

WASHINGTON



Secretary of State Productivity Board

RESOURCE GUIDE

2024

[Abstract](#)

This document provides information about the Productivity Board, its incentive programs, and the roles of various stakeholders involved.

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Introduction

The Productivity Board (PB) was established in 1982 and, to date, has saved the State of Washington millions of dollars. With a few exceptions, any state employee is eligible to participate in our programs. Cost saving and/or revenue-generating proposals may be awarded cash incentives and proposals that otherwise improve government are eligible for recognition.

Productivity Board Program Objectives

- ❖ Foster an environment where management embraces new ideas and makes use of the abilities and insights of state workers;
- ❖ Stimulate creative and innovative suggestions through recognition and cash awards;
- ❖ Provide an equitable and impartial evaluation;
- ❖ Ensure that adopted suggestions are properly implemented.

Incentive Programs

- The **Employee Suggestion Program** provides cash incentives, up to \$10,000, and recognition for proposals that save money, generate revenue, and/or improve services within state government.
- The **Teamwork Incentive Program** rewards teams of two or more for process improvement projects. Individual team members can receive cash awards up to \$10,000.

Employee Suggestion Program (ESP)

Submission

Suggestions must be submitted via an online application, hard copy, or fax. Online applications are strongly encouraged. Submissions must contain:

- A brief and concise narrative describing the present methods, practices, or problem.
- A specific and concise narrative describing the solution and how it can be accomplished.
- A cost-benefit analysis of anticipated savings/revenue and the method used to determine that estimate. Suggestions that without a tangible financial impact must include a statement of the improved services or benefits expected.
- Research demonstrating the proposal is practical
- The suggester's signature or e-mail address, title of position, department and division, and mailing address.

Employees may submit as many suggestions as they would like, however they may only propose one idea per form. Suggesters may request to remain anonymous, in which case Productivity Board staff will remove any personally identifiable information from the suggestion prior to

sending it to an agency for evaluation. If the suggestion is adopted, the employee's name must be released for payment purposes.

Eligibility

Productivity Board staff will determine if a suggestion is eligible. Suggestions are reviewed daily, in the order in which they were received. PB staff will notify suggesters within two business days regarding the eligibility of their suggestion. Eligibility is determined by reviewing compliance with the three relevant sections of WAC 383-06:

- 383-06-020(8) – Defines which employees are eligible to participate
 - Any present employee in state agencies and institutions of higher education may participate, except:
 - Elected officials;
 - Agency heads or their confidential secretaries/administrative assistants;
 - Productivity Board members and staff.
- 383-06-090 – Defines the format for acceptable suggestions
 - (See: [Submission](#))
- 383-06-100 (3)(a-f) – Defines ineligibility criteria
 - Remedy exists through other established administrative procedures, such as:
 - Personalized complaint affecting suggester only;
 - Proposing items in state stock be issued and used for their intended purpose;
 - Changing salary, position, classification, employee benefits, state holidays, leave benefits, retirement compensation, or any other compensation to an employee;
 - Enforcement of laws, policies, procedures, regulations, rules, etc.;
 - Common sense ideas;
 - Outside purview of state government.

Evaluation

Eligible proposals will be sent to relevant agencies for formal evaluation. Upon receipt of a suggestion, agencies are required to designate a subject matter expert(s) to evaluate the proposal, provide a recommendation (adopt, modified adopt, or non-adopt), and recommend an award if appropriate. Evaluators will consider whether the suggestion is practical, whether anticipated savings/revenue calculations are accurate, and whether there are other factors that the suggester didn't consider. Evaluations have a standard due date of 45 days from receipt.

Board Review

Each month, Productivity Board members will meet to make final determination on whether awards should be made, the nature, and the extent any awards or recognition given.

Awards

If implemented, state employees may be granted awards based the savings and revenue generated.

- For suggestions that result in net savings/revenue: cash awards will be 10% of the first year's net savings/revenue, with a maximum award of \$10,000 per suggestion.
- When a suggestion is submitted by more than one employee, any resulting award will be shared by the co-suggester(s) entered on the suggestion form.
- For suggestions that do not result in net savings/revenue, or otherwise result in cost-avoidance, intangible improvements, etc., employees shall receive internal recognition (see: [Recognition Award](#)).
- Awards are paid for by the agency and fund benefitting from the suggestion. This process is agency specific, questions regarding award payment should be directed to your agency's fiscal office.
- Awards are considered taxable income.

