

CASE STUDY

RICOH

From Suggestion Box to Solutions Platform



BACKGROUND AND STORY



Haroon Mohammed
Finance Director

Haroon joined Ricoh NZ Ltd as Financial Controller in 2003. His previous role as GM Process Improvement ignited his interest in studying the best, from financial professionals to the top organizations in the world. Specifically, what was it that they did that set them apart. This approach was carried into his role with Ricoh.

In his current position as Finance Director, you are just as likely to find books on strategy and innovation alongside financial documents in Haroon's office. Over the past 10 years he has made ideas and innovation related to customer service, improving efficiencies and reducing costs a bedrock for the organization.

In 2009, Ricoh launched an internally developed ideas management system known by employees as iBox. This was driven by Haroon's aspiration to give all employees an opportunity to submit ideas that would improve the organization, to have those ideas peer assessed and then allocate resources to those chosen for implementation.

Haroon uses the management technique of 'managing by walking around' to its fullest extent and this gives him an understanding of what is happening and where the pain points are within the business. Process improvement and innovation are now embedded at the core of the organization and are considered part of 'The Ricoh Way'.



Darren Elmore
Process Improvement Manager

Darren has almost 20 years of industry experience in the Document Solutions sector. His career began as a Service Engineer in the UK before joining Ricoh NZ Ltd in 2005, where he has held various technical related positions.

After completing a business degree at the University of Auckland in 2016, he moved into his current role, allowing him the opportunity to work closer with senior management in the area of innovation aligned with Ricoh's strategic initiatives. Prior to this, his high levels of interest in innovation and engagement were a key motivator and it was during the time of his post-graduate studies that he identified this as an area he wanted to pursue further.

In 2015, Darren led a small team of like-minded co-workers to research, select and implement a new ideas management system for Ricoh, at the request of Haroon, to replace iBox. This led to HYPE being launched into the organization late in 2016 and a role that is dedicated to creating a sustainable competitive advantage for Ricoh by way of leading the need for change.

Darren is an advocate of values based leadership and by assisting with change through innovation, he has found a way of connecting organizational goals to employee's personal values within Ricoh.

Ricoh New Zealand (NZ) is a subsidiary of Ricoh, a Japanese multinational imaging and electronics company. Ricoh employs over 109,000 people worldwide, generates ¥2,208 billion in sales (\$19.5 billion), and consists of 230 subsidiary companies.

Ricoh NZ is one of those subsidiaries, with six locations including a head office in Auckland, and employing 390 people. In this case study we look at how Ricoh NZ is using the HYPE platform for continuous improvement and innovation with their employees.



BACKGROUND AND INTRODUCTION

In 2009, Ricoh NZ had been using the Baldrige Excellence Framework (see <https://www.nist.gov/baldrige>) to study how the world's best organizations run, and what makes them different to others. One of the findings was the use of systematic ideas management with employees. Ricoh NZ then developed their own in-house solution, called iBox, to support the gathering and management of ideas.

Over five years, the iBox system gathered over 5,000 ideas, with implementation rates close to 70%. That is more than 3,500 improvements employed throughout the organization from ideas submitted by employees. Idea management had been systematically embedded as a best practice across the company.

In 2014, after reviewing the status of their iBox system, Ricoh NZ's management team felt a change was needed to again make an improvement in how they were managing ideas. Haroon Mohammed, Finance Director, lead the initiative to replace iBox.

Firstly, a best-of-breed tool was needed to better support the growing needs of the program; and secondly, a dedicated team would be required to provide more support for the process of developing and implementing ideas. After a detailed investigation into available tools, HYPE was selected (see four reasons below).

The new HYPE platform was relaunched as "ThinkTWICE", and a National Innovation Team (NIT) of five was created to support the end-to-end innovation process within Ricoh NZ. In the following sections, we'll look at the details of the new platform and initiatives to support innovation at Ricoh.

