenced by – and less exposed to – financial incentives and encouragement, and are much less affected by their status and role at work.

By far the largest group of respondents in terms of their attitude to idea generation – almost two-thirds of those surveyed – can be characterized as the 'Disenfranchised Masses'. These are people who, with appropriate management, time and reward structure in place, would almost certainly generate more ideas, but are unlikely to put their ideas forward or to have them implemented. For example, the research shows that manual and clerical workers are just as likely to come up with ideas as other workers – including management-level employees – but feel their ideas are less likely to be listened to by management.

For 3% of those surveyed, the term innovation means nothing. These people are predominantly under the age of 24 and most likely to include unskilled manual workers, of whom 14% declared that innovation meant nothing to them. The industries most likely to employ this group are Travel/Transport and Retail/Catering.

Counter-balancing the creative core that come up with new ideas on a daily basis is a large group of UK employees (18% over all) who admit to coming up with no ideas at all. Furthermore, while most UK employees view innovation and ideas in the workplace positively, there is a small group of workers – the 'Idea Sceptics' – who view innovation with cynicism, apathy and even fear. Over all, the group least likely to generate new ideas is unskilled manual workers, half of whom say they never generate ideas at work. A large proportion of skilled manual workers (28%) and clerical workers (27%) also say they don't come up with any ideas at work. These results may be no surprise, however, when one considers the lack of encouragement offered to these workers. Among unskilled manual workers, only 27% are formally encouraged to come up with new ideas to develop products or services at work. This figure rises only to 36% for skilled manual workers and 38% for clerical workers. Over four-fifths (82%) of unskilled manual workers are given no time at all to come up with new ideas.

Among employers, however, two-thirds (66%) say that is becoming more difficult to motivate employees. Clearly there is a communications gap to be bridged. Only 44% of unskilled manual workers say their managers listen to their ideas (compared with 67% over all). Interestingly, it is this group who feel most strongly (35%) that managers listen to customers and suppliers about new ideas (compared with 20% over all). For 6% of those surveyed, innovation equates to streamlining to the point of redundancy. It is workers in the Utility and Manufacturing sectors who fear innovation the most – 14%

of utility workers and nine% of manufacturing workers associate innovation with redundancy. Five% of those surveyed perceive innovation to mean extra work and hassle. As with fear of redundancy, it is workers in Utilities (11%) and Manufacturing (8%) who are more likely to see innovation as creating more work and hassle.

Women (50%) are more likely than men (38%) to give their ideas to their employer. Only eight% of respondents overall say they would use the idea to set up their own company, and fewer than two% would sell the idea to a competitor.

So what incentives should managers offer to get UK workers to don their thinking caps and generate useful ideas? Not surprisingly, financial and personal rewards are seen as key, with a pay rise viewed as the single biggest incentive to come up with new ideas – cited by 37% of respondents. Personal recognition is identified as the second-most important incentive (25% of respondents), followed by shared financial reward and having career progression linked to ideas (each 18%).

In terms of management practice, an open-door policy is overwhelmingly the most conducive to the free flow of new ideas (cited by 50% of respondents), followed by brainstorming (17%) and suggestion schemes (14%). Although 17% of respondents say their organization has away-days, only 10% say they are most likely to encourage good ideas. Other less popular policies include music in the workplace (3%), home working (6%) and open plan working (6%).

When it comes to identifying the environmental factors that encourage creative thinking and the generation of good ideas, the research exposed some well-ingrained myths. The place where workers say they are most likely to come up with a new idea is at their desk (29%), followed by travelling in a car or train (24%) and in bed (20%). Interestingly, women seem to be more likely to come up with ideas in bed than men (22%, compared with 16%). Respondents were realistic about their chances of coming up with a good idea while in the pub (4%) or on holiday (2%). The busy cluttered office is one of the least likely places for a new idea to be formed (3%). The research also finds that workers are more likely to be creative when the workplace is informal and relaxed (32% of respondents), with flexible hours (23%) following in importance. Over half (55%) of all respondents are more likely to come up with new ideas when given more time to think.

Only 13% say they respond to pressure. Among employers, 59% agree that employees are more creative when not tied to one location for work. In terms of personal inspiration, bosses and colleagues are cited as the main source (34%), just ahead of customers and suppliers (32%) and way ahead of famous inventors and entrepreneurs (eight%).

A key factor driving new idea generation is having free time to think, which 55% of respondents give as the most likely reason to come up with new ideas. Twelve% of respondents get one hour per week or more in which to do this. However, 60% say they have no time at all formally allocated to coming up with new ideas. Bosses feel especially stretched: 76% of employers think that there are not enough hours to do everything. Employers in both small companies (64%) and large corporates (87%) say that they get tied up in bureaucracy at the expense of their core business. Travel/Transport (68%), Utilities (68%) and Manufacturing (67%) are the sectors that have the biggest proportion of people with no time set aside for coming up with ideas. Smaller businesses give more time with the smallest companies giving 50% of their people formal thinking time. Eighty-two% of manual workers are given no time to come up with new ideas – compared with 57% of senior managers who are given formal time. The vast majority of those surveyed (93%) agree that technological innovations have made it easier to communicate and realize ideas.

The full article including survey methods can be found by visiting the Vodafone UK website at <http://www.vodafone.com/workingnation>