Award Tracking

When net savings/revenue are expected to be significant, it is recommended that a partial award be made, and the actual impact be tracked for one year from the implementation date. When net

savings/revenue are expected to be low, it is recommended that awards are withheld until one year of tracking is completed. In the interest of properly recognizing and rewarding employees for their contributions, it is ideal for agencies to disburse awards as soon as is practical.

Appeals

A single appeal may be filed for each suggestion, requesting further consideration for either an award decision or award amount. The appeal must contain new evidence or information to warrant reconsideration and must be received within 30 calendar days of board action.

PB staff will determine whether an appeal is accepted or rejected. Accepted appeals are sent to relevant agencies. The agency is then required to reconsider the determination and report its findings to the Productivity Board.

If a rejected suggestion is implemented within two years of board action, the proposer may file an additional appeal for award consideration within that same time frame.

Teamwork Incentive Program (TIP)

Submission

TIP applications may be submitted before or after project implementation to be considered for an award.

Applications sent before implementation must contain:

- An identification of the baseline against which savings shall be evaluated at the end of the project period.
- A general description of the team and its mission;
- Performance measures which quantify the workflow and outcome measures of the team;
- Fiscal information pertinent to outcomes;

- A list of participating personnel, with special notation of those working less than full time;
- A statement of how the team expects to achieve gains;
- Signatures of agency management authorizing the team's participation in the TIP project, including:
 - The head of the agency, or their designee. The agency head may choose to waive the requirement of having the following authorizing signatures:
 - The supervisor/manager of the participating team;
 - The appropriate fiscal/budget officer of the agency; and
 - Other signatures specified by the agency, such as the personnel manager and division directors.

Applications sent after implementation must be submitted within one year of full implementation of the team's project. They must contain:

- An identification of the baseline, against which savings were evaluated at the end of the project period. Teams shall demonstrate that the team operated at a lower cost or with an increase in revenue with no decrease in the level of services rendered.
- A general description of the team, its mission, and when the project was implemented;
- Performance measures which quantify the workflow and outcome measures of the team;
- The actual net savings and/or revenue derived from the team project and calculations showing how the figures were derived;
- Fiscal information pertinent to outcomes;
- A list of participating personnel, with special notation of those working less than full time;
- Signatures of agency management authorizing the team's participation in the TIP project, including:
 - The head of the agency or their designee. The agency head may choose to waive the requirement of having the following authorizing signatures referenced:
 - The supervisor/manager of the participating team;
 - The appropriate fiscal/budget officer of the agency;

- Other signatures specified by the agency, such as the personnel manager and division directors.

Eligibility

PB staff will review applications for completeness and accuracy and coordinate with the agency coordinator on any points that may need clarification. Staff will then make a recommendation to board members concerning the application, based on whether the application is reasonable and practical.

The board may approve or deny an application based upon whether the proposal is deemed reasonable, practical and includes program indicators which lend themselves to a judgment of success or failure.

The board shall make the final determination whether to approve TIP awards for teams that have already implemented their project improvements based on the information provided in the report(s).

Reporting

Each team accepted to participate in the program prior to implementation of their project shall submit a mid-point report to the board through the agency's TIP liaison.

Mid-Point Report

The mid-point report shall be submitted to the board in accordance with a schedule arranged by the program manager and shall contain, as a minimum, the following information:

- An update on team accomplishments relative to TIP performance measures;
- An update on personnel changes;
- An indication of quality of outcomes.

Final reports shall be submitted to the board within three months following the TIP completion date and shall include, as a minimum, the following information:

- Project period accomplishments relative to TIP performance measures as compared to baseline measures, expressed in both quantitative and qualitative terms, including the total net savings, the team award and the amount of a full award share;
- A list of personnel eligible to receive full award shares and a list of personnel eligible to receive partial award shares, based on the fraction of the project period each has worked for the team;
- A statement of quality of services written by agency management;
- Specific information requested by the program manager on behalf of the board;
- Documentation which quantifies performance measures, fiscal measures, and outcome measures. Acceptable documentation may include, but is not limited to:
 - Fiscal documents, such as budgets and accounting reports;
 - Agency management reports quantifying outcomes;
 - Reports from other state agencies or federal agencies;
 - Reports made to other agencies or governmental units;
 - Personnel reports quantifying overtime hours; and
 - Other reports relevant to TIP performance outcomes and operational costs.

