

What is Workplace Innovation?

Peter Totterdill *Workplace Innovation Europe CLG*

As more people become aware of workplace innovation, the need to reach an agreed definition of its nature and scope is becoming critical. References to 'workplace innovation(s)' can be found in literature from the 1990s, generally referring to the introduction of any new forms of work organisation and any new forms of direct employee participation. Yet the concept has increasingly come to be understood in terms of specific workplace practices which are:

1. Part of a strategic choice, running through the organisation's entire business model and underpinned by a long-term vision and perspectives, sustainability and ethics.
2. Grounded in substantial research and case study evidence.
3. Focused on high levels of employee involvement and empowerment, combining both direct and representative participation.
4. Based on a systemic approach to organisational structures, systems and practices, recognising the interdependence of the different elements.
5. Strongly associated with the simultaneous achievement of high performance and high quality of working life – and contributing to wider society.
6. Identified as generative principles to be contextualised within the particular characteristics of each organisation through inclusive dialogue, experimentation and learning.

These six propositions define workplace innovation's claim to be considered as a distinctive, robust yet practically-focused approach to organisational transformation.

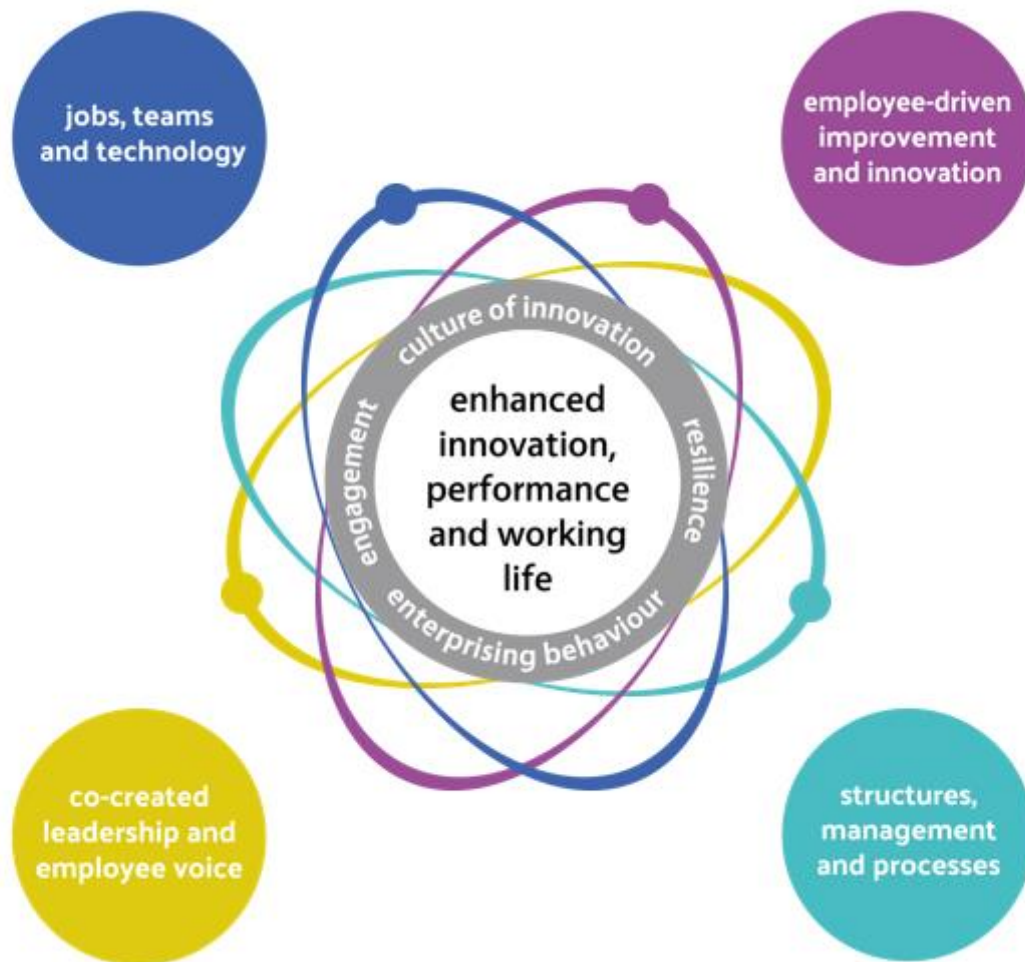
Origins

In 2001, the European Commission requested a study designed to analyse evidence both from existing literature and from an international sample of over one hundred private and public sector organisations, each characterised by high performance and high quality of working life. Each placed a premium on employee participation and better utilisation of existing human talent, primarily by (re)designing the organisation of work and tasks to enable people to be more effective and creative. The aim of the Hi-Res study was to create a coherent, evidence-based and action-oriented framework aimed at company decision-makers as well as policymakers and researchers.

The Hi-Res report represents the first known attempt to define 'workplace innovation' in detail. It built on diverse traditions including both Socio-Technical Systems Design (Mohr & Van Amelsvoort, 2015) and Scandinavian Democratic Dialogue (Gustavsen, 1992).

