



CASE STUDY

“Ideas Are Free”:

Allowing Employee-Owners to Impact the Bottom Line at Web Industries

Building a Participatory Ownership Culture

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Summary

This case study examines how employee-owned Web Industries uses its “Ideas Are Free” program to embed employee voice and innovation in everyday work. Through visible idea boards, peer review, rapid low-cost experimentation, and brief weekly meetings, frontline employees turn their observations into practical improvements. The case shows how employee-led innovation can encourage constructive ideas for process improvements while strengthening employees’ sense of ownership and participation.

Company Name

Web Industries

Industry

Manufacturing (precision converting and material processing—aerospace, medical, and consumer sectors)

Size

Approximately 800 employee-owners

Location

Headquartered in Marlborough, Massachusetts, with multiple U.S. facilities including Fort Wayne, Indiana

Ownership Model

100% employee-owned through an ESOP (over 40 years of employee ownership)

Initial Challenge

Web Industries, a 100% employee-owned manufacturing company, had long recognized that its most powerful ideas for improvement came from the front line — the people “closest to the work.” Yet leadership also knew that turning that insight into daily practice required more than stated “open-door policies” or the often used “suggestion box”.

Continuous-improvement systems that rely on top-down initiatives or require formal justification and managerial approval can unintentionally discourage participation. Web’s leaders wanted to create an environment where every employee-owner felt authorized to notice problems, propose fixes, and test solutions — independently and immediately.

The challenge was to make innovation simple, fast, and visible: to strip away bureaucracy while still aligning the process with company strategy and an ownership culture. For Web, the goal was not just efficiency gains, but a shift in where participation was taking place — distributing authority over improvement decisions to the same people whose labor impacts company performance on a day-to-day basis. At the time, they were 20 years into their ESOP Journey. They had an ESOP, they shared financial information, but they wanted ownership to become imbedded in day-to-day work.

Web’s “Ideas Are Free” initiative was first started in the early 2000s when leadership learned about Alan Robinson’s book by the same name which emphasized the power of ideas from the frontline workforce. They began reading the book together in small book clubs, one chapter per week. Then, they invited the author of the book to work directly with leadership to implement a pilot program.

“Ideas Are Free” helped make ownership tangible. Employee-owners experience ownership every week when they work with teammates to improve the business and then see those improvements put into practice.

**– Manuel Lopez,
Quality Manager**

Web now runs this initiative across all its facilities and has implemented over 650 ideas in just the first half of 2026. Importantly, Web does not judge ideas on a financial perspective alone as this can distract people from implementing ideas related to customer service, job quality, and safety. For Web, no single idea changes business, it is the hundreds of employee-implemented ideas, year after year, that do. For this reason, implemented ideas are the key metric by which the initiative is measured.

Purpose

The “Ideas Are Free” initiative was designed to make ownership actionable by connecting everyday problem-solving with company success. Specific objectives included:

Empowering employee-owners to suggest, test, and implement low-cost improvements without waiting for approval.

Embedding participation into the daily rhythm of work through structured time and visible systems.

Demonstrating that every employee-owner at the company — not just engineers or managers — can influence key performance outcomes including customer service, job quality, safety, and the company’s bottom line.

Strengthening performance outcomes by linking voice, autonomy, and accountability directly to daily work practices and company performance.

Making employee ownership into something that people experience every day, not something they think about once a year when receiving their ESOP statement.

Our goal was never to create a suggestion program. Our goal was to create a culture where employee-owners identify problems, develop solutions, and implement improvements themselves.

*— Michael Quarrey, VP of
Corporate Development*

How It Works

Ideas Board: Across company departments, workers are encouraged to submit ideas at any point in time to the “Ideas Board.” This can be done at physical locations where whiteboards are placed, or sticky notes are used. Or it can be done digitally.

Reviewed by Fellow Employee Owners: Once an idea is placed on the board it is then reviewed by other employee-owners on a weekly basis.

Importantly, management is not involved in this process. The structure is intentionally designed this way to eliminate layers of review which can slow implementation which can in turn discourage participation.