Board Review

After the completion of a TIP project, Productivity Board members will make a final determination in approving team participation and final approval of any amount awarded to an eligible team. If the board determines in its judgment that a team qualifies for an award, the board shall authorize payment of the award to the team as negotiated between the team and agency management.

Awards

- Cash awards are based upon a percentage of net savings/revenue realized during the TIP project, up to 25% with a maximum of \$10,000 per team member.
- The project team and agency management will agree on the award percentage before submitting the application to the Productivity

Board. The award distribution among team members must also be agreed upon before submitting the application to the Productivity Board.

- Awards will be based upon the savings and revenue realized during the project period, up to one year from full implementation.
- Awards are paid for by the agency and fund benefitting from the suggestion. This process is agency specific, questions regarding award payment should be directed to your agency's fiscal office.
- Awards made through the TIP are considered taxable income.

Agency Coordinator

Agency Coordinators' role is two-fold:

- Promote the Productivity Board and its programs to all levels of their agency. This can be done through newsletters, during all staff meetings, putting up posters, etc. Promoting the Productivity Board to executives and supervisory staff can be especially effective. Productivity Board will supply marketing materials. Information about the Productivity Board should also be included in new employee orientation materials.
- Facilitate communication and reporting throughout the ESP and TIP processes. Coordinators will be the central point of contact between agency leadership, evaluators, suggesters, and PB staff. For suggestions made through the ESP, coordinators will notify suggesters of evaluation results. For projects in the TIP, coordinators will assist project teams in acquiring necessary signatures and approval to have their project considered.

Agency Evaluator

Evaluators are subject matter experts assigned by their agency to assess whether a suggestion is practical, deliver recommendations for

agency action, and recommend awards when applicable. Evaluations must be supported with sound reasoning, including a cost-benefit analysis for suggestions that will result in tangible savings or revenue.

The process by which evaluators are assigned is decided by each individual agency. Agencies may assign as many evaluators as necessary to properly evaluate suggestions. The evaluation process will differ depending on the specific agency, proposal, etc.

There are three possible recommendations:

- **Adopt** – The proposal is feasible and will create the outcome anticipated in the proposal - cost savings, increased revenue, or other intangible benefits like improved employee morale.
- **Modified Adopt** – The proposal has merit, however a portion of it may not be feasible, or the savings/revenue may be less than anticipated.
- **Non-Adopt** – The proposal as presented is not practical, would result in a net loss, or was disqualified for non-compliance with the rules of the program.

The standard due date to return evaluations is 45 days from the date of agency receipt, though exceptions may be granted if special circumstances exist that will prohibit completion within that timeframe.

For **Adopt** or **Modified Adopt** recommendations:

- Document tangible savings, revenue generation, cost avoidance, or intangible benefits;
- Recommend an award based on the Payment Award Scale, which is the following:
 - Monetary awards shall be given for all proposals that have actual net savings/revenue-generation;
 - Monetary awards for the ESP shall be based on 10% of actual first year net savings and/or revenue generated for the State, up to \$10,000.

For **NON-ADOPT** recommendations:

- Documentation supporting a non-adopt recommendation should be provided, if documentation exists;
- Pertinent dates, times, and other data will help to substantiate a non-adopt decision;
- Ineligible or unquantifiable proposals may still receive recognition. Recognition for these types of suggestions can be monetary and/or non-monetary in nature, as permitted by RCW 41.60.150, and shall not exceed \$200. The agency determines the appropriate type of recognition;
- When actual net savings/revenue are expected to be significant, it is recommended that a partial award be made and the actual savings be tracked for one year;
- Implementation costs for capital expenditures must be amortized over the life of the equipment. Other implementation costs may be amortized over years when savings/revenue will continue and are significant.

The Productivity Board encourages evaluators to approach proposals with a ‘What is possible?’ mentality. Though an idea may not work as originally proposed, the evaluation process can be used to refine good ideas and turn them into productive realities.

Evaluators may break the process down into the following steps:

1. **Clarify** the proposal with the suggester, if needed;
2. **Analyze** the facts as they relate to the suggestion;
3. **Recommend** the action the agency should take;
4. **Prepare** a formal recommendation, forms are available on the Productivity Board website;
5. **Develop** an implementation plan for adopted suggestions.