Hi-Res summarised workplace innovation's defining characteristic in terms of the creation of jobs and practices that "empower workers at every level of an organisation to use and develop their full range of knowledge, skills, experience and creativity in their day-to-day work", leading to high performance simultaneously with high quality of working life.

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Workplace Innovation brought practices such as job design and self-managed teams together with employee involvement in innovation, and representative participation in strategic decision-making. The concept highlights the ways in which these specific workplace practices connect skills development and skills utilisation, business performance, employee health, the retention of older workers, and economic and social inclusion.

To define workplace innovation it's important to recognise both process and outcomes. The term describes the participatory process of innovation which leads to empowering workplace practices which, in turn, sustain continuing learning, reflection and innovation. Most importantly workplace innovation is an inherently social process, building skills and competence through creative collaboration. It builds bridges between the strategic knowledge of business leaders, the professional and tacit knowledge of frontline employees and the organisational design knowledge of experts, leading to self-sustaining processes of organisational development fuelled by learning and experimentation.

In recent years the concept of workplace innovation has been adopted by the European Commission, which launched the European Workplace Innovation Network (EUWIN) in 2013. A growing number of national and regional governments embrace workplace innovation as part of their policy platforms for

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productivity, innovation, skills and mental health and well-being. Trade unions in countries including Belgium, Denmark, Germany, Ireland and The Netherlands are becoming active proponents of workplace innovation as a means of improving the working lives of their members. Likewise, the recent publication of a landmark book, *Workplace Innovation: Theory, Research and Practice* (Oeij, Rus and Pot, 2017), attests to an expanding workplace innovation research community.

The Fifth Element

The task set by EU policymakers following the inauguration of EUWIN in 2013 was to create a coherent and accessible roadmap for the adoption of workplace innovation by companies and public sector organisations. ‘The Fifth Element’ was developed by Workplace Innovation Limited as co-leader of EUWIN to guide practitioners through workplace innovation and provide guidance on its implementation.

Expanding the original Hi-Res framework, The Fifth Element is grounded in an extensive analysis of articles and case studies. The analysis identified four bundles (or ‘Elements’) of working practices with a strong association between high performance and high quality of working life (see table below). Alignment between these Elements creates a synergy in the form of the ‘Fifth Element’, a system of mutually interdependent parts which leads to a sustainable culture of innovation and empowerment embedded throughout the organisation.



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Element	Indicative Practices	Associated Outcomes
Jobs, Teams & Technology	<ul style="list-style-type: none"> Individual discretion Job variety Constructive challenges Self-managed teams Collaboration within the team Reflective team practices People-centred technologies 	<ul style="list-style-type: none"> Improved workflow Enhanced quality Better productivity Cost reduction Engagement and retention Improved workforce health
Employee-Driven Innovation & Improvement	<ul style="list-style-type: none"> Productive reflection in teams Cross-team improvement groups Permission to experiment Company-wide innovation events 	<ul style="list-style-type: none"> Enhanced capacity for innovation & improvement Enterprising behaviour Enhanced quality & performance Learning & development Engagement & retention Intrinsic job satisfaction
Organisational Structures, Management and Procedures	<ul style="list-style-type: none"> Reduced hierarchies and silos Strengths-based career structure Coaching style line management Appraisals focused on learning and innovation Simplified procedures 	<ul style="list-style-type: none"> Improved workflow Cost reduction Better productivity Engagement & retention Improved workforce health
Co-Created Leadership & Employee Voice	<ul style="list-style-type: none"> Openness and transparency Emotionally intelligent behaviours Visible leadership Delegated decision-making Representative participation 	<ul style="list-style-type: none"> Strategic alignment Better decision-making Engagement and retention
The Fifth Element	<ul style="list-style-type: none"> Creating synergy through alignment between the four elements – a system of mutually reinforcing practices A culture of empowerment and innovation 	<ul style="list-style-type: none"> Win-win outcomes for the organisation and its employees

The Fifth Element was used as the interpretive structure for EUWIN’s [Knowledge Bank and Guide](#) to Workplace Innovation.

It has subsequently been used by [Workplace Innovation Europe CLG](#) as the operational framework for delivering support to companies, both individually and through publicly-funded programmes in Scotland.

Further Reading

Gustavsen, B. (1992) *Dialogue and Development: Theory of Communication, Action Research and the Restructuring of Working Life*, Van Gorcum, Assen.

Mohr, B. J. & Van Amelsvoort, P. (Eds.) (2016). *Co-Creating Humane and Innovative Organizations. Evolutions in the Practice of Socio-Technical System Design*. Global STS-D Network Press.

Oeij, P.R.A., Rus, D. & Pot, F.D. (Eds.) (2017) "Workplace Innovation: Theory, Research and Practice", volume in the 'Aligning Perspectives on Health, Safety and Well-Being' series. Cham: Springer.

Totterdill, P., Dhondt, S., & Milsome, S. (2002). *Partners at Work? A Report to Europe's Policymakers and Social Partners*. The Hi-Res Report. Nottingham: The Work Institute. Available [here](#).

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