HYPE was selected, primarily for four reasons:

- 1 Ease of use:**
Minimal training required for end-users of the tool
- 2 Back-end capabilities:**
To measure, report, and work beyond ideas
- 3 Flexibility to adapt:**
To support changing needs over time
- 4 Proven technology:**
Already used by some of the most successful companies in the world



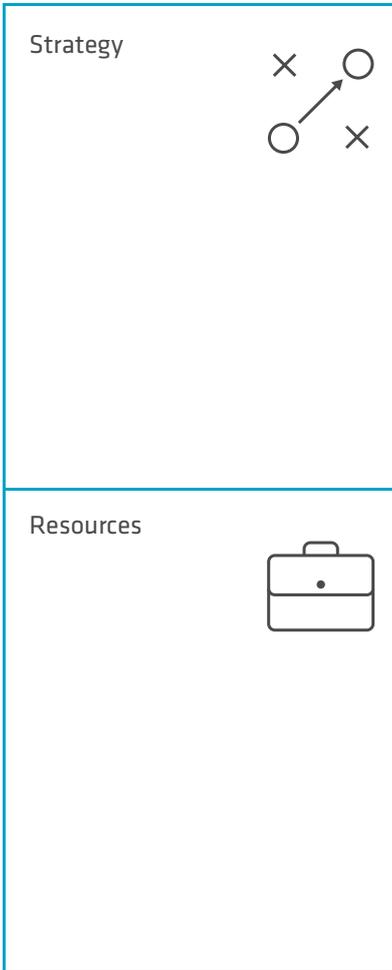
Looking at the research, and the logic behind an ideas system, we thought wow, this is fantastic.

Get the ideas from the front-line staff, they're the ones who are doing the work with customers, they must have the best ideas. We wanted to capture those insights."

