BroadVoice

Broadening the spectrum of employee voice in workplace innovation

National Report - Ireland

Deliverable D3.1





Coordinator <u>ADAPT</u> (IT)

Beneficiaries <u>CISL</u> (IT), <u>IPS-BAS (BG)</u>, <u>LTU</u> (SE), <u>UL</u> (SI), <u>UVA</u> (NL), <u>WIE</u> (IE)

Affiliated Entities Fondazione ADAPT (IT), Fondazione Tarantelli (IT)

Associate Partners <u>ETUI</u> (EU), <u>ETUC</u> (EU), <u>Federmeccanica</u> (IT), <u>FIM-CISL</u> (IT), <u>ZDS</u> (SI), <u>KSS</u>

PERGAM (SI), FNV (NL), KT PODKREPA (BG), UPEE (BG), FCIW PRODKREPA (BG), SRVIKBG (BG), IDEAS INSTITUTE (IE), AWVN (NL), LO

(SE)

3.1 National Report - Ireland

Document Information

Deliverable number and title 3.1 National Report - Ireland

Dissemination level Public

Organisation Name Workplace Innovation Europe

Authors Peter Totterdill & Rosemary Exton

Submission date 30/02/2025



Table of Contents

1.	Executive Summary 5				
2. 3.	Introduction				
	National Literature Review on Direct Worker Participation and the Role of Industrial Relation				
	3.1.	A Voluntarist Tradition			
	3.2.	Declining union influence	<u>C</u>		
	3.3.	Direct worker participation in Ireland	10		
4.	Nati	onal Industrial Relations Framework for Direct Worker Participation	12		
	4.1.	Overview	12		
	4.2 T	he National Partnership Agreements	12		
	4.2.	The Social Partners	13		
	4.3.	Promoting Direct Participation in Ireland	14		
	4.4.	The New Work Organisation in Ireland Programme	14		
	4.5.	The National Centre for Partnership and Performance (NCPP)	16		
	4.6.	The National Workplace Strategy	17		
	4.7.	SIPTU's IDEAS Institute	19		
	4.8.	The Impact of the 2008 Financial Crisis on Social Partnership	20		
	4.9.	The Croke Park Agreement and beyond	20		
	4.10	. Workplace partnership and direct participation after 2010	21		
	4.11	Discussion: lessons from social partnership in Ireland	21		
5.	Case	Studies	23		
	5.1.	The manufacturing sector in Ireland	24		
		5.1.1. Case Study 1: Kirchhoff Automotive	30		
		5.1.2. Case Study 2: FSW Coatings	38		
		5.1.3. Case Study 3: Aughinish Alumina	45		
		5.1.4. Case Study 4: SAICA Pack	51		
	5.2.	Case study discussion	5 <i>€</i>		
Cal	ء دارید:	one and Bacommandations	FO		

References	62	
Annexe 1: Companies supported by the Workplace Innovation Fund	65	

1. Executive Summary

This report explores the evolution and current state of direct worker participation and industrial relations in Ireland. It highlights the historical context of Ireland's voluntarist and adversarial industrial relations system, inherited from Britain upon gaining independence in 1922. Ireland experienced significant industrial conflict and wage inflation during and after the 1960s, leading to the establishment of successive social partnership agreements from 1987 based on a framework for collaboration between government and the social partners. A key aim of social partnership at national level was also to foster management-union collaboration in companies, an ambition that was only partially realised.

The report examines the role of social partnership in promoting new forms of work organisation characterised by higher levels of direct worker participation. Initiatives such as the New Work Organisation in Ireland Programme (NWO) and the establishment of the National Centre for Partnership & Performance (NCPP) demonstrated the potential benefits of collaborative approaches to work organisation, although these benefits never fully materialised across the economy.

Despite the initial gains achieved by social partnership, the financial crisis of 2008 exposed its limitations and resulted in the collapse of the institutional framework for promoting workplace partnership. The report underscores the current fragmented and vulnerable nature of direct participation under Ireland's voluntarist system of industrial relations given the absence of an effective statutory or institutional framework.

The decline in union membership and collective bargaining coverage has further weakened the capacity for management-union collaboration at enterprise level. However, surveys indicate that employee participation programmes, such as quality circles and self-managed teams, are relatively common in Ireland, and can be associated with higher productivity and employee wellbeing.

Four case study companies with embedded forms of direct participation are described in the report, as is the pioneering work of the IDEAS institute, a social enterprise dedicated to the activation and resourcing of workplace innovation based on partnership principles, created by Ireland's largest trade union. From a BroadVoice perspective, the report argues that IDEAS represents Ireland's unique contribution to understanding how trade unions can become active and knowledgeable participants in the promotion of workplace innovation.

Overall, the report aims to provide insights into current challenges and opportunities for enhancing direct worker participation in Ireland, emphasising the need for stronger institutional frameworks and collaborative governance to achieve sustainable workplace innovation.

2. Introduction

This report provides an overview of how direct worker participation and industrial relations have evolved in Ireland and how they stand today. It also provides insights into previous and current initiatives to promote direct participation in the workplace, and suggests that this experience offers a valuable resource for future policies and programmes.