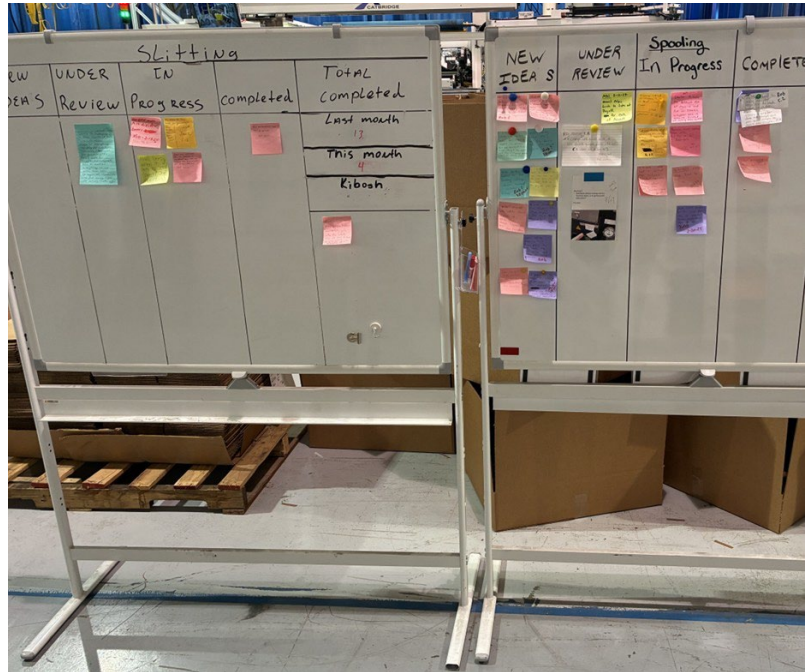
Cost Criteria: Once the team decides to move forward with an idea, if the cost of implementation is under \$200, employee-owners in the relevant departments can begin to test the idea.

If the idea is above the dollar threshold, further approval from management may be required.

Test: Ideas are then tested. If they are successful, they are then implemented across relevant departments or work teams, and additional dollars are provided if required.

Weekly Status Meeting: Department teams hold short 15-minute meetings on a weekly basis to discuss the current status of ideas on the idea board.

The “Ideas Board” groups ideas into three distinct categories: 1) Proposed ideas; 2) Tested ideas; and 3) Implemented ideas.



Ideas Board at Web Industries

Three Success Stories

Reusing Materials – Financial Impact

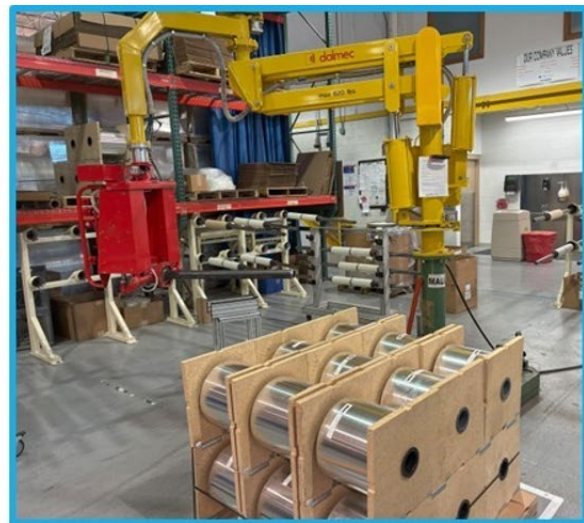
An employee-owner at Web Industries noticed the company was spending about \$7 each on cardboard cores used to wind scrap material. The same employee also noticed that the facility was throwing away cardboard cores from another shrink-wrap process. They had the idea to reuse the cores in other processes and suggested it. The team discussed the opportunity, developed a process for collecting and reusing the shrink-wrap cores, and implemented the change. The result was approximately \$15,000 in annual savings.

Updating Packing Methods – Job Quality and Safety

Employee-owners suggested updating the packing method for materials which, at the time, was a mostly manual effort that included employee owners picking up material one by one to prepare it for shipment. The idea included retrofitting existing equipment to be able to lift three units of material at a time. The idea had multiple benefits including reducing physical strain on operators, increasing safety, increased productivity, and reduced scrap from product being dropped due to excess weight.

Mobile Tool Cart – Job Quality and Productivity

A machine operator at Web Industries suggested adding a mobile tool cart that could move along the length of the machine during shaft changes. Without it, operators had to keep stopping setup work to retrieve or turn back for tools. This particular employee owner had not suggested an idea before and, after encouragement from fellow employee owners they wrote the idea on the Idea Board. A few days later the team met and agreed to move forward and within two weeks the cart was built by maintenance. The idea improved day-to-day work quality but also decreased the amount of time dedicated to shift changes. Moreover, seeing the idea implemented quickly gave the employee owner the confidence that their voice was heard and encouraged them to continue to suggest ideas.



New packing method

Key Elements of Web's “Ideas Are Free” Program

Web Industries established a simple, low-barrier system for continuous improvement.

Encouraging Autonomy and Responsiveness

Each department holds short, regular meetings — often just 15 minutes weekly — where employee-owners share new ideas or progress updates on ideas being implemented.

Ideas can be submitted informally, even anonymously, through whiteboards or digital tools. These ideas are then reviewed on a weekly basis and recognized.

The company **removed approval bottlenecks**: employees can move forward with trials immediately if the proposed change is safe, low-cost, and received approval from a committee of fellow employee owners. Teams can spend up to \$200 per idea without management approval.

Managers serve as facilitators of the overall program rather than gatekeepers, helping teams track progress and troubleshoot obstacles associated with implementation.



TIP

Success depended on redefining the manager's role from approver to enabler within this initiative. Relatedly, the system is set up to provide feedback quickly, so employee owners who submit ideas do not feel ignored or unheard.