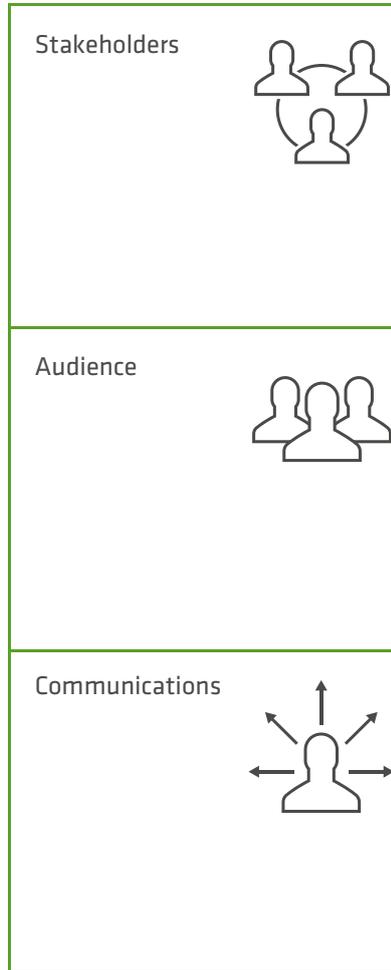
Haroon Mohammed, Finance Director

THE COLLABORATIVE INNOVATION CANVAS

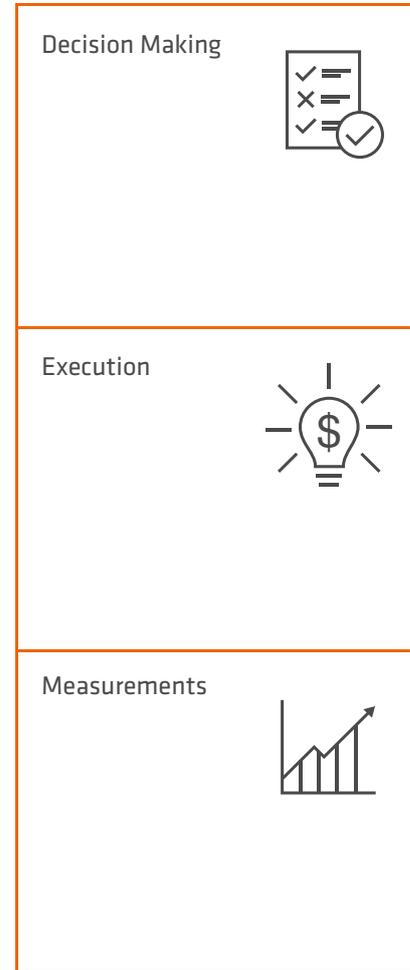
Alignment



People



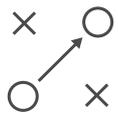
Process



The Collaborative Innovation Canvas is a simple way to map out the key components of an innovation management platform. It focuses on three main aspects: alignment (with the larger strategic goals around innovation); people (the stakeholders, advocates, and general audience); and process (selecting, funding, and tracking ideas). The canvas captures the big picture, and the crucial elements needed for success. It allows everybody involved to easily understand and share the big picture. Therefore, it lends itself well as a frame for exploring a case study.

Further reading:

<http://www.hypeinnovation.com/canvas>



STRATEGY

How the innovation management program is aligned with overall company strategy goals for innovation.

The iBox system was open for all ideas, but with the new HYPE platform, the goal was to focus ideas around key topics of interest for Ricoh NZ. In 2017, there are six areas, each with a sponsor supporting them:

1. Customer Satisfaction
2. Internal Efficiency
3. Employee Engagement
4. Cost Saving
5. Revenue Generation
6. Sustainability

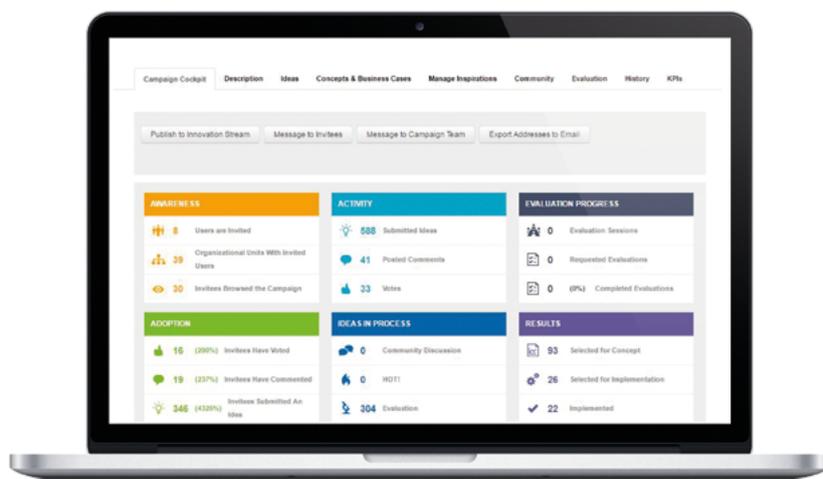
The innovation team also wanted to increase collaboration around ideas. The iBox platform was limited in its support for collaboration and commenting, but the HYPE platform provided more capabilities for discussing and sharing ideas. It was felt that some employees were left out of the process because they didn't have an original idea to contribute, but they would be keen to add their expertise to existing ideas.

With enriched collaboration options, all employees now have a role to play in innovation.



By limiting the ideas to the six areas, it's actually more liberating for employees. The clear boundaries help people to think about specific solutions to existing challenges. And, we've linked the platform directly to our company strategy."

Haroon Mohammed, Finance Director



Success for the platform is judged in two ways:

- 1 The number of employees participating, to provide an indicator for idea management being a way of working, involving all employees. The fundamental purpose is to empower Ricoh NZ employees to improve the way the company works, through continuous improvement and innovation.
- 2 The number of ideas vs the number of ideas implemented, to provide an indicator whether the ideas submitted are the ones the business needs.

Additionally, the innovation team is adding targeted, time-limited idea campaigns which are aimed more towards breakthrough innovation.

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The nice thing about the HYPE platform is the gamification aspects. Employees who comment, share, and evaluate, are recognized and valued just as much as those who submit ideas.”

