Innovative Workplaces

Enhancing Skills Utilisation through Workplace Innovation

A CASE STUDY FOR THE OECD

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1. INTRODUCTION

This case study describes a pilot programme designed to enhance employee skills utilisation in workplaces. The programme focuses on workplace innovation, in short the adoption of participative and empowering organisational and managerial practices which engage the talent and potential of employees at all levels more effectively than traditional approaches.

Innovative Workplaces was created in a country and a region with little previous history of public policy support for workplace innovation; it will be of especial interest to other OECD member states in which there has been a comparable absence of intervention, not least because the programme produced a substantial return on investment including well-documented benefits for the participating organisations, their employees and the wider economy. *Innovative Workplaces* also demonstrates the potential for effective policy innovation based on collaboration between different bodies, in this case an NGO, a national public body and a regional development agency:

UK WON (the UK's Work and Organisation Network) is a not-for-profit body established in 1997 to disseminate and develop innovative workplace practices, and to stimulate new thinking about the future of work and organisations[1].

Acas is a UK government body with a tripartite structure, charged with promoting and facilitating strong employment relations. While much of its work is concerned with dispute resolution, it had become increasingly proactive in its approach to disseminating good practice through the provision of training courses and through instruments such as the Acas Model Workplace[2].

EMDA was the regional development agency for the East Midlands of England, and was established in 1998. It was abolished in 2012.

The author is indebted to the independent evaluation team at **Nottingham Trent University** whose report (Harris et al, 2011) provided an invaluable source of information for this case study.

2. THE PROGRAMME'S RATIONALE AND BACKGROUND

As both the architect and delivery partner in the *Innovative Workplaces* programme UK WON was heavily influenced by its own experience of intervention in national policy debates relating to productivity, competitiveness and quality of working life during the previous decade. For much of this period the importance of workplace innovation was unrecognised in national or regional policy spheres. Latterly, skills utilisation and its relationship to productivity came increasingly to the forefront of policy discussion, leading to new insights into the importance of high involvement working practices.

Skills utilisation and productivity in the UK

The problem of workforce skills in the UK is multi-faceted, well documented and has a long history. According to the UK Commission for Skills and Employment (UKCES, 2009):

"Our stock of skills and their optimal deployment fare relatively poorly when compared internationally according to skills utilisation measures such as labour productivity and levels of qualifications among

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different workforce groups. Access to opportunities for skills acquisition is uneven as are their impacts."

The 'British disease' of poor productivity and an economy based on a 'low skill equilibrium' has achieved cyclical but transitory public policy prominence stretching back over several decades, though seemingly without reaching lasting solutions. Thus during the early years of the current century the focus of skills policy in the UK began to reach beyond its primary concern with improving skills *supply* to the question of employer *demand* for skills. UKCES argued in 2009 that "there has been a shift in focus to considering how we can ensure that skills are effectively *used* as well as developed in the workplace".

Supply-side skills interventions can certainly boost competitiveness and also have an important influence on individual labour market outcomes; however in isolation they have not been sufficient to close the productivity gap with competitor nations (Wright & Sissons, 2012). Research findings (UKCES, 2009; LLAKES, 2012) pointed to:

- a widening gap in the labour market between the number of workers with qualifications at various levels and the number of jobs that require those qualifications;
- 35 – 45% of workers with qualifications that are not fully utilised in their current jobs (Wright & Sissons, 2012) but which would be of economic value if they could be put to better use in more demanding roles;
- the tendency for UK employers to require lower educational qualifications for otherwise similar jobs than their counterparts in many other developed countries;
- the slow pace at which UK employers have adopted high involvement working practices despite long-established evidence that such practices are associated with enhanced levels of productivity and performance.

The latter point is of particular relevance to this study as well as providing a partial explanation for the 'British disease'. Even though evidence about the effectiveness of employee empowerment has been around for a long time (Totterdill, 2015), successive surveys show that the vast majority of UK companies do not make systematic use of empowering workplace practices. One UK survey estimated that less than 10% of employees work in self-managing teams, a basic building block of good work organisation (LLAKES, 2012). Less than 30% have a say in how their work is organised. The UK compares unfavourably with several other Northern European countries against many such indicators of employee involvement and participation.

The term 'workplace innovation' is used increasingly widely to describe the introduction of high involvement working practices that empowers employees to release their talent to the fullest possible degree. Workplace innovation now occupies an important place in EU innovation and competitiveness policy, responsible for establishing the European Commission's Workplace Innovation Network[3] (EUWIN) jointly led by TNO and UK WON.

Defining workplace innovation

The fundamental premise underlying workplace innovation is that traditional ways of organising and managing work limit the ability of employees at all levels to use and develop their full range of skills, knowledge, experience and creativity, both in performing their functional tasks and in contributing to

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[3] http://ec.europa.eu/growth/industry/innovation/policy/workplace/index_en.htm

improvement and innovation, thereby weakening productivity, competitiveness and quality of working life. Workplace innovation seeks to broaden job roles and employee discretion at both individual and team levels, transcend vertical and horizontal demarcations, enable employee-led improvement and innovation, and engage the tacit knowledge of frontline workers as a resource for all levels of decision making. It therefore embraces the concern with skills utilisation and development in the workplace.

These workplace practices enhance the ability of employers to secure a full return on their investments in training and technology as a result of improvements in performance, innovation and quality of working life. Moreover, as a recent CEDEFOP (2015) study shows, increasing the complexity of jobs leads to enhanced opportunities for workplace learning and development.

"Workplace innovation" emerged during the early years of the century as a unifying concept which brought together work organisation, human resource management and other antecedents. Frank Pot (2011) describes workplace innovation in terms of "new and combined interventions in work organisation, human resource management and supportive technologies" which are strategically informed and highly participative in nature.

Successful workplace innovation depends not on following a linear process of change towards a defined end but on the ability to create innovative and self-sustaining processes of development by learning from diverse sources, by creating hybrid models and by experimentation. Workplace innovation is an inherently social process. Expert knowledge can play an important role in resourcing innovation but the simple application of codified knowledge by experts to the organisation of work is unlikely to be effective. Rather workplace innovation is about building skills and competence through creative collaboration.

Thus in defining workplace innovation it is important to recognise both process and outcomes. The term describes the participatory *process* of innovation which leads to *outcomes* in the form of participatory workplace practices. Such participatory practices grounded in continuing reflection, learning and improvement sustain the process of innovation in management, work organisation and the deployment of technologies.

Workplace innovation is fuelled by open dialogue, knowledge sharing, experimentation and learning in which diverse stakeholders including employees, trade unions, managers and customers are given a voice in the creation of new models of collaboration and new social relationships. It seeks to build bridges between the strategic knowledge of the leadership, the professional and tacit knowledge of frontline employees, and the organisational design knowledge of experts. It seeks to engage all stakeholders in dialogue in which the force of the better argument prevails (Pot, Totterdill & Dhondt, 2016; Gustavsen, 1992).

According to the Hi-Res study, a meta-analysis of 120 case studies across ten European countries, workplace innovation takes diverse forms but is always characterised by:

". . . a clear focus on those factors in the work environment which determine the extent to which employees can develop and use their competencies and creative potential to the fullest extent, thereby enhancing the company's capacity for innovation and competitiveness while enhancing quality of working life." (Totterdill, Dhondt and Milsome, 2002).