Small Ideas with Big Impact

The program's name — *Ideas Are Free* — reflects both its philosophy and its origin, inspired by the book *Ideas Are Free*.

Web Industries adapted a framework where employees could propose and **implement their insights without waiting for long periods** of time and losing momentum or interest.

Improvements did not have to be “big” in terms of money required, or changes they recommended. Instead, **small improvements were accepted** and encouraged.

Many implemented ideas involved creative use of existing materials, small workflow changes, or **process tweaks**—from eliminating waste to decreasing ergonomic strain.

The goal of the program is “**ideas implemented;**” not ideas suggested, nor the dollar value of each idea. What is important is that employee owners identify problems, solve them together, and implement improvements themselves.



TIP

Simplicity lowers barriers to participation. A process that encourages ideas, no matter how small, makes it more likely that employee-owners will contribute.

Making Progress Visible

Ideas are tracked publicly in each department using visual management tools such as boards, sticky notes, or magnets.

The transparency builds momentum — everyone can see ideas moving from “proposed” to “tested” to “implemented.”

Employees are recognized for participation, not only for “implemented” ideas but for any contribution.

The intent is to **normalize idea sharing** as part of ownership, not as an occasional contest that has winners and losers.



TIP

Visibility sustains engagement: Making every idea visible ensures that even small contributions are recognized regardless of whether they are implemented.

Linking Ideas to Business Outcomes

Web leaders made clear that employee innovation isn’t just about morale — it’s about measurable results.

Each implemented idea, no matter how small, **ties back to metrics such as safety, quality, service levels, or cost.**

This framing **connects the dots between individual participation and collective performance**, reminding employees that their improvements can both directly affect their day-to-day work *and* the company’s success.

Additionally, through profit sharing and their ESOP accounts, **workers are able to improve their own financial outcomes and benefit** from ideas that impact the bottom line.

How to Address Barriers

- **Cultural Mindset:** Early on, some employees hesitated to share ideas, unsure if management would truly support independent action. Web Industries overcame this through consistent follow-up — every idea received acknowledgment, even if not implemented.
- **Managerial Habits:** Supervisors accustomed to approval hierarchies needed to relearn facilitation. The Ideas Are Free initiative requires managers to emphasize trust, psychological safety, and responsiveness.
- **Sustaining Momentum:** After initial enthusiasm, maintaining idea flow required formal rhythm and recognition. By embedding the process in weekly meetings and shift huddles, it became self-sustaining.

Impacts

The “Ideas Are Free” initiative has yielded both cultural and operational results.

- **Operational Gains:** Reduced scrap, lower physical strain on operators, and improved process efficiency across departments.
- **Financial Results:** Measurable improvement in Net Operating Income (NOI) attributed to employee-driven innovations.
- **Cultural Shift:** Increased participation, teamwork, and ownership identity. Employees report greater pride and connection to company performance.
- **Governance Evolution:** Decision-making about operations has become more distributed, reflecting the participatory nature that allows employee ownership to thrive and make an impact.

Key Takeaways

- **Ownership thrives when employees are empowered to participate in improving company operations, not just given a financial stake.** Web's approach shows that empowerment is most effective when employees can act immediately, and in concrete ways on their own ideas.
- **Small, low-cost experiments compound into big impact.** The program's simplicity is its strength — big results come from consistent, incremental changes that can be implemented with little bureaucratic friction and layers of approval.
- **Governance isn't just about boards and committees.** Though governance is often associated with the board of directors, participatory governance happens when employees experience decision-making power in their day-to-day work.
- **Visibility and rhythm build culture.** Publicly tracking ideas reinforces transparency, accountability, and shared purpose — which together act as strong building blocks for an ownership culture.
- **Managers must model trust in frontline workers.** Empowerment fails without leaders willing to support bottom-up problem-solving.

At the heart of these practices is a simple principle: ownership should give employees not only a financial stake, but also the agency to act like owners in their everyday work. As Vice President of Corporate Development Michael Quarrey explains: “If you own a small business, you don't wait for permission to improve it. You make changes when you see opportunities. We want employee ownership at Web to feel the same way.”



TIP

Start small. A single department can pilot an “ideas are free” model before scaling. What matters most is consistency and genuine follow-through.

References

The following resources provide additional insight into participatory management and employee-driven innovation models similar to Web's approach.

- [Web Industries](#) presentation at the [Ohio Employee Ownership Center's](#) 2024 Annual Conference, *Sharing Ideas Is Free: Allowing Employee Owners to Impact the Bottom Line* (2024)
- Robinson, Alan G., and Dean M. Schroeder. *Ideas Are Free: How the Idea Revolution Is Liberating People and Transforming Organizations*. Berrett-Koehler Publishers, 2004.
- Rosen, Corey. [Beyond Engagement: How to Make Your Company an Idea Factory](#). National Center for Employee Ownership ([NCEO](#)), 2023.

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