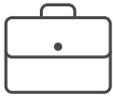
Haroon Mohammed, Finance Director



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When creating the NIT, we wanted to recruit the top performers in the business. We looked around for the superstars and approached them to see if they would join. One of the metrics that helped identify the right people was the ratio of implemented ideas per employee - these are the people we need to drive innovation.”

Haroon Mohammed, Finance Director



RESOURCES

The resources, methods, physical spaces, and budgets available to support the innovation program.

Before launching the new platform, Haroon felt that a bigger team was needed to improve the idea generation process, and to help guide ideas through to implementation. This led to the creation of the National Innovation Team, which reports to Haroon

The NIT is comprised of five full-time employees:

An IT Expert

Ian Griffiths, who looks after the HYPE platform and hosting infrastructure from the technical perspective.

A Campaign Manager

Ashleigh Garrett, who helps to move ideas forward, or offer support for people wanting to submit ideas.

A Process Improvement Manager

Lindsay Osborne, who primarily works in the back-end, creating analytics and reports.

A Concept Manager

Michael Ishak, who looks after the Concepts and Projects within the HYPE platform, and works with the PMO committee on ideas which require more business support or funding to implement.

A Project Manager

Darren Elmore, who is the team lead and coordinator for the National Innovation Team activities.



To ensure local support is available at each of the six locations, the NIT established an Innovation Champions program. A minimum of two people from each location were selected to be Champions, which involves providing support and guidance for the users of the ThinkTWICE platform, and championing the activities of the overall program.



STAKEHOLDERS

The key individuals involved in supporting the program and innovation in general. Including campaign sponsors and management stakeholders.



The primary stakeholder for all ThinkTWICE activities is Haroon Mohammed, the Finance Director at Ricoh NZ. The primary drivers behind the program are cost saving and efficiency improvements, and it therefore sits naturally with the Finance Director overseeing the outcomes.

Five of the six strategic areas have an owner from within the NIT team, and Sustainability has a specific owner who is responsible for sustainability at Ricoh NZ.

The six owners and Haroon meet on a bi-weekly basis to go through the submitted ideas, and review the progress of concepts and projects in the pipeline.

Middle management layers are typically a challenge for innovation programs, but at Ricoh they've found them to be supportive. Many of the people who volunteered for the innovation champion role were branch managers, who are under daily pressure to hit targets, but see the value that can be obtained by working with the ThinkTWICE program.

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The platform allows managers to get an overview of what's going on in their employees' minds, and what's happening at their location.

It shows how people are thinking in terms of improving the business. Managers can leverage these insights to lead innovation within their area. In this sense, it helps them, rather than hinders them.”

Darren Elmore, ThinkTWICE Project Manager



AUDIENCE

Who is invited to use the platform, whether it's internal only, or also open to externals? Who can help you expand the success of the program, such as innovation advocates?

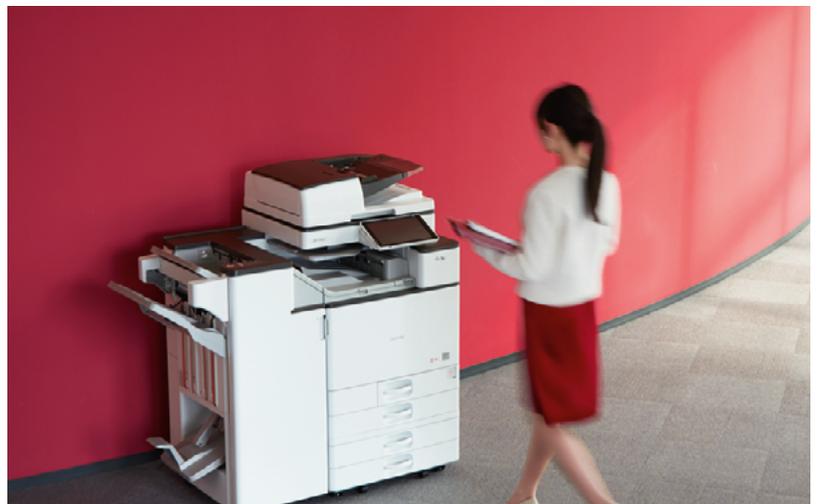
At present, ThinkTWICE is open to all 390 employees of Ricoh NZ, with plans to allow externals, such as customers and suppliers to join in specific campaigns in the future. With iBox, people sometimes felt it was the place where "ideas go to die", but the feedback on ThinkTWICE has been far more positive.