Such factors in the work environment include empowering job design, self-organised teamworking, structured opportunities for reflection, learning and improvement, high involvement innovation

practices, the encouragement of entrepreneurial behaviour at all levels of the organisation, and employee representation in strategic decision-making. Research also highlights the importance of internal consistency in such policies and practices (Huselid, Jackson and Schuler, 1997). As Teague (2005) suggests: "Organisations with mutually reinforcing employment practices achieve superior performance as their collective impact is greater than the sum of individual measures." Such insights led to the creation of *The Fifth Element*[4] as a means of providing practical and actionable insights into the vast body of research evidence relating to workplace innovation in order to enhance productivity, performance and employee health and well-being (Totterdill, 2015).

Why does workplace innovation matter?

Extensive survey and case study evidence demonstrates that workplace innovation improves performance and innovation. A review of some sixty US articles shows that it has a substantial effect on efficiency, with performance premiums ranging between 15 and 30 percent (Appelbaum, Bailey, Berg & Kalleberg, 2000). Reviews of European literature also demonstrate a positive relationship between participative forms of work organisation and performance (Brödner & Latniak, 2002).

One of the most iconic studies, the Employee Participation and Organisational Change (EPOC) survey of 6000 workplaces in Europe, confirms that direct employee participation has strong positive impacts on productivity, innovation and quality. Of firms which implemented semi-autonomous groups, 68 per cent enjoyed reductions in costs, 87 per cent reported reduced throughput times, 98 per cent improved products and services, and 85 per cent increased sales (European Foundation for the Improvement of Living and Working Conditions, 1997). Extensive Swedish surveys found that "decentralising work organisation and human resource development are positively associated with productivity and growth" (ITPS, 2001). There is a very clear link between flexible, participative forms of work organisation and performance: these organisations were more productive (+20-60%), showed a much lower rate of personnel turnover (-21%), and a lower rate of absence due to illness (-24%) compared with traditionally organised operational units (NUTEK, 1996). Comparable findings can be found in studies from Finland (Antila & Ylöstalo, 1999) and Germany (Lay et al, 1996).

The benefits of workplace innovation for employees are also demonstrated by a substantial body of research (Delery and Doty, 1996). Participative work practices such as self-organised teamwork enhance employee motivation and quality of working life, playing a particularly important role in reducing employee stress (Shortell, Zimmerman, Rousseau, Gillies, Wagner & Draper, 1994), enhancing job satisfaction and mental health, and improving retention (Borrill, Carlette, Carter, Dawson, Garrod, Rees, Richards, Shapiro & West, 2001). Critically Ramstad (2009a) shows that improvements in quality of working life have a strong association with improvements in economic performance, and indeed may actually enable them.

Bringing the evidence up to date, the 2013 European Company Survey[5] of 30,000 establishments demonstrates a clear relationship between employee involvement and participation on the one hand and better business outcomes and workforce health on the other.

It is this potential for convergence (rather than a trade-off) between improved performance and enhanced quality of working life that lies at the heart of workplace innovation (Ramstad, 2009a; Pot, Totterdill & Dhondt, 2016). It can be argued (Totterdill, Cressey and Exton, 2012) that the search for

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[4] http://uk.ukwon.eu/the-fifth-element-new
[5] 2013 European Company Survey

convergence can form part of "a new collective bargaining" in which employees gain trust, empowerment and intrinsic reward in return for making their tacit knowledge and creativity available as a resource for organisational improvement and innovation.

If workplace innovation produces tangible economic and employee benefits at enterprise level it is also likely to have wider impacts on the labour market and economy. Skills demand is enhanced because employers need individual workers to embrace wider technical functions and, critically, to enhance generic skills including problem solving, communication and team working. Product and service quality are enhanced while the rate of innovation grows, thereby breaking out of the low skills equilibrium trap.

The problem

At enterprise level the limited spread of workplace innovation practices can be understood in terms of several interwoven factors (Totterdill, Dhondt & Milsome, 2002; Business Decisions Limited, 2002) including:

- an excessive tendency to see innovation purely in terms of technology;
- low levels of awareness of innovative practice and its benefits amongst managers, social partners and business support organisations;
- poor access to robust methods and resources capable of supporting organisational learning and innovation;
- barriers to the market for knowledge-based business services and the absence of publicly provided forms of support;
- the failure of vocational education and training to provide knowledge and skills relevant to new forms of work organisation.

Resistance to high involvement work practices can also be explained in terms of the embedded structures that shape management behaviour. Power can be seen as a zero-sum game: to empower workers, managers may wrongly perceive that they have to lose it (Hardy and Leiba-O'Sullivan, 1998) potentially challenging their self-identity and status within the organisation (Alvesson and Willmott, 2002; Collinson, 2003; Thomas and Linstead, 2002).

Beyond the enterprise, there are few institutional spaces which enable sustained dialogue and interaction between employers' organisations, trade unions, policymakers and researchers compared with those countries that have adopted a more systemic approach to the stimulation and resourcing of workplace innovation.

Ewart Keep (2015) argues that: "the UK turned its back on traditional policy concerns about workplace relations a long time ago . . . the underlying assumption was that competitive pressures and managerial wisdom would lead to organisations using workers productively". UK governments have relied on a market-driven approach to workplace innovation and instigated no policies or programmes to close the gap in productivity caused by the very long tail of companies who fail to respond to evidence. This stands in stark contrast with France, Germany and some Nordic countries where national and regional workplace development programmes have existed in for some decades:

	Market Driven	**State Driven**	**Systemic**
Focus	Enterprise	Enterprise	Industry / National economy
Driver	Business performance	National productivity	National prosperity
Model	Voluntarism Learning transfer	National strategy Workplace projects	National strategy
Enablers	Leadership and management Employee engagement	Employer & employee buy-in based on high trust	Stakeholder engagement based on social partnership
Comment	Weak inter-company learning mechanisms amongst UK companies leading to slow uptake	Strong evidence of impact from other European countries but contrary to market-led ideology in UK	Based on long-term strategic partnerships between government and other stakeholders; such relationships weak in the UK.

TABLE 1: Approaches to disseminating workplace innovation   *Adapted from Wright & Sissons, 2012*

Evidence from several countries in Europe points to the benefits of a systemic, multi-actor approach based on close collaboration and shared understanding between employers' organisations, trade unions, business support organisations, chambers of commerce and universities (Totterdill, Exton, Gold and Gkiontsi, 2015). Countries such as Finland, France and Germany, for example, typically combine measures to animate workplace innovation which:

- accumulate, analyse and distribute knowledge of leading-edge practice and evidence-based approaches to change;
- establish closer links between researchers and practitioners;
- use action research to promote workplace innovation;
- develop new learning resources to support workplace change;
- provide knowledge-based business support;
- create inter-company learning networks.

Regional Development and the East Midlands

In England, nine Regional Development Agencies (RDAs) were established in 1998 in fulfilment of the new Labour Government's manifesto commitment. Their legal responsibilities were:

1. to further economic development and regeneration;
2. to promote business efficiency and competitiveness;
3. to promote employment;
4. to enhance the development and application of skills relevant to employment;
5. to contribute to sustainable development.