In the early years of the current century, Ireland's public policy framework for resourcing the spread of workplace innovation was acknowledged as a beacon for the rest of Europe, approaching that of countries such as Finland, France, Germany and Sweden where programmes had a much longer history. Irish representatives were present in EU policy forums and provided fresh perspectives into how to address the 'long tail' of European companies locked into traditional forms of management and work organisation.

And then it all seemed to come to a halt. Following the 2008 global financial crisis, government turned towards harsh austerity measures and effectively walked away from social partnership. The institutional framework for promoting direct participation at enterprise level was abolished, despite arguments that moments of crisis were precisely those in which organisations needed to break away from the path dependency of traditional workplace practices. For many managers and union representatives, 'partnership' became a dirty word, marking the end of collaborative workplace relationships.

Yet there are positive signs, even though some researchers cited in this report rightly point to the massive challenges involved in extending real employee voice and participation within Ireland's voluntarist system of industrial relations. SIPTU's pioneering IDEAS institute, established during the height of the social partnership era, continues its largely unpublicised work in introducing participative production systems into manufacturing companies. Chapter 5 of the report contains inspiring examples of how brief, targeted interventions involving management and union collaboration can generate a momentum of workplace innovation sustained for more than a decade. At a time when the Irish economy is facing increasingly urgent challenges associated with digitalisation, net zero, low productivity and skills, these cases offer critical lessons for policymakers and social partners. Indeed, we argue that the IDEAS model represents an important and distinctive Irish contribution to BroadVoice's understanding of how trade unions can become active and knowledgeable participants in workplace innovation.

The report draws on multiple sources. Its authors have gained extensive personal experience of collaboration with national and sectoral agencies in stimulating and resourcing workplace innovation in Irish enterprises for more than thirty years. These experiences include an EU-funded programme to introduce team-based production systems to the textiles and clothing industry through the national training agency (FÁS), as evaluators of the New Work Organisation in Ireland Programme, as consultants and advisors to the National Centre for Partnership & Performance (NCPP), the Irish Business & Employers Confederation (IBEC), the Health Services National Partnership Forum and the national Vocational Education and Training organisation, and finally through EU project partnerships with SIPTU's IDEAS institute. From such hands-on experiences we have acquired much unpublished documentation, as well as considerable insights into how Ireland's social partnership era influenced the promotion of workplace innovation and the wider challenge of spreading workplace innovation within a voluntarist tradition of industrial relations.

A literature review and web search helped to organise our own experiences into a more structured narrative as well as adding a further critical perspective. In addition we conducted interviews with former NCPP employees on the Centre's legacy, and with representatives of SIPTU's IDEAS institute.

3. National Literature Review on Direct Worker Participation and the Role of Industrial Relations

3.1. A Voluntarist Tradition

Direct participation in Ireland has to be understood in the context of the essentially voluntarist and adversarial system of industrial relations, inherited from Britain when Ireland gained its independence in 1922 (Maccarrone et al., 2020). However, from the 1960s onwards, three decades of industrial conflict and wage inflation followed by fiscal and macroeconomic crisis led to the strengthening of social dialogue at national level, and from 1987 to the establishment of a series of social partnership agreements (Doherty, 2001). These included an explicit commitment to extending management-union collaboration at enterprise level (see Chapter 4).

For Dobbins and Dundon (2016), this represented a critical divergence from the hostile adversarial industrial relations climate then occurring under Thatcherism in Britain (MacSharry and White, 2001). In contrast to their exclusion in the UK, trade unions in Ireland enjoyed formal access to government including participation in broader social policy, taxation and welfare decisions, as well as a centralised wage bargaining process. Social partnership agreements have also played a significant role in revitalising unions by sustaining and expanding membership at the workplace and supporting local bargaining arrangements, including cooperative mechanisms in workplaces serving as forums for dialogue between management and employees with tangible benefits for workers (Dobbins & Dundon, 2016). However D'Art & Turner (2011) challenge these claims, arguing that union recognition was more problematic than ever during the partnership era, during which union density continued to decline though union membership increased (Maccarrone & Erne, 2023).

Several attempts to promote workplace partnership were instigated and informed by the national agreements from the 1990s onwards (see Chapter 4). However the influence of social partnership began to wane with the financial crisis of 2008. The crisis exposed the limitations of the model, not least in addressing deep-seated economic vulnerabilities, providing evidence for many that social partnership was too weak an instrument to protect Ireland from the pressures of globalisation (Teague & Donaghey, 2015). By 2010 social partnership had collapsed at national level, and with it the institutional framework for promoting workplace partnership (Roche & Teague, 2013).

Ireland's voluntarist system of industrial relations means that there is currently little statutory protection for employee voice and few institutional drivers for workplace collaboration or direct participation. The lack of strong institutional frameworks discourages employers and trade unions from taking the initiative and managing the risks necessary to embed meaningful cooperation, leading to the dogged persistence of traditional forms of work organisation. There are good grounds for thinking that workplace experiments on employee involvement initiatives such as partnership are more likely to be successful (and durable) if they are ensconced in a range of extra-firm institutional arrangements (Roche & Teague, 2013).