The primary differences are:

- 1 If it directly impacts your job, but doesn't require additional funding or resources, implement it yourself and record that in the system for others to see.
- 2 There is an appointed decision maker for every idea, to ensure it is evaluated properly, and an appropriate decision is documented.
- 3 The platform allows for collaboration on ideas, which has increased the cross-functional and cross-locational awareness and interest in each other's ideas.
- 4 Local champions are used to promote the usage of ThinkTWICE, and to develop ideas with the authors.

While researching idea management platforms, the team found that extrinsic rewards should generally be avoided, and instead focused on promoting intrinsic motivations. Communication of leaderboards and idea implementation successes are therefore used to recognize those who contribute the most.

At the annual Ricoh staff awards event, the ThinkTWICE program will also recognize those who have made valuable contributions to innovation through the program.

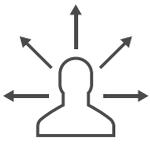


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Since using HYPE,
we've seen much more
collaboration between
locations.

We can also quickly see how ideas can be
useful at different locations. We can then bring in
other departments, and get people working
together. We're on the lookout for synergies.”

Darren Elmore, ThinkTWICE Project Manager



COMMUNICATIONS

How to communicate effectively, create momentum, and build trust with your audience and stakeholders.



When moving from iBox to the HYPE platform, the innovation team wanted to also rebrand the program, moving away from the feeling of it being a suggestion box, towards a broader innovation initiative.

ThinkTWICE derives from the five core values of the Ricoh company: Teamwork, Winning Spirit, Innovation, Customer Centric and Ethics & Integrity.

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The goal is to keep innovation front and center for all employees, by constantly communicating about the ideas which are being implemented across the company, and making this a part of the way we all work.”

Darren Elmore, ThinkTWICE Project Manager

thinkTWICE

Teamwork • Winning Spirit • Innovation • Customer Centric • Ethics & Integrity

Before launching ThinkTWICE, the innovation team ran a campaign to get people talking about it.

Using the Cluedo “who dunnit” style, employees had to figure out who “killed” the iBox system. Those who guessed what happened were awarded small prizes like cinema vouchers.

The new platform was gradually revealed as the replacement. With the new platform in place, Ricoh communicates mostly through digital channels, with a weekly newsletter, which includes statistics, and an implemented idea of the week feature.

There is also a company quarterly magazine, imagine.change, which is devoted to ideas and innovation as well as updates from the ThinkTWICE program. Going forward, the NIT will create tailored dashboards, integrated with SAS (a data analytics program), for the leadership team.

WHO KILLED iBOX?

In 2009, in a business environment that did not see or utilise the full potential of innovative thinking from engaged employees, Ricoh New Zealand rolled out an innovation system called iBox.

Fast forward to 2016, and iBox has seen 5000-plus ideas submitted and more than 3000 implemented. Those ideas saved Ricoh money and time and have increased employee engagement and customer satisfaction.

Unfortunately, iBox has fallen afoul of industrial espionage so we've had to shut it down.

Which brings us to ask: “Who killed iBox?” We've identified the following suspects but it's up to you to determine who's guilty.

Pick the culprit whose character flaw you think most detrimental to Ricoh's corporate philosophy and you'll be in the running to win some great prizes.

Voting opens on Monday, 7 November and will close on Friday, 11 November.

MRS. PEACOCK



MRS. PEACOCK

Coldly indifferent to her colleagues, Patricia Peacock has a short temper and a sharp tongue and goes out of her way to ensure she is left alone. Was it Mrs Peacock in the mail room with her lack of team work?