RDAs also assumed responsibility for administering EU regional development and social funds.

Although each RDA was managed by a Board comprising representatives of business, local government, trade unions and voluntary organisations, it was directly answerable to the Department of Business, Innovation and Skills in central government. Each RDA produced a three-year Regional Economic Strategy (RES) outlining its own priorities and intended to guide the work of partner organisations in the region as well. The RES was submitted for approval to the Department of Business, Innovation and Skills and was clearly expected to reflect national policy priorities.

The East Midlands Development Agency (EMDA) was responsible for a diverse region of circa 4.5 million people. UK WON established close links with EMDA from its creation, making the case for the

stimulation and resourcing of new forms of work organisation as a means of achieving its strategic goals relating to competitiveness and skills. Initially this generated polite interest but no action, reinforcing UK WON's wider experience that policy makers feel uncomfortable in dealing with work organisation because it involves challenging management prerogative, can be hard to understand and does not produce easily quantifiable results (Sisson, 2009). Moreover work organisation occupies an uncomfortable space between skills policy with its supply-side emphasis and competitiveness policy which has traditionally emphasised technological innovation and the internationalisation of markets rather than human factors.

Matters began to change when the focus national policy began to embrace skills utilisation as well as skills supply, and in 2008 EMDA's annual Corporate Plan contained the following commitment:

"Developing new ways of organising work and utilising more effective deployment of people in the workplace will be needed for businesses to remain globally competitive and ensure business survival. EMDA will focus activity on supporting organisations to stimulate learning amongst their employees and developing collaboration within and between organisations. This activity will seek to change organisational culture and develop strong, inspirational leaders, as well as building effective employee relations."

EMDA commissioned the University of Warwick to write a concept paper on the relationship between skills and productivity and its impact on regional economic performance (Gambin et al, 2009). Drawing on the RES appraisal of the East Midlands economy as one characterised by a low skills equilibrium, the report explained that it was "trapped in a vicious spiral of low value-added and low skills. Enterprises are staffed by low skilled staff producing low quality goods and services to which the training market responds rationally by providing training aimed at the demand for low skills." It went on to argue that supply side interventions are insufficient to break out of this spiral and concluded that "increasing the rate of productivity growth in the region will be dependent upon tackling management capability, innovation, and entrepreneurship simultaneously as a set of inter-dependent issues." However it stopped short of discussing work organisation or workplace innovation, and EMDA subsequently commissioned Professor Keith Sisson, another Warwick University researcher, to write a paper on work organisation and regional development (Sisson, 2009). Sisson's paper made a strong case for regional policy intervention to stimulate the adoption of participative and empowering working practices but stopped short of detailed recommendations.

In parallel, EMDA invited UK WON to share experiences of effective interventions to support workplace innovation, both in the UK and in Europe as a whole. UK WON had grown out of the former Work Institute at Nottingham Trent University. Before its closure in 2005, the Institute had made use of European Social Fund (ESF) and national funding on several occasions to experiment with 'collaborative innovation' – clusters of circa ten companies engaged in nine or twelve month programmes to support significant workplace change through a tailored combination of taught sessions, action learning, peer exchange and on-site mentoring. The approach was based on earlier experience gained in undertaking formative and summative evaluations of the Irish *New Work Organisation* programme (Totterdill & Sharpe, 1999). It also drew on UK WON's growing knowledge of policy interventions elsewhere in Europe, enhanced by a project funded by the South Korean Ministry of Labour which involved detailed case studies of policy interventions in several countries (Totterdill et al, 2009). This showed that cluster-based approaches to support for workplace innovation were increasingly common especially in Finland, France and Norway. Notably Elise

Ramstad, a member of the Finnish Workplace Development Programme, showed how a "triple helix" of policymakers, researchers and enterprises working collaboratively had simultaneously supported innovation at the individual workplace level and built shared capacity to support workplace innovation in the wider economy in Finland (Ramstad, 2009b). In Norway, Bjørn Gustavsen had pioneered collaborative approaches to workplace innovation as architect of the *Enterprise Development 2000* and *Value Creation 2010* programmes supported by national government (Totterdill et al, 2009).

Previous action research in the National Health Service led by UK WON's Rosemary Exton also provided the programme with insights into the potential role of "change entrepreneurs", people empowered to instigate dialogue, mobilise diverse actors and work between formal organisational structures, in securing effective and sustainable change. To be effective in this role, individuals need to be able to see themselves as entrepreneurial and to receive high-level support even when they challenge established practice (Exton, 2010).

During 2008, EMDA invited UK WON to collaborate with Acas in preparing a proposal for a regional pilot initiative based on its experience of collaborative innovation, UK WON worked closely with the Area Director of Acas in the East Midlands to prepare the proposal, provisionally entitled *Work Organisation for Skills Enhancement*, the final version of which was submitted towards the end of 2008.

EMDA subsequently agreed to support the pilot project financially. Funding would be managed by Acas because, by transferring money to another public body, lengthy procurement procedures would be avoided. Acas recognised from the outset that it lacked both the internal capacity and the wider expertise in workplace innovation to manage the project on its own. Its internal procurement rules obliged it to seek a delivery partner by means of competitive tender, a process which took place early in 2009 and was subsequently won by UK WON. In parallel, a second competitive tender was issued for an independent evaluator and was won by the Business School at Nottingham Trent University.

The programme, renamed *Innovative Workplaces*, began in June 2009 following a period of preparation which included the recruitment of ten participating organisations. The final interventions took place in September 2010. However in June 2010 the recently elected Conservative / Liberal Democrat Coalition government announced the abolition of the RDAs; this subsequently took place on 31 March 2012 with the consequence that the programme intended as a pilot became an isolated if exemplary case of support for workplace innovation in England.

3. DESCRIPTION OF THE *INNOVATIVE WORKPLACES* PROGRAMME

Objectives

The initial Acas proposal to EMDA described the programme as a national pilot project designed to achieve the following objectives:
- Facilitate long-term organisational change by focusing on the development of enhanced management and leadership skills to establish appropriate work organisation entailing a more committed workforce and therefore increased productivity.
- Capture, record and disseminate the lessons learnt and the outcomes achieved by participating companies.
- Link the learning of management and leadership skills to practical application in the workplace for mutual benefit, including through the career development of the key people involved.

- Provide a guide to effective organisational change for wider dissemination, based on robust evidence gathered from the people and organisations involved in the project.
- To provide an example to other Regional Development Agencies of how Acas, working in partnership with UK WON, can improve productivity and working lives in regional economies.

It was intended that the project should benefit a small cohort of business leaders, managers and supervisors across ten organisations, each of which would benefit from long-term organisational change. The project was justified as a means of breaking out of the low skills equilibrium by developing and unleashing the enterprise skills and competencies of those in work, enabling employees to use their initiative to innovate and create new business strategies and solutions whilst achieving maximum productivity.

UK WON's tender to Acas elaborated these objectives by emphasising the role of action-learning and peer support in encouraging and resourcing organisational change. Based on its previous experience, UK WON argued that the effectiveness of support for companies is considerably enhanced by group-based learning and knowledge exchange combined with peer-review of change proposals and implementation processes.