Where new workplace practices are introduced, Dobbins and Dundon (2016) suggest that they are likely to prioritise efficiency and performance over worker voice and wellbeing, resulting in limited cases of genuine employee involvement and participation. Indeed some critics argue that direct participation can be used to undermine representation and the role of unions by enabling individual

employees to engage directly with management, though on limited terms and without the power of collective bargaining associated with representative participation (D'Art & Turner, 2005).

Voluntarist systems also rely on the assumption that all parties will honour agreements. Minimal statutory employment regulation means that any cooperative arrangements are not legally enforced, and may lead to employers reneging on agreements during economic downturns or crises, or simply as a result of changes to management personnel at plant or corporate levels.

Dobbins and Dundon argue that this results in fragmented and unequal workplace partnerships that favour employer power and prerogatives. Overall, the voluntarist system in Ireland has led to a situation where direct participation is limited, fragmented, and often unsustainable, with a significant imbalance of power favouring employers over employees (Dobbins & Dundon, 2016; Roche & Teague, 2013).

3.2. Declining union influence

One potential flaw in Ireland's social partnership chapter was the gradual decline in union membership and the reduced capacity of union organisations – a trend which has continued since 2008. Geary and Belizon (2022) provide an in-depth analysis of union membership and collective bargaining in Ireland based on the 2021 UCD *Working in Ireland* Survey. The report highlights several key findings:

Despite a decline in union density from some 60% in the early 1980s to around 25% now, trade unions remain a significant means of representing employees in Irish workplaces. Union membership is increasingly becoming a female phenomenon, with more women than men now in trade unions.

Support for union representation among non-union employees is notable, with many willing to vote to establish a union in their workplace. Young workers are particularly inclined towards seeking union representation.

The highest concentrations of union membership are in the public sector, while the hospitality sector has the lowest levels.

The coverage of collective bargaining has declined over the years, with an estimated 43% of employees currently covered, down from 53% in 2003.

The report also discusses the decline in union voice, attributing it to structural shifts in employment and a lack of resources dedicated to organising non-union enterprises.

Dobbins and Dundon (2016) also point to the declining capacity of shop stewards to mobilise members and negotiate issues at workplace level. Unlike their counterparts in other countries which have developed strategies to leverage works council provision, unions in Ireland appear to be circumspect about utilising or campaigning around statutory forms of consultation under EU Information and Consultation regulations (Cullinane et al., 2014; Dundon et al., 2014).

3.3. Direct worker participation in Ireland

A study published by the National Centre for Partnership & Performance (NCPP, 2008a) suggested that employee participation in Ireland was relatively common, with 36.88% of employees involved in programmes designed to elicit participation and employee input, such as quality circles, problem-solving groups and self-managed teamworking. Additionally, 72.22% of employees were provided with relevant operating performance information. Analyses of 2003 and 2009 survey data from the NCPP found that higher work autonomy, job satisfaction, information provision and a sense of fairness were associated with partnership-related structures and practices (O'Connell, Russell, Watson & Byrne, 2009).

Two important surveys from Eurofound (the European Foundation for Living & Working Conditions) largely reinforce these findings and provide the most definitive recent statement on direct participation in Ireland.

The European Working Conditions Telephone Survey¹ provides a wide-ranging picture of job quality across countries, occupations, sectors, gender and age groups, enabling Eurofound to provide comparable and representative information on job quality at a time when working lives underwent considerable changes due to the Covid-19 pandemic. The survey included over 70,000 workers in 36 European countries.

The European Company Survey² is a questionnaire-based representative sample survey of more than 20,000 business establishments with at least 10 employees with regard to work organisation, human resource management, skills use, skills strategies, digitalisation, direct employee participation and social dialogue. It allows for the identification of those bundles of workplace practices that work particularly well in creating win–win outcomes: situations where workers are facilitated and motivated to use their skills to the full, share their knowledge and insights with colleagues and management, and identify opportunities to improve both themselves and the work process as a whole. Interviews took place with the manager responsible for human resources and when possible with an employee representative.

European Working Conditions Survey 2021						
Questions to employees	Value	EU	IE			
Ability to choose or change methods of work	% often/always	46	33			
Ability to choose or change order of tasks	% often/always	53	47			
Ability to change speed or rate at work	% often/always	49	41			
Ability to influence decisions important for work	% often/always	57	56			
Involvement in improving work organisation or work processes	% high	57	52			
Organisational participation and discretion index	% high and high	31	38			

¹ European Working Conditions Telephone Survey 2021 | European Foundation for the Improvement of Living and Working Conditions

10

² European Company Survey | European Foundation for the Improvement of Living and Working Conditions

European Company Survey 2019						
Questions to managers	Value	EU	IE			
Direct employee influence payment schemes	% great/moderate	33	20			
Influence on training and skills development	% great/moderate	57	57			
Influence on work organisation	% great/moderate	57	63			
Influence on working time	% great/moderate	51	47			
Level of direct influence of employees on management decision making	% high	34	31			
Meetings between employees and their immediate manager	% yes regular	59	59			
Online discussion boards	% regular	8	9			
Suggestion schemes	% yes	36	39			

The data for Ireland show somewhat below EU-average scores for the employee survey and close to the average for the manager survey. Nonetheless the EU average scores conceal a variation of 10 -14 per cent compared with the relative 'high performers' such as Denmark, Finland, Netherlands and Sweden where the industrial relations systems are characterised by stronger collective bargaining. As in the NCPP study, both Eurofound surveys found that higher levels of direct participation were associated with enhanced performance and employee wellbeing.