MISS SCARLET



MISS SCARLET

Ruthless towards those she sees as competitors, rumour has it Josephine Scarlet isn't above using others on her way to the top. Was it Miss Scarlet in the board room who displays her own brand of winning spirit?

COLONEL MUSTARD



COLONEL MUSTARD

Part of the 'old guard', Colonel Michael Mustard's "if it ain't broke, don't fix it" attitude is beginning to wear thin with his colleagues. Was it Colonel Mustard in the lunch room and his inability to embrace innovation?

PROFESSOR PLUM



PROFESSOR PLUM

Although well liked around the office, Professor Peter Plum has a reputation as a bit of fence sitter and isn't one to make a firm decision. Was it Professor Plum in reception through a total lack of commitment?

REV. GREEN



REV. GREEN

The self-styled 'God' of sales, Reverend John Green will go to any lengths to broker a deal—including outright dishonesty. Was it Reverend Green at head office whose idea of ethics and integrity is sketchy at best?



DECISION MAKING

How ideas will be judged, selected, and improved.

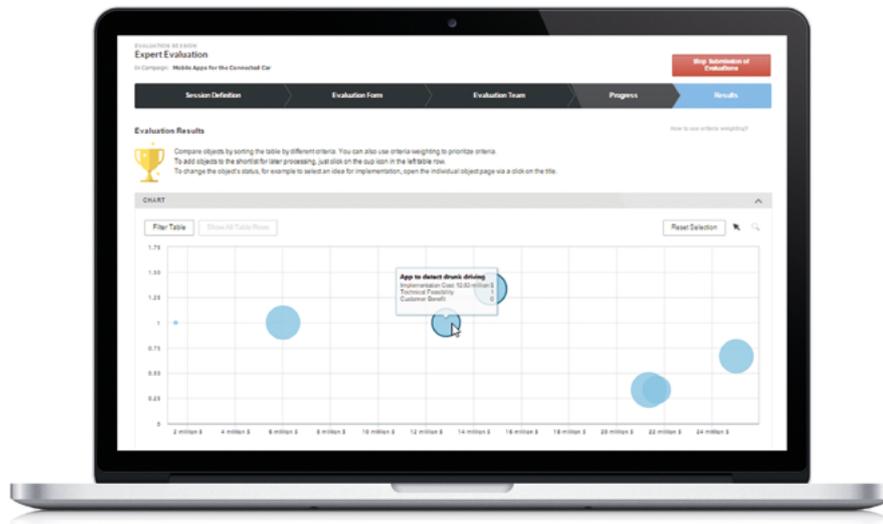
Who is involved, and what criteria and process should be used.



We want employees to implement ideas themselves when they save time or money, but more importantly, we want them to capture this in the ThinkTWICE platform, so that others can see it and make use of it.

That creates a domino effect for good ideas.”

Darren Elmore, ThinkTWICE Project Manager



Each of the six strategic areas of focus has its own evaluation criteria for ideas. Each idea submitted is then assigned an evaluator, who is responsible for ensuring the idea has enough information to enable a good decision. The NIT does not review every idea, but rather distributes the responsibility to the local teams.

There is a general three-step guideline for decision making on ideas, as follows:

- 1 If it directly impacts your job, but doesn't require additional funding or resources, implement it yourself and record that in the system for others to see.
- 2 If it impacts other people in your team or area, but doesn't involve any additional spend, then your manager can approve it for implementation.
- 3 If it impacts other people outside of your team or area, and/or there is spend involved, then it goes to the local innovation team to decide.

Ideas of the third type are looked at by the local innovation team to see if it's just for their location, or if it can be implemented at other locations too. If this is the case, then it is pushed up to the NIT to implement.



EXECUTION

How ideas are iterated upon and developed towards implementation.