As an intended pilot, the programme aimed to capture, record, evaluate and disseminate the lessons learned and the outcomes achieved by participating companies. These achievements were to be "promoted to policy-makers, stakeholders, and organisations who wish to manage change effectively" while the "economic advantage of enhancing leadership and management skills and work organisation will be showcased." The programme's role as a pilot was seen in national as well as regional terms, providing lessons for RDAs in other regions and "the relevant Secretary of State" at national government level.

Activities

The final evaluation report (Harris et al, 2011) describes the following programme of activities:

1. ***Recruiting ten companies.*** In Spring 2009 the opportunity to participate in the programme without charge was widely advertised through EMDA, Acas and UK WON. A series of open access familiarisation sessions were held for organisations interested in learning more about the initiative. The written application process was kept light in order not to discourage applicants. However the subsequent interview process was intentionally robust to encourage self-assessment and reflection about the suitability of the programme by applicant organisations, while also enabling the assessors to form a judgement.

   Following the application process, a number of organisations from across the East Midlands region were invited to face-to-face discussions during May and June 2009 with Acas and UK WON team members. These discussions took place with a mix of managers and HR professionals from each organisation interested in participating. Organisations were asked to set out their overall objective in seeking to join the programme and why they felt it would benefit them. They were also asked to demonstrate their commitment to engaging and staying with the programme from start to finish - an especially important criteria in determining which organisations would be invited to join.

   The outcome of these discussions was that eleven organisations were recruited to participate. These represented considerable diversity in terms of their size, sector and geographical location

across the region. Two employees were nominated as "Gatekeepers" by each organisation to attend the programme and to act as the catalyst in developing and implementing workplace innovations with support from Acas and UK WON. The suggested criteria for selecting Gatekeepers was that one should represent senior management, lending the weight of their authority to the change initiative, while the other should be the leading "change entrepreneur", stimulating and steering the process on the ground. Above all Gatekeepers should be proactive individuals who would 'get things done'. One company decided to withdraw from the programme at the beginning of the initial short management and leadership course, leaving ten remaining participants.

2. ***Short Course and Action Planning***. An initial short course of three and half days delivered over three months was designed to enable participants to:
    a) learn about good practice;
    b) develop their leadership skills;
    c) evaluate their own organisations with reference to workplace innovation practices;
    d) formulate an action plan for change.

The short course had previously been developed by UK WON and piloted extensively with a wide cross section of organisations in the East Midlands, showing it to be effective in stimulating critical reflection and planning for change.

Gatekeepers were encouraged to maintain logs throughout the project, principally to aid reflection and as a record of achievement. Guidance on topics for inclusion in learning logs was provided.

UK WON involved New College Nottingham, a local further education provider, in delivering the course so that it could be accredited by the Institute of Leadership and Management (ILM). Participants were eligible to receive the ILM Level 3 Award in Leadership and Management on submission of their learning logs at the end of the course. Surprisingly even those managers with previous higher level qualifications opted to pay the additional registration fee required to receive the Award.

For those Gatekeepers already well qualified and experienced, the course was designed to help ground pre-existing knowledge in the task at hand; for those without such backgrounds the course provided sufficient actionable knowledge workplace innovation to inform effective change. Likewise the course was designed to orientate Gatekeepers to the core programme values and objectives. Of equal importance, the interactive nature of the course built relationships between Gatekeepers from the different organisations, creating the openness and trust required for the subsequent action learning sets.

A summary of the course is presented in the following table:

Workshop	Content	Date	Time
1.	**Employment** *Creating a flexible and healthy working environment*	24th June 2009	10:00 am – 4:00 pm
2.	**Skills** *Generating ideas through creativity and innovation*	30th June 2009	10:00 am – 4:00 pm
3.	**A People Centred Approach** *Involving employees through teamwork and partnership*	14th July 2009	10:00 am – 4:00 pm
4.	**Action Plan** *Presentations and peer review*	23rd Sept 2009	10:00 am – 1:00 pm

TABLE 2: Course structure.   *From the Participant Handbook*

Preparation of action plans was seen as a bridge between the course and the rest of the project. The course provided guidance on the content of plans and further individual support was offered by Acas facilitators. Gatekeepers were actively encouraged to involve as wide a cross section of employees as possible during the action planning stage, and the extent of their success in doing so formed part of the discussion during the subsequent peer review process.

Presentation and peer review of the action plans during the final half day of the course in September 2009 marked the instigation of the action learning process. This session was followed in the afternoon by a public event which attracted some 30 companies from across the region, and included presentations by national keynote speakers as well as programme participants.

3. *Network meetings and action learning sets*. Gatekeepers took part in monthly half-day network meetings which provided greater depth of understanding in relation to specific aspects of workplace innovation, exploring practical dimensions of the initial course in more detail. However the content of these meetings was, as far as possible, responsive to needs expressed in the action learning sets and to issues raised by the Acas Facilitators supporting the companies. Network meetings also enabled the exchange of knowledge and experience between participants. UK WON organised and facilitated these meetings, some of which were also attended by the Acas Project Manager.

In the afternoons following the network meetings, action learning sets facilitated by UK WON enabled participants to reflect on progress and refine their action plans based on peer review and the exchange of ideas between Gatekeepers.

This monthly meeting structure provided a framework within which the Gatekeepers could reflect on the strengths and weaknesses of existing practices in their organisations, learn from and crucially challenge each other, test ideas and proposals in a safe and supportive environment, and share both problems and achievements as their work progressed.

A further event was organised in the form of a study visit to a local company known for its self-organised teamworking and continuous improvement methods, providing participants with a real-life example against which to benchmark their own action plans.

4. ***Change Facilitation.*** The design of the *Innovative Workplaces* programme recognised the importance of individual support at workplace level as well as the shared learning provision in securing effective and sustainable change.

In their role as *Innovative Workplaces* Facilitators, Acas Senior Advisors provided practical in-company advice and guidance in accordance with a briefing document prepared by UK WON. In addition to explaining the aims of the project and providing a working definition of workplace innovation, the briefing document summarised the Facilitators' role as follows:

Supporting the preparation of action plans during the course
- Clarifying key messages from the course   - Helping participants to identify underlying causes of problems   - Raising awareness and aspirations relating to the scope of change   - Anticipating and helping participants to address obstacles to change   - Helping Gatekeepers to prepare and present robust action plans.
Supporting the continuing change process
- Mentoring Gatekeepers throughout the change process and helping them to overcome obstacles.   - Helping to maintain employee involvement throughout the process, including the direct involvement of frontline employees in the design and implementation of change, the establishment of inclusive project teams, and the active buy-in of trade unions and employee forums.   - Identifying the need for specialist knowledge, experience or resources and signposting appropriately in liaison with the project managers   - Creating regular spaces for critical reflection on progress involving a cross-section of managers and employees.
Reporting and capturing learning points
- Providing the Project Managers with regular updates.   - Keeping a personal log/diary of key interventions and events.   - Encouraging Gatekeepers to keep records of activities.   - Helping Gatekeepers to prepare progress reports for the action learning sets.   - Helping to identify issues for thematic presentations/discussion during Network meetings.