A survey conducted by University College Dublin in 2021 provides more recent data on job quality (NERI, 2023). First results from the survey are summarised in the following table, showing that 26.3% of Irish workers experience jobs which are characterised by elements of direct participation (such as job autonomy) as well as relatively good pay and security. Further analysis of these results is awaited.





What kind of jobs are there in Ireland?

Workers in this group deal with job insecurity (26%) and relatively low pay with 55% earning between €20,000 and €40,000. Similar to "low paid, precarious jobs," they have high effort levels, limited autonomy, long hours, and struggle with work-life balance. Many are anxious about their future work and employment.

They are generally equally distributed across the labour market.

These job types are characterized by precarious work and low wages. These workers also receive relatively poor levels of additional renumeration benefits such as sick pay or private health insurance. Most workers (87%) earn less than €20,000 net. These jobs provide few job resources, little job discretion, little training, limited management supports, and little trade union representation. On the 'plus' side, they experience little work-private life spillage and effort levels are generally low or modest.

More apparent among: females; young workers; those without a third-level qualification; workers in elementary, caring, leisure and sales and customer service roles; and those employed in small firms.

This job type offers relatively secure employment, with only 14% of workers experiencing wage or employment insecurity. Most jobs here are full-time and permanent jobs. Pay levels are low to average & workers have access to several additional renumeration benefits. These are, for the main part, unionised jobs. Workers in these jobs are most likely to receive substantial levels of training. While these jobs' working hours tend to be long, they offer high levels of work-life flexibility, good job autonomy, and work demands tend not to generate work-life conflict.

More apparent among: public sector jobs, in large firms; more likely to be occupied by older workers.

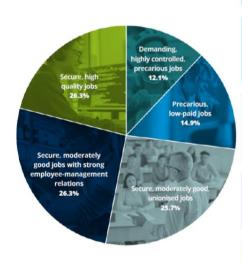
Secure, moderately good jobs with strong employee-management relations:

Earnings range from low to average, with 79% earning between €20,000 and €40,000 net. There is relatively good access to additional renumeration benefits, although not as extensive as in the unionized jobs cluster. However, workers in this cluster enjoy good social support from their managers. More than half (63%) work between 31 and 40 hours per week and enjoy moderate levels of job autonomy.

More apparent among: workers aged between 25 to 44 years and firms in the private sector.

These are secure, relatively well-paid jobs (majority earn annual net salaries ranging from €40,000 to €60,000) with good benefits. Incumbents enjoy high levels of job discretion, good work-private life flexibility and relatively good training provision. Working hours tend to be long (64% work in excess of 41 hours per week). Most (82%) enjoy good social supports from their organisation or line manager and few (5%) express anxieties about their future. Less than half (44%) have employee representation via a union or collective agreement. One in 10 of these workers experience high levels of work effort intensity.

More apparent among: males, those possessing a degree or higher-level qualifications, managerial workers and those working in the professional, technical, scientific, administration sectors as well as in the FDI sector.



4. National Industrial Relations Framework for Direct Worker Participation

4.1. Overview

As Chapter 3 has already indicated, direct worker participation in Ireland has to be understood within the context of the country's social partnership framework, a defining feature of the country's economic, social, and political landscape from the late 1980s to circa 2010, involving collaboration between the government, employers, trade unions, and other social actors working together to achieve common goals.

Ireland achieved independence from Britain in 1922, inheriting its voluntarist and adversarial system of industrial relations. After several decades of economic protection, Ireland changed its economic strategy in the early 1960s, aiming to achieve industrialisation through an open economy as well as investment in education and infrastructure (Larragy, 2006). As a part of this modernisation strategy, the state created a range of institutions including several in which employers and trade unions were involved, including the National Economic and Social Council (NESC) attached to the Department of the Taoiseach (Prime Minister), and the Labour Relations Commission (now the Workplace Relations Commission) which promotes and encourages good workplace relations and compliance with relevant legislation (Doherty, 2011; Dobbins & Dundon, 2016).

Ireland's progress in the 1960s, 1970s, and 1980s was accompanied by high levels of industrial conflict and wage inflation. During these decades, employers, unions and government sought, through social dialogue, to reform industrial relations through establishment of centralised bargaining or wage norms. These efforts were undermined by the both the macroeconomic context, the currency link with sterling, and prevailing attitudes and behaviour (Larragy, 2006).