Productivity Board Members

Per WAC 383-06-030 and WAC 383-07-030, the responsibilities of the board shall include:

- Promotion, marketing, and reporting of the program to agency heads and the legislature
- Establishment of policies under which the program shall be promoted and administered, including criteria for suggestion acceptability for evaluation and granting of awards, responsibilities of agency management, program liaisons, and agency employees
- Adoption of rules and regulations necessary for the administration of the act
- Final determination in approving team participation (TIP only)
- Final determination of awards/award amounts
- Meeting upon the call of the chairman or a majority of the board at least four times per year.

Productivity Board Members will meet to make decisions regarding ESP awards and award amounts, TIP projects, and other matters relating to the Productivity Board. These meetings will be open public meetings, in accordance with RCW 42.30, and should last about an hour. Board members agree to make every effort to attend regularly, except when an emergency arises.

Productivity Board Staff

PB staff will support agencies regarding program promotion and participation through training, technical assistance, etc. Staff will also support board members by facilitating meetings, taking minutes, following up on unresolved questions, etc. They will provide context for specific issues, histories of past actions, guidelines, and recommendations, and perform research.

PB staff will maintain a records system for suggestions received to track participation rates and results of involved agencies.

Recognition Awards

The statute that established the Productivity Board program also allows agencies to provide Recognition Awards.

Recognition Awards may be up to \$200 in value per award. While the award may be cash, agencies may consider awarding items or combinations of items such as pen and desk sets, plaques, pins, trophies, framed certificates, etc.

Recognition awards shall be given to employees whose adopted suggestions result in intangible improvements (e.g., morale) or when savings/revenue cannot otherwise be identified.

Recognition Awards can be given independently of participation in Productivity Board programs for things like outstanding achievements, safety improvements, tenure, “Employee of the Month” winners, etc.

Additional Information

Multiagency and Statewide Suggestions

Suggestions may concern operations at the intersection of multiple agencies. In this case, each affected agency will be required to complete an evaluation. PB staff will notify agencies if a suggestion they receive concerns other agencies so that evaluators may work together in their evaluation process.

Suggestions may also have a statewide impact. In this case, PB staff will select one small sized agency (1-100 employees), one medium agency (101-999 employees), and one large agency (1,000+ employees) to

evaluate. By default, the agency of the suggester will be one of the three selected. Agencies will be selected based on their relevance to the suggestion, when possible.

Recognizing Award Winners

Recognition is an important part of showing employees that their contributions are valued; it is also useful for promoting the ESP/TIP. There are several ways to recognize employees who receive awards:

- Congratulatory letters, signed by agency leadership
- Presentation of ceremonial award checks or certificates of commendation by the Agency Coordinator, Agency Head, or Agency Evaluator at meetings
- Receptions or ceremonies recognizing awardees
- Agency newsletters and/or other internal agency communications.
- Public media coverage and agency communications coordinated with Productivity Board staff

Events

The Productivity Board holds an Innovations in State Government Awards ceremony in February and participates in Public Service Recognition Week events held the first full week of May. Board members shall attend and participate in events whenever possible.

Placing a Suggestion On Hold

A proposal can be placed on hold when additional information is needed. Holds can be requested by communicating with Productivity Board staff. These requests can be made by the suggester, Agency Coordinator, evaluator(s), or agency management.

Resources

- **Productivity Board Statute:**
RCW 41.60
<https://app.leg.wa.gov/RCW/default.aspx?cite=41.60>
- **Employee Suggestion Program Guidelines:**
WAC 383-06 (ESP)
<https://app.leg.wa.gov/wac/default.aspx?cite=383-06>
- **Teamwork Incentive Program Guidelines:**
WAC 383-07 (TIP)
<https://app.leg.wa.gov/WAC/default.aspx?cite=383-07>
- **Productivity Board Webpage:**
www.sos.wa.gov/productivity-board
- **Employee Suggestion Program submission form:**
<https://www.sos.wa.gov/statewide-programs/washington-state-productivity-board/washington-state-employee-suggestion-program/employee-suggestion-program-application>
- **Teamwork Incentive Program submission form (Before):**
<https://www.sos.wa.gov/statewide-programs/washington-state-productivity-board/washington-state-teamwork-incentive-program/teamwork-incentive-program-project-application>
- **Teamwork Incentive Program submission form (After):**
<https://www.sos.wa.gov/statewide-programs/washington-state-productivity-board/washington-state-teamwork-incentive-program/teamwork-incentive-program-after-project-application>