TABLE 3: Role of the Acas Facilitators   *From the UK WON Facilitator Briefing Paper*

Although well experienced in mainstream employment relations, each Facilitator came to the programme with a different level of understanding of workplace innovation. The briefing document and an induction meeting at which it was presented played an important role in ensuring that the Facilitators shared a common perspective relating to workplace innovation and how they could support the development and implementation of action plans in each organisation.

In each case the Facilitator's input began with initial meetings in the participating organisation to explore and discuss its action plans. The Facilitators used their skills and experience to support the process of turning ideas and aspirations into practical strategies. In many cases the initial advice was followed by diagnostic workshops and focus groups led by the Facilitator. These generated powerful insights and provided a sound basis for the subsequent development of the individual projects.

The Acas Facilitators also provided advice on setting up employee consultative forums, on staff surveys, and on wider policy development. Where specialist workplace innovation advice was required, UK WON provided additional guidance to participating organisations – for example in helping to establish self-organised teams at a manufacturing company.

Acas also made its open access training courses available to all the organisations and in some cases the Facilitator provided bespoke in-company training to support individual projects. For example one company received training on 'Essential Skills for Supervisors' and 'Training for Workplace Representatives', while two others each received bespoke training for their new employee representatives.

5. Evaluation was a key element throughout *Innovative Workplaces*, not least because it was an EMDA requirement that an independent evaluator should be appointed in order to measure programme outcomes. The evaluation led by Nottingham Trent University was interwoven through every aspect of the delivery, diagnostic and learning processes with a view to identifying:
   a) the impact of the programme (including its economic impact) from multiple perspectives within each participating organisation, including specific benefits to participants and their organisations as well as unforeseen outcomes;
   b) the effectiveness of the development interventions such as the course, workplace facilitation and action learning from the perspective of the participants;
   c) transferable lessons for other regions and 'lessons learnt' that might inform future interventions.

6. Dissemination, marketing and publicity activities ran throughout the life of the project. At the outset the emphasis was on attracting and enthusing enough organisations to enable a competitive selection process. During the course of the project the focus was on the creation of actionable knowledge to promote the development of new approaches to leadership and work organisation amongst other organisations in the East Midlands. As the project drew to a close the dissemination focus became national, despite the subsequent demise of the RDAs, targeting policymakers, other stakeholders and employers through events, publications, social media and films[6].

Governance and Finance

Acas entered into a contract with EMDA for the delivery of the programme as specified in the original proposal. The overall value of the EMDA grant to Acas was circa £236,000.

Regular meetings involving EMDA, Acas and UK WON were held throughout the programme to provide updates on progress and to identify specific achievements.

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[6] http://www.acas.org.uk/index.aspx?articleid=3208

Likewise UK WON and Nottingham Trent University entered into delivery contracts with Acas. Regular co-ordination meetings took place to ensure cohesion between the different components of the programme including the course, network meetings, action learning, on-site facilitation, dissemination and evaluation.

Senior staff from the Acas national Research and Evaluation Section supported the project manager, notably in appointing and overseeing the independent evaluators at Nottingham Trent University, and subsequently in disseminating programme outcomes.

4. IMPACT OF THE INNOVATIVE WORKPLACES PROGRAMME

The evaluation methodology

The approach taken by Nottingham Trent University, the independent evaluator, placed a particular focus on:

- the extent to which intended organisational outcomes were realised;
- the economic impact and return on investment through a range of performance indicators;
- the extent to which the wider aims of the intervention had been achieved;
- the efficiency and effectiveness of the learning and development process and activities.

Interviews took place at the beginning of the programme and six months after it had finished with a range of stakeholders at each organisation in addition to the nominated Gatekeepers. These usually included a senior manager and/or line manager, an HR manager and an employee representative.

A multi-method research design was adopted to generate both qualitative and quantitative data in order to evaluate the programme's impact against its overall aims. Specific outcomes were evaluated from different stakeholder perspectives including:

- the organisational changes resulting from participation in the programme, including any unforeseen outcomes;
- the development of the individual Gatekeepers;
- the extent to which skills and knowledge had been transferred from the Gatekeepers to others within the organisation;
- the extent of sharing learning and knowledge between the Gatekeepers on the programme;
- the effectiveness of the different development interventions provided by the programme from the perspective of the participating Gatekeepers;
- the lessons learnt from the *Innovative Workplaces* programme in terms of what worked well and less well;
- the cost/benefits to the participating organisations;
- a set of questions designed specifically to calculate the economic impact of the programme.

Workplace Innovation in the participating enterprises

All the participating organisations reported that the *Innovative Workplaces* programme had led not only to the achievement of some of the workplace changes sought in their initial action plans but also to improvements in the wider employee relations climate. For the majority their aspirations for participation in the programme were achieved to a great extent and a range of different, but frequently related, organisational issues were addressed; these included improved levels of employee

engagement, morale, communications between management and employees in different functional areas, workforce flexibility, and the implementation of change.

Respondents from the smaller organisations were especially positive and more likely to have a shared view within the organisation about the outcomes of the programme and its business benefits. In the SME business context the impact of what had been achieved was, arguably, easier to identify and more visible to the workforce. In contrast, the two public sector organisations appeared to experience the most difficulty in clarifying the aims and scope of their action plans at the outset, partly due to the presence of other related, and potentially overlapping organisational initiatives such as a leadership development programme underway at the same time.

Of the eleven companies enrolled one dropped out at the beginning of the programme, one went into liquidation mid-way through the programme, and one withdrew towards the end for internal reasons. The UK was in recession for almost all of the programme, an economic context reflected both in continuing participation and in the progress of individual organisational projects.

Based on the findings of the evaluation report (Harris et al 2011), the following summarises key outcomes for the organisations that completed the programme based on participant perceptions.

Communication and Engagement

Improved communication was identified by respondents from all the participating organisations as the 'single most important change' resulting from *Innovative Workplaces* by December 2010. This was the view of the managers, employee representatives and the Gatekeepers who took part in the project's final evaluation. In six of the organisations improved communication was identified as leading directly to increased levels of employee engagement. In each organisation, improvements in communication and employee engagement stemmed from the adoption of mechanisms for capturing ideas from the workforce and listening to employees' views. Mechanisms for improving employee voice ranged from the establishment of a workplace forum in one company to the creation of task groups reporting to a steering committee comprised of both management and employee representatives in another.

The programme resulted in the majority of the organisations putting into place mechanisms to stimulate and capture new ideas from employees. The smaller businesses found it rather easier to provide spaces for generating, exploring and implementing workforce ideas. At five organisations in which Acas set up focus groups, respondents reported increased levels of employee engagement and a greater willingness to contribute ideas.

The organisational benefits associated with improved communication varied with the issues facing each organisation. For example, participation in the programme had enabled one organisation to return to levels of productive, informal communication that had characterised the business prior to its expansion and move to larger premises. At another, participation led to the achievement of one of its main aims in joining the project: a 10 percentage point improvement in the employee engagement score in its annual company employee survey.