After a prolonged fiscal and economic crisis, the government, employers and unions formalised the concept of social dialogue in 1987 with the Programme for National Recovery, which aimed to address economic crises through collective agreements on wages, taxation, and public spending (Doherty, 2011; Larragy, 2006). One of the principal objectives of the social partnership process was to achieve moderate increases in wages in exchange for reductions in income tax to boost take-home pay. Despite subsequent challenges particularly after the 2008 financial crisis, social partnership was a notable example of collaborative governance, providing valuable lessons on the importance of inclusive policy-making and the need for continuous adaptation to changing economic and social conditions (Teague & Donaghey, 2015).

4.2 The National Partnership Agreements

Social partnership in Ireland was defined by a succession of three-year, tripartite agreements between government, employers, and trade unions, which were instrumental in achieving economic stability and growth. Each Agreement was informed by NESC's analysis of the current economic and social situation in the country and the actions required to ensure macroeconomic stability, fair income distribution, and structural reforms.

Here is a summary of the successive social partnership agreements (Doherty, 2011):



Programme for National Recovery (PNR) 1987-1990: This was the first social partnership agreement, initiated to address high inflation, weak economic growth, and unsustainable government borrowing. It focused on wage moderation, tax reforms, and public spending cuts to stabilise the economy.

Programme for Economic and Social Progress (PESP) 1991-1994: Building on the PNR, this agreement aimed to further economic growth and social progress. It included measures for job creation, social welfare improvements, and continued wage restraint.

Programme for Competitiveness and Work (PCW) 1994-1996: This agreement focused on enhancing Ireland's competitiveness and creating a more flexible labour market. It included initiatives for training and upskilling workers, as well as measures to improve industrial relations.

Partnership 2000 (P2000) 1997-2000: This agreement aimed to promote inclusion, employment, and competitiveness. It included measures for social inclusion, such as improving access to education and healthcare, and continued efforts to enhance Ireland's economic competitiveness.

Programme for Prosperity and Fairness (PPF) 2000-2003: This agreement focused on ensuring that the benefits of economic growth were shared fairly across society. It included measures for social welfare improvements, wage increases, and initiatives to tackle poverty and social exclusion.

Sustaining Progress (SP) 2003-2005: This agreement aimed to sustain economic growth and social progress. It included measures for wage increases, social welfare improvements, and initiatives to address issues such as housing, healthcare, and education.

Towards 2016 (T2016) 2006-2016: This agreement aimed to create a more inclusive and sustainable society. It included measures for social inclusion, economic competitiveness, and public service reform. The agreement provided for cumulative wage increases and addressed issues such as social welfare, education, health, and employment.

Whilst the legacy of social partnership remains contentious in Ireland, it can be argued that these agreements contributed to Ireland's economic transformation, fostering a stable industrial relations climate, enhancing competitiveness, and promoting social inclusion. They also provided a framework for addressing various social and economic challenges through collaborative governance (Dobbins & Dundon, 2016; O'Donnel et al., 2011; Roche & Teague, 2013).

4.2. The Social Partners

On the union side, social partnership negotiations were conducted under the umbrella of the Irish Congress of Trade Unions (ICTU), the only union confederation in Ireland. ICTU acts to co-ordinate, rather than direct, the action of its affiliates, which retain significant autonomy. In 2008, there were 55 unions affiliated to the ICTU, representing the vast majority of Irish trade union members. Irish trade unionism has been traditionally dominated by general unions, and the Services, Industrial, Professional and Technical Union (SIPTU) now represents approximately 40 percent of the total membership of ICTU-affiliated unions. The acceptance or rejection of partnership deals is based on an overall vote of delegates from ICTU-affiliated unions.

Trade unions played a pivotal role in the social partnership model in Ireland since its formal inception in 1987. The Irish model of social partnership was sometimes hailed as a success story for unions,

helping to avoid marginalisation by developing strategies to balance competitiveness and equity (Teague & Donaghey, 2015; Larragy, 2006; Doherty, 2011).

Irish employers have also been traditionally well-organised. The main employers' association is the Irish Business and Employers Confederation (IBEC), which represents around 7500 business organisations. There are also associations for certain sectors of industry, the most influential being the Construction Industry Federation (CIF). Leading officials of the IBEC have tended to be prominent in public affairs and represented on State bodies and the IBEC has led the negotiations of partnership deals on the employers' side (Eurofound, undated).

4.3. Promoting Direct Participation in Ireland

The rise of social partnership in Ireland spawned a succession of initiatives targeted at developing and disseminating new forms of work organisation based on enhanced levels of direct worker participation.

The 1996 National Economic & Social Council (NESC) report *Strategy into the 21st Century* (NESC, 1996) argued that:

"International evidence indicates that workplace innovations – designed to increase employee participation, work organisation, positive flexibility and teamwork, communications and gainsharing and improve the distribution of work and working hours – have a substantial positive impact on economic performance, employment, quality and productivity.

... the next stage in the national partnership (is) to further extend partnership at the enterprise level of the economy. This should be done not by imposing any single structure or model, but in ways that recognise the need to tailor the partnership approach to fit different employment settings and take account of different arrangements." (pp 41 - 42).