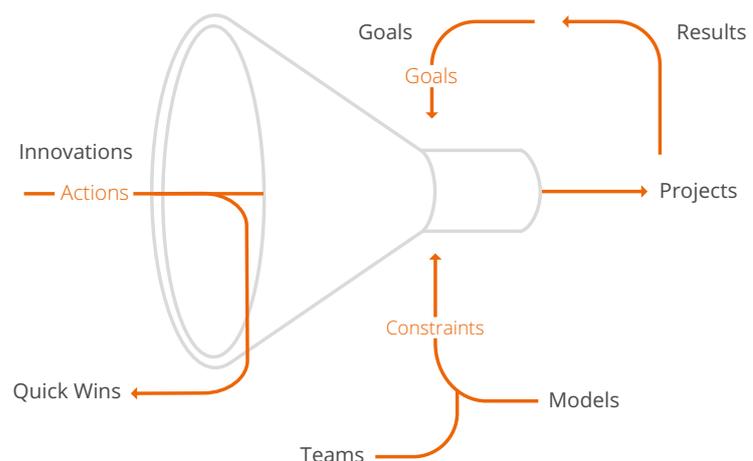
People need the impetus to not only have the idea, but to then also implement it. The ethos we want, and have achieved, is of always questioning your job, asking, how can you do it better?"

Darren Elmore, ThinkTWICE Project Manager

The NIT encourages employees to take ownership for the implementation of ideas, and to document how they implemented it in the system, so that others can learn from and adopt the same idea. This emphasis on execution at the employee level has resulted in high implementation rates of around 70%.

If an idea needs more support, the NIT will evaluate it and if necessary take it to the PMO group where funding and resources can be allocated. It's important for the NIT to have employee ideas raised at the PMO level, so that they offer an alternative on innovation than purely the senior management one.

The Development Funnel Concept





MEASUREMENTS

What KPIs are important to measure, and how you can track and judge success over time?

The primary measures for Ricoh NZ are the number of ideas submitted and the number of ideas implemented. These numbers are shared publicly with all employees. Each employee has their own individual statistics on ideas, implementation rates, and other participation measures. The NIT also looks at participation across the different locations, with the goal of ensuring consistent levels of engagement across all of them. Although there are clear financial benefits, such as cost

savings, which can be calculated, the NIT does not feel it necessary to overly analyze the return on those ideas. The goal is to ensure high engagement and high implementation, so that the process is an integral way of working at Ricoh NZ.



We're interested in making it a norm, so high engagement and high implementation is the key. We are quite sure that the business will continue to improve if we keep working this way. Innovation and freedom to change must be part of the day job."

Darren Elmore, ThinkTWICE Project Manager

ADVICE FOR OTHER INNOVATION MANAGERS

From ThinkTWICE Project Manager Darren Elmore

- 1 **Aim high and think big** – it's all about maximizing the opportunities that are made available to you.
- 2 **Set constraints** – this actually helps people to focus on areas of high importance that align with the goals of the organization.
- 3 **Think like number one, act like number two** – borrowed from Toyota, but a succinct and thought provoking mindset.
- 4 **Embrace open innovation** – ideas can come from the most unexpected sources, ensure you have a channel open for them.
- 5 **Share the news** – whether it's incremental changes or breakthrough transformation, communicate and let everyone know.



About Ricoh New Zealand

Ricoh New Zealand Ltd is the local subsidiary of Ricoh Company, Ltd., Japan. Our head office is located in Auckland, with a comprehensive network of branches providing sales, service and support in all areas of the country.

Ricoh's business model focuses on constant innovation to provide our customers with value-adding business IT services and solutions. Our document solutions and services help our clients to increase productivity and reduce costs.

Ricoh devices regularly win awards from independent industry authorities for their performance, reliability, cost effective operation and environmental features. Based on the concept of appliance-like ease that makes sophisticated technologies easier to use, we offer network office solutions in partnership with our customers.

www.ricoh.co.nz



About HYPE Innovation

HYPE Innovation is a global leader in full-lifecycle innovation management software. HYPE's powerful platform allows organizations to engage thousands of employees in idea generation and collaborative problem solving. Our client community includes global companies such as Bombardier, Nokia, Merck, Airbus, AkzoNobel, Saudi Aramco, Liberty Global, Petronas, and Deutsche Post DHL.

www.hypeinnovation.com



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