Managers in half the participating organisations reported that issues formerly referred directly to them were now being resolved at a lower level in the management chain or by employees themselves. This was identified by respondents as a saving in management time with consequent improvements in efficiency and productivity. Such benefits were identified particularly strongly by participants in the

smaller businesses and were seen to be the result of increased employee involvement. For example one SME manager, a Gatekeeper on the programme, reported a 75 per cent reduction in the time he personally spent addressing workplace disciplinary and grievance issues.

HR policies and procedures

Almost all participants reported the implementation of at least one new or improved human resource policy or procedure, and all had plans for future improvements following their participation in the programme. The most widely reported were improvements to processes for informing and consulting with employees and absence management.

Workplace climate

Identifying those factors which contribute to improved morale is complex. Notwithstanding, the majority of respondents identified that workplace morale had improved following participation in the programme but it was not always possible to identify whether or not this improvement could be attributed directly to it. External events related to the economic climate led to actions such as a pay freeze and redundancies which made a negative impact on morale.

Management and Leadership Skills

The majority of respondents felt that improvements in management and leadership skills had happened either partly or to a large extent as a result of participation in the programme. Benefits included higher levels of trust between employees and management. This was reported by the majority of respondents across all the organisations although it did not necessarily represent a shared view of everyone from the same organisation. The reasons for this varied; for example, at one organisation a dispute over pay had led to internal differences between management and employees.

Most significantly *Innovative Workplaces* was held to have acted as the catalyst for organisational change by the vast majority of respondents, a view shared by both the delivery partners and the Acas facilitators.

Key organisational achievements reported by the eight completing organisations as a result of participation in the programme are summarised in the following table:

Organisation	Action Plan	Reported Achievements
Brush Electrical Machines Ltd Manufacturer of heavy electrical equipment.	Improve two way communication. Enhance management awareness of employees' perspectives. Improve employee awareness of management's perspective.	Establishment of a steering committee and focus groups, eg: introduction of lean manufacturing. The introduction of a company newsletter to assist communications. Better equipped to meet the challenges of an increasingly difficult economic climate.

Caterpillar Logistics Warehousing and logistics for heavy plant.	Introduce measures to enhance employee engagement. Increase the employee engagement score in the company employee survey by 10 percentage points. Improve communication between different groups of staff.	Establishment of an Employee Forum. Improved communication between staff groups. Changes to the application of the absence policy. Employee engagement score improved by 10 percentage points.
Liquid Control SME manufacturer of process machinery.	Develop workforce flexibility. Identify skills gaps and employ apprentices to fill the gaps left by employees due to retire. Obtain ISO 9001 by the end of 2010. Undertake a Stress Survey of employees.	Workforce skills analysis. Introduction of developmental appraisals for all employees. Workforce training which has increased flexibility. Recruitment of apprentice(s). Implementation of an employee engagement survey. The introduction of quarterly company meetings. The introduction of weekly departmental meetings.
Northampton College Large public further education college.	Initial action plan – to enhance leadership and management capability. Later action plan – to address issues of employee consultation, communication and involvement.	Outcomes were still evolving at the time of evaluation but were likely to include: Enhanced employee involvement. Development of leadership skills for managers at all levels. The introduction of joint problem solving task groups.

Pendragon Commercial and contract vehicle leasing.	Improve team member engagement. Encourage better team participation & departmental interaction. Improve customer service.	The establishment of an employee forum. Introduction of team building events. Improved employee engagement. Improved employee communication throughout the division. Review and revision of 'housekeeping' policies and practices. Introduction of monthly team leader meetings. Re-introduction of a customer service survey.
Strategic Health Authority Public authority for regional healthcare provision.	Engage staff to maximise the use of the Electronic Staff Records System (ESR). Transfer ownership of personal data to individuals. Enable managers to better maintain employee data. Reduce levels of data handling to enhance administrative efficiency.	Improved facility for 'employee voice'. Increased staff usage of the ESR. Increasing staff ownership of personal development. More accurate HR information. Improved reliability, productivity and efficiency in the handling of personal data.
The Health Store SME wholefood distributor and warehousing.	Increase employee engagement. Improve two way communication. Establish an employee forum. Elect employee representatives. Encourage employee suggestions for innovation.	Elected and trained employee representatives. Establishment of a joint management and employee forum (production and warehouse areas). Employee representative attendance at monthly management meetings. Improved workplace communication and morale and employee engagement. Significant decrease in the number of disciplinary cases. Improved working practices as a result of employee suggestions.

Thorpe Kilworth SME manufacturer of specialised furniture.	Improve the company's competitive edge. Improve manufacturing efficiency. Enhance employee engagement and communication. Challenge long-held beliefs and working practices.	The establishment of a cross-functional working party. The establishment of a staff consultative forum. The introduction of employee representative training. Enhanced problem solving capability. Re-organisation of the stores Department. Introduction of elements of lean manufacturing and teamworking. Development of an employee engagement survey.

TABLE 4: Profile, aims and outcomes of participant organisations   *Adapted from Harris et al (2011)*

Personal Development

All Gatekeepers identified personal benefits from participation in the programme as a whole; examples included "more confidence in speaking and chairing meetings", "increased participation in group and team work", "working more closely with senior leaders" and "the ability to utilise tools and techniques". One Gatekeeper was so encouraged and motivated by his introduction "to the world of learning" on the programme that he enrolled on a higher level ILM Level 7 qualification in management and leadership. As he explained: "If it had not been for this project and the insights I gained, I just would not have pursued further development of myself as a manager and I would not be on this ILM Level 7."

The main personal benefits identified by seven of the thirteen Gatekeepers during telephone interviews undertaken as part of the independent evaluation were the ability to "network", and to "share issues, problems and achievements" with other participants on the programme. Learning that other organisations of a different type and size faced similar issues was "reassuring" but also developmental because the means of addressing these challenges were shared. Several Gatekeepers felt this had "helped their self-confidence", illustrated by the participant who observed that "learning what others were doing helped me to challenge what we were doing". The Acas Facilitators also reported the programme had appeared to boost the self-confidence of the Gatekeepers.

Economic Impact

Nottingham Trent University appointed an independent consultancy (Ecorys) towards the end of the programme to undertake an analysis of its economic impact using data collated during the evaluation.

This economic impact assessment reported an overall minimum return on investment of £4 for every £1 of public sector expenditure. Positive impacts were reported in terms of Gross Value Added per employee (including productivity gains) and jobs safeguarded or created.

According to the independent evaluation report, the estimate of the economic impact is conservative because it was not possible to measure all benefits in full. For example, participating organisations

reported that their recession-related difficulties would have been considerably greater without the programme but were unable to quantify such impacts (Harris et al, 2011).

Likewise the overall expenditure by EMDA was relatively high because of the pilot nature of *Innovative Workplaces*. Follow-up programmes would be able to make significant reductions in the start-up and evaluation budgets, leading to an even better return on investment.

5. STRENGTHS OF THE *INNOVATIVE WORKPLACES* PROGRAMME

The programme was innovative in several respects. It set out to:

1. ***Stimulate workplace innovation.*** As described in the previous section this was achieved in each of the participating organisations with the most positive gains reported by SMEs.