However, while seeking to avoid blueprints, it was broadly acknowledged by the NESC that the absence of a clear model or framework for animating change in the workplace had historically been a constraint on co-operation between the social partners. NESC recommendations included proposals for learning from developments in other economies, plus a wider range of actions to stimulate dialogue and raise awareness. Employers' organisations and trade unions were seen to face a particular challenge, which:

"... calls for a programme of suitable training, including leadership training, supported by the state, to assist these organisations in discovering new policies, structures and roles" (p43).

4.4. The New Work Organisation in Ireland Programme

A landmark initiative to address the challenge set by NESC came from the Irish Productivity Centre (IPC). The IPC's origins can be traced back to the post-World War Two era when, in 1948, the Irish state joined the Organisation for European Economic Co-operation (OEEC) as a condition for receiving U.S. Marshall Aid. The European Productivity Agency (EPA), established within the OEEC, played a key role in organising a productivity drive between 1953 and 1962 by constructing a network of national productivity centres. Ireland joined the EPA when it was set up but did not take a significant part in the Agency's activities until 1959 when the government approval for the setting

up of an Irish national productivity centre, given almost a decade earlier, was finally put into effect. (Murray, 2004).

The IPC was established to coordinate and promote productivity activities in Ireland. It aimed to stimulate higher productivity in various sectors and increase awareness about the benefits of productivity improvements. It also focused on applying human sciences to industry, addressing issues such as job satisfaction, human relations, and incentives.

During the late 1990s, the IPC started to play a significant role in promoting workplace innovation and employee participation. Notably it was instrumental in leading the *New Work Organisation in Ireland Programme* (NWO), developed and implemented in collaboration with the Irish Business and Employers Confederation (IBEC) and the Irish Congress of Trade Unions (ICTU) forming a "virtual centre of excellence". The programme began in 1996 and ran until 1999, with support from the European Social Fund (Totterdill & Sharp, 1999).

According to the report of the independent evaluators, NWO was an innovative initiative aimed at promoting new forms of work organisation through social partnership. It aligned with both the European Commission's 1997 Green Paper *Partnership for a New Organisation of Work* and the National *Partnership 2000* agenda, emphasising the interdependence of social partnership and new forms of work organisation. NWO aimed to extend social partnership to the workplace, fostering new and sustainable forms of work organisation.

Despite the Irish economy's boom, driven by foreign direct investment, the indigenous sector lagged in productivity and competitiveness. The programme sought to address this by promoting versatile and innovative work practices through a learning network of enterprises, each undertaking to create an internal management-union 'partnership forum' to enhance competitiveness and improve employee benefits.

The programme involved six integrated stages:

Identification and analysis of good/best practice work organisation and partnership initiatives across Ireland, Europe, Japan and North America.

A regional campaign aimed at raising awareness of the Programme and the recruitment of enterprises. This campaign was targeted at business employers and trade unions.

Mobilisation, training and development of a team of Lead Facilitator/Trainers to work directly with the enterprises and their interest groups.

Design and deployment of innovative methodologies and techniques to facilitate the implementation of the change process in a diverse group of ten enterprises using partnership approaches.

Evaluation, monitoring and measurement of processes and outcomes, including the independent evaluation.

Dissemination and diffusion of lessons from the Programme.

In each of the ten participating companies, a management-workforce partnership committee was created to identify and oversee the implementation of collaborative opportunities for win-win change. A key principle was that adversarial industrial relations issues were excluded from the committee's deliberations and would be confined to traditional bargaining settings – an arrangement subsequently described as the separation of 'boxing' and 'dancing' (Huzzard et al., 2004).

An interesting example from the programme was that of Tegral Metal Forming, a steel cladding and roofing company based in County Kildare. Prior to the programme, the company had suffered from relatively adversarial industrial relations, but the instigation of the partnership committee immediately unleashed several ideas for business improvement from frontline employees stimulated by the newly emergent culture of collaboration and trust (Totterdill & Sharp, 1999).

Key lessons from NWO included the importance of understanding partnership concepts, the value of diagnostic processes, the critical role of facilitators, and the need for effective communication and training. The programme demonstrated that building partnership and changing culture is a long process requiring patience and trust. In addition, regular 'learning network' sessions built into the programme demonstrated the importance of peer-to-peer interaction between participants in shared learning and problem solving, and sustaining motivation through difficult stages in the change journey.

The NWO Programme also highlighted the need for a new model of workplace partnership, emphasising the convergence of competitiveness and employee benefits. It advocated a culture of gainsharing, where employees are proactive and innovative in return for increased autonomy and shared economic gains. The programme's success in the participating companies showed real benefits for both management and employees, although these benefits can take time to materialise (Totterdill & Sharp, 1999).

Despite the success of the NWO Programme, the IPC itself was superseded as part of the 2000-2003 Social Partnership Agreement *Programme for Prosperity and Fairness*, though it continued in name for several years as a private consultancy practice created by former staff members.