2. ***Develop management and leadership skills*** through a practical, action-oriented approach rather than by focusing on theory. All Gatekeepers reported positive benefits.

3. ***Provide a unique combination of formal taught sessions, action learning and customised organisational support.*** Ninety five per cent of participants were satisfied with the general content and delivery of the taught course and particularly so because 'tools and techniques' were provided that could be easily transferred back to the business. The majority of gatekeepers viewed the action learning sets as either 'extremely useful' or 'useful to a large extent'. Most respondents perceived the Acas facilitation to be either 'extremely useful' or 'useful to a large extent' while a minority indicated the facilitation had been 'partly useful'.

4. ***Enable an integrated evaluation of the programme*** as a pilot initiative. The independent evaluation report contains a record of all changes that took place within the participating organisations over the life time of the programme and followed up six months after its core elements had ceased, in each case captured from the perspectives of multiple stakeholders.

The evaluators stress that the impact of the project arose primarily from "the sum of its parts", in other words the cumulative impact of the course, the network meetings, action learning and on-site facilitation. However it was the collaborative nature of *Innovative Workplaces* that underpins each of these elements, specifically the sense shared by participants that they were embarking on a common journey despite differences in size, sector and initial motivations. Peer support and networking were especially highly valued, providing an important complement to the expertise provided by Acas and UK WON. In this sense UK WON's role focused as much on the facilitation of shared reflection and dialogue between participants as on the sharing of its own knowledge and experience.

The role of the Acas facilitators was also highly valued by most participants since they were able to bring very practical tools and resources to the workplace as well as a wealth of experience. At the same time their role differed from that in traditional consultancy because the individual support was taking place within a wider context of shared learning, knowledge sharing and problem solving within the participant group as a whole. Both the collective and individual elements of the programme played a mutually supportive role in securing the final outcomes for each organisation, and it is this which underpins its innovative quality.

Likewise the outcomes represent a win-win-win combination of personal learning and development for the Gatekeepers, measurable economic benefits for both the company and the wider economy, and enhanced quality of working life for employees.

EMDA funding was also one of the programme's clear strengths. Enterprises were not required to contribute financially and this allowed programme partners to be relatively selective (though see the qualification in the following section) in choosing participant organisations with sufficient commitment and focus. Although not required to make a direct financial contribution, the commitment of staff time needed to be substantial if the programme was to make an effective and sustainable impact in each organisation.

Finally *Innovative Workplaces* drew on the complementary strengths of two highly expert and experienced organisations. Acas as a respected public agency brought enormous credibility, organisational strength and project management effectiveness to the programme, as well as the operational expertise and experience of its team. UK WON, although a relatively small NGO, brought strong experience of previous initiatives to the design of the *Innovative Workplaces* programme, international knowledge of workplace innovation and a practical approach to its implementation.

6. THE SCOPE FOR IMPROVEMENT IN THE INNOVATIVE WORKPLACES PROGRAMME

The independent evaluation report based on extensive feedback from the participating organisations identified no significant weaknesses in either the design or implementation of the programme, a view shared by both the Acas and UK WON teams. Most Gatekeepers were entirely satisfied with the programme's structure and content; a few made specific recommendations and these are aligned with the reflections of the delivery partners as summarised below.

Reflections by the UK WON team included the following ideas for improvement in subsequent programmes:

- Allow more time to recruit; this had been constrained in the programme due to the budgetary timescale. In addition, UK WON suggested that a self-assessment questionnaire could be used during the recruitment process to help applicants clarify their objectives, providing the opportunity for internal reflection and dialogue on the outcomes sought from participation.
- Provide more detailed information about the programme once the Gatekeepers had been selected. There was a lack of knowledge about workplace innovation and what it involved amongst some due to insufficient internal briefing from those who had taken part in the selection process.
- Build commitment from senior managers at the outset. It was reported that, whilst this might have been articulated at the selection stage, there were instances where it was not evident when the workplace project got underway. This situation was exacerbated by changes in senior management during the programme in some cases. Senior management support was also identified as a critical success factor by the Acas Facilitators and is further discussed below.
- Introduce mechanisms to discuss progress with senior management throughout and beyond the project in order to sustain momentum and overcome obstacles, for example by means of periodic meetings.
- Extend the short course throughout the life of the programme, emphasising practical tools and means of overcoming obstacles during its latter stages.
- Ensure greater consistency of workplace innovation knowledge and expertise amongst Acas Facilitators.

Innovative Workplaces broadened the scope of Acas's traditional activities and, according to the independent evaluation, undertaking the Facilitator's role was described as both "personally

developmental" and "very worthwhile". Facilitators reported that they had welcomed the opportunity to work collaboratively, and in depth, with organisations. Having a reasonably long period of time to support workplace projects was seen as a real opportunity to make a difference. A key learning outcome reported by nearly all the Facilitators lay in the importance of "getting to grips" with the culture of the organisations and the pace at which progress could be made.

The following issues were identified by the Acas Facilitators as areas for attention in designing a future initiative:

- Ensure that Facilitators are more aware of the other elements of the programme. This might include their participation in a comparable short course, as well as better communication between action learning set deliberations and the onsite support.

- Put in place agreed 'terms of reference' for each workplace project before it began, to be signed off by senior management with the involvement of the allocated Facilitator. This action would address the issue of senior level support discussed above. It is supported by the evaluation evidence which identified that many projects made slow progress in the initial months and that 'getting things started' absorbed much Facilitator time at the beginning of the programme.

- Involve the Facilitators as early as possible in any future programme so that they could develop their relationship with the organisations they were to work with as well as an understanding of its issues and culture.

- Consider how facilitation experience and skills can best be developed, particularly in terms of the ability to be flexible, innovative and resilient when things did not go to plan or organisations are less responsive than anticipated. It was acknowledged that the level of expertise for the role varied across the team. Sharing learning and specific experiences were considered a vital part of developing appropriate facilitation skills.

- Provide inputs from another experienced Facilitator, including their presence at meetings in the workplace, where there were particular difficulties or a lack of progress. In practice some organisations had two Facilitators working with them as the programme progressed; this overcame some difficult issues faced by a lone Facilitator.

7. THE POTENTIAL TRANSFERABILITY OF THE *INNOVATIVE WORKPLACES* APPROACH

Innovative Workplaces was created in a national and regional context with little history of policies or programmes designed to support workplace innovation. The opportunity to create the programme arose from three factors:

1. Growing policy awareness at national and regional levels of the importance of skills utilisation as a factor in determining productivity and economic growth. At the same time policymakers lacked a clear strategy for addressing the issue thereby creating an opportunity for policy innovation.

2. The existence of EMDA as an economic development agency with sufficient discretion to commit resources to an innovative pilot programme.

3. UK WON's history of policy advocacy with EMDA, its previous experience in designing and delivering workplace innovation initiatives, and the reputation and expertise of Acas.

These factors each have a bearing on the potential for transferability to other OECD countries. Only a minority of countries and regions currently enjoy proactive policy frameworks designed to promote

workplace innovation: we are aware that these exist in the Basque Country (Spain), Finland, Flanders (Belgium), France, Germany, Norway, Singapore, South Korea and Sweden, whilst in Denmark such initiatives lie within the scope of its social partnership framework. Elsewhere, as in the UK, workplace innovation tends not to be recognised in either skills or competitiveness policy frameworks and this may present a barrier to transferability.

Where public bodies are open to policy innovation they may be receptive to evidence of the business and wider economic benefits generated by *Innovative Workplaces*, not least because of the positive return on investment generated for EMDA. In order to make effective use of this evidence such bodies require the ability to transcend traditionally separate policy domains such as skills and competitiveness, as well as access to discretionary funding and a recognition that many of the workplace benefits generated by the programme will be qualitative as well as those that are quantifiable.

The third factor relates to the presence of workplace innovation expertise and this requires some caution. Workplace innovation programmes including *Innovative Workplaces* draw on expertise and experience accumulated over lengthy periods of time. Such expertise is distinct from that normally offered by universities because it is action-oriented rather than mainly theoretical, but at the same time it is distinct from most consultancy because it is evidence-based and directed towards deep structural change rather than topical intervention. The answer may lie in international exchanges of expertise in which potential facilitators visit countries with longer experience of workplace innovation initiatives for training and development, followed by continuing mentoring after their return home. Collaborative projects which combine national and international expertise may also be possible.

Three further notes of caution are required.

Firstly, policymakers need to adopt a long term perspective. The impact of programmes in countries such as Finland, France and Germany is closely related to their longevity, in some case covering more than four decades and representing a political consensus that creates resilience even when governments change. Policy funding cycles of two, three or even five years create uncertainty and lead to an overemphasis on short term delivery rather than building sustainable capacity. The legacy of *Innovative Workplaces* was lost in the East Midlands because no mechanisms were put in place by government to ensure that the knowledge and experience generated by the programme were taken up by the wider public policy community.

During the latter stages of the *Innovative Workplaces* programme UK WON explored its implications at UK level. As a pilot of potential national significance it was important to identify a means of linking the programme into a wider structure for awareness raising, research and sustainability. This is represented by the self-explanatory diagram (Figure 1 below), published as a UK WON policy briefing in 2012.

Secondly, Ramstad's article cited in section 2 as a source of inspiration for *Innovative Workplaces*, draws attention to the importance of the wider social learning that can be generated by such programmes (Ramstad, 2009b). Experience from Finland and elsewhere shows that long term dissemination impacts are enhanced when a wider body of stakeholders are actively involved in programme implementation; these stakeholders include employers' organisations, chambers of commerce, trade unions, professional bodies, universities and other public agencies. This helps to

ensure that workplace innovation forms a common agenda with a shared vocabulary amongst stakeholder, creating consistency in communication with enterprises and their employees.
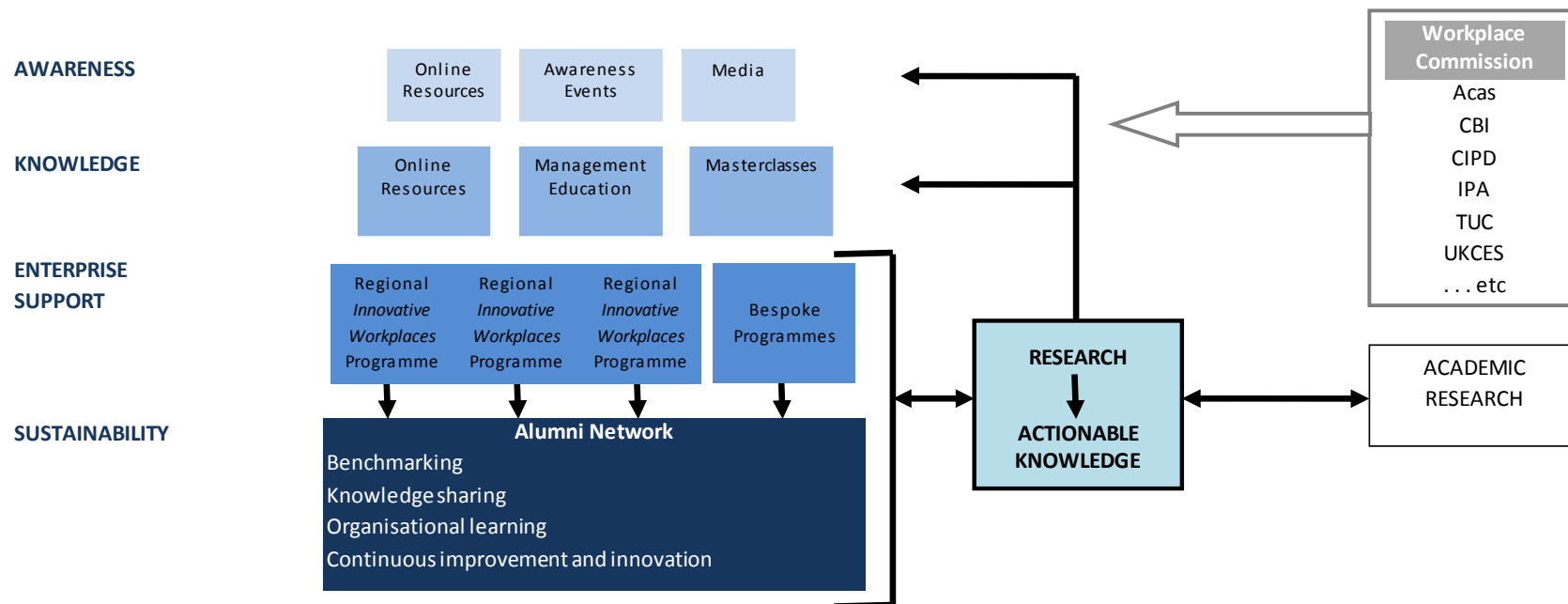
Finally it is important to adopt a critical approach to the notion of 'transferability'. As with all policies and programmes, *Innovative Workplaces* was created within a specific context, responding to needs and opportunities identified in one region. This case study has identified the broad characteristics and outcomes of the programme in the hope that *Innovative Workplaces* can become a generative resource for policy innovation elsewhere, but such innovation will need to be grounded in its own specific economic, social, political and spatial setting.

FIGURE 1

ENGAGEMENT AND HIGH PERFORMANCE WORKING:
A NATIONAL *INNOVATIVE WORKPLACES* SYSTEM

- **Raising awareness and disseminating knowledge of workplace innovation, participative working methods and engagement**
- **Resourcing workplace innovation through network-based and bespoke programmes of support**
- **Establishing an "alumni" network as a means of sustaining the momentum of change**
- **Creating and distributing actionable knowledge**

AWARENESS

Online Resources | Awareness Events | Media

KNOWLEDGE

Online Resources | Management Education | Masterclasses

ENTERPRISE SUPPORT

Regional *Innovative Workplaces* Programme | Regional *Innovative Workplaces* Programme | Regional *Innovative Workplaces* Programme | Bespoke Programmes

SUSTAINABILITY

Alumni Network
Benchmarking
Knowledge sharing
Organisational learning
Continuous improvement and innovation

Workplace Commission
Acas
CBI
CIPD
IPA
TUC
UKCES
. . . etc

RESEARCH
↓
ACTIONABLE KNOWLEDGE

ACADEMIC RESEARCH

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