4.5. The National Centre for Partnership and Performance (NCPP)

The NCPP was first established in 2001 under the terms of the Social Partnership agreement as an agency of the Irish Government, part of the institutional framework that supported the Social Partnership system. The NCPP was the agency responsible for supporting and facilitating organisational change and workplace innovation based on enterprise-level partnership between management, unions and employees. The NCPP played a key role in advising the Taoiseach (Prime Minister) on matters relating to the deepening of workplace partnership in both the public and private sectors. It worked closely with government departments, agencies and the social partners to identify ways of extending the prevalence and impact of progressive partnership-based approaches to change and innovation (Roche & Teague, 2013).

In later years, the NCPP was incorporated as part of the National Economic and Social Development Office, established on a statutory basis in legislation. It was governed by a Council comprised of senior Civil Servants representing key government departments, senior representatives of the social partners, and a number of independent members. Its primary strategic relationship was with the Department of the Taoiseach, the government department that co-ordinated the social partnership system in Ireland (NCPP, 2008b).

4.6. The National Workplace Strategy

In 2003, the Government embarked on an ambitious initiative to involve all interested stakeholders in developing the understanding of and perspective on workplace innovation in Ireland. The *Forum on the Workplace of the Future* was seen as a tripartite exercise in consultation, research, analysis, dialogue and strategic planning. Its basic objective was to create consensus and co-ordinated policies to adapt the world of work to competitive pressure and Ireland's social vision (NCPP, 2008b; Roche & Teague, 2013).

Nonetheless, tensions soon emerged within the NCPP when a 'scoping document' intended to set the agenda for the Forum provoked opposition, reported to have come mainly from employers' representatives, who saw the language in the document as threatening and held the view that the Forum should be confined to issues that had already been covered in the prevailing national social partnership programme (Dobbins 2003).

The Forum's final report, entitled *Working to our Advantage: A National Workplace Strategy* (NCPP, 2005). was the result of 18 months of deliberation, and presented a new paradigm for understanding the role of workplace development. It was intended to provide the strategic framework within which the NCPP collaborated with key Government departments and the social partners to advance workplace innovation across the public and private sectors.

The National Workplace Strategy was launched in March 2005 by the then Taoiseach, Mr. Bertie Ahern, T.D. Its central proposition was that Ireland's competitiveness as a knowledge-based economy will depend significantly on the capacity of organisations to achieve transformative change through innovative work practices. It argued that workplace innovation was a key pillar of the national innovation system and should be treated as a strategic priority by policy makers (NCPP, 2008b).

The Strategy highlighted a number of factors which were driving the need for workplace change:

Despite a decade where Ireland enjoyed record levels of economic growth, the country continued to lose competitiveness. Management practices, work organisation and employee involvement and engagement are all known to have important effects on labour productivity and on innovation capabilities within the firm / enterprise.

The growth of knowledge-intensive work was seen as one of the most important influences shaping work and workplaces in the coming years.

Ireland's workforce was becoming more diverse and working patterns were becoming more varied. The demographics of the Irish workforce were changing rapidly as demonstrated in the rising age profile of the workforce, the declining rate of young people entering the workforce, the increasing rate of female participation in the workforce, the diversification of employment patterns, and the growing ethnic diversity of the workforce.

The Strategy also recognised that Ireland faced particular challenges in relation to innovation. Whilst the country had been very successful over several decades in attracting foreign owned knowledge-intensive industries, the domestic innovation base remained weak. Much of the technology fuelling the Irish economy was generated overseas and Ireland had in the past been described as a 'technology taker' rather than a 'technology maker'. To address this imbalance, it was argued, investment in science and technology R&D must be matched by innovation in the workplace NCPP 2005 & 2008b).

The Strategy highlighted a number of key challenges facing employers, managers, unions and workers in the Irish economy, including:

Limited use of comprehensive 'bundles' of work practices associated with high performance and innovation, including autonomy and giving employees more control over their working lives, consultation and meaningful involvement, training and opportunities for learning, family-friendly policies and flexible work arrangements.

Under-utilisation of the workforce due to insufficient employee involvement and participation in the workplace, and uneven investment in workplace training and lifelong learning.

In the public service, challenges in relation to career mobility restrictions on management, over-centralisation of financial and human resource management and underutilisation of strategic HRM and decentralised HRM, underutilisation of knowledge management and performance management systems, and lack of integration across institutional boundaries.

Many workplaces were missing out on opportunities to improve their capacity for change by failure to communicate and consult effectively with employees, and because of insufficient employee involvement.

The diffusion of workplace practices to improve quality of working life remained quite limited.

The National Workplace Strategy set out a co-ordinated approach to workplace development, designed to accelerate the pace of workplace innovation and change, and to address the challenges identified by the Forum on the Workplace of the Future, and a High-Level Implementation Group was established in 2005 chaired by the Minister for Labour Affairs (NCPP, 2008b).

Key actions under the aegis of the Group included:

The establishment of a Workplace Innovation Fund

The establishment of a National Workplace Strategy Public Awareness Campaign

The establishment of a cohesive national data infrastructure for measuring and benchmarking workplace innovation

The reinforcement of the National Workplace Strategy in the 2006 Social Partnership Agreement, *Towards 2016*.

The reinforcement of workplace innovation as a key component of the national innovation system.

As a key partner in the implementation of the National Workplace Strategy, the NCPP was tasked with working to "embed partnership as a critical element of the response to the challenges of managing and leading workplace transformation and change in Ireland" and was responsible for delivering several of these actions. For example, the Workplace Innovation Fund supported enterprise-level interventions with a strong focus on direct participation (Annexe 1) whilst awareness campaigns included the delivery of masterclasses and workshops (NCPP, 2008b). Other initiatives included the publication of a practical 'step-by-step' guide to improving productivity, innovation and quality of working life through workplace partnership, and collaboration with the Health Services National Partnership Forum (HSNPF) on action-focused research in the hospital sector (Totterdill et al., 2010).

The National Centre for Partnership and Performance (NCPP) in Ireland was dissolved in 2010, primarily due to the financial crisis of 2008 which led to significant budgetary constraints and a shift in government priorities (Roche & Teague, 2013). The economic downturn necessitated austerity

measures and a re-evaluation of public spending, which impacted various government agencies and initiatives, including the NCPP. Some staff were transferred to NESC where they continue to draw on their expertise in workplace innovation.

4.7. SIPTU's IDEAS Institute

SIPTU (the Services, Industrial, Professional and Technical Union) is the largest trade union in Ireland, representing over 180,000 workers across almost every manufacturing and service sector. In 2001, at the time of the *Programme for Prosperity and Fairness* National Social Partnership Agreement, SIPTU created the *Institute for the Development of Employees Advancement Services* (IDEAS) to introduce new thinking into the workplace for the mutual benefit of employees and the enterprise by means of in-company facilitation, education and training, and research. As a limited liability company and registered charity, the Institute operates independently within the commercial sector³.

Through its specialised programmes, IDEAS provides direct support for workplace innovation at company level. Its approach focuses strongly on the people dimension, valuing and encouraging the knowledge and practical process experience that workers accumulate throughout their working lives. These programmes typically involve the creation of joint union-management steering groups with a remit to identify opportunities for collaborative problem solving, establish effective teamworking, improve processes and develop new ways of working through genuine worker participation. Many of these training programmes are accredited by the national *Quality and Qualifications Ireland* agency, although accreditation is not mandatory. This approach has received growing recognition due to its ability to unlock creative potential within the workforce as a critical component for continuous improvement and enhanced competitiveness.

IDEAS has been involved in several notable projects, including its work with Kirchhoff Automotive's plant in Ireland (see section 5.1.1 below). The Institute's involvement led to the transformation of working practices and substantial win-win outcomes for the company and its workers based on employee empowerment and the evolution of a flatter organisational structure. Kirchhoff's journey also exemplifies Industry 5.0 in practice through the use of digital technologies to create a more human-centric, environmentally sustainable, and resilient organisation.

Another example of IDEAS' impact can be found in its work with FSW Coatings, Ireland's largest indigenous paint company (see 5.1.2 below). The Institute began its involvement with Fleetwood Paints in 2015, stimulating significant changes in the company's culture and practices, demonstrating how a union-led intervention can generate a self-sustaining momentum of workplace innovation.

The Institute's <u>intervention at Becton Dickinson's Drogheda plant</u> led to significant performance gains, rescuing it from likely closure by the parent company⁴. However subsequent corporate restructuring and changes in plant leadership led to an erosion of direct participation and worker empowerment, reinforcing Dobbins & Dundon's (2016) doubts about the sustainability and resilience of workplace partnership and innovation under voluntarist industrial relations regimes.

IDEAS also plays a significant role in public policy advocacy, proactively making the case for government programmes and initiatives that support workplace innovation. The Institute's work is

19

³ https://ideasinstitute.ie/

⁴ https://workplaceinnovation.eu/becton-dickinson/

recognised for its ability to stimulate, resource, and sustain positive workplace change through collaborative innovation between unions and management.

4.8. The Impact of the 2008 Financial Crisis on Social Partnership

The 2008 crisis led to a breakdown in the existing social partnership model, as the government shifted its focus to parliament as the political avenue to legitimate austerity measures and new economic policy reforms, with attention and resources largely focused on bailing out banks and other financial institutions. In effect this meant a swift abandonment of social partnership and a rejection of stimulus proposals put forward to social partners (Doherty, 2011; Teague & Donaghy, 2015).

Overall, the crisis exposed flaws in the social partnership model, leading to its decline but eventually prompting the development of new, if more fragmented forms of social dialogue and agreements to address the changing economic landscape.

4.9. The Croke Park Agreement and beyond

The Croke Park Agreement⁵ (Doherty, 2011; Dobbins & Dundon, 2016; Sheehan, 2018) officially known as the Public Service Agreement, was a significant accord reached between the Irish government and public service representatives, including the Irish Congress of Trade Unions (ICTU), Gardaí (police), and Defence Force Associations. The agreement, which initially ran from 2010 to 2014, aimed to change the way the public service conducted its business to reduce costs and the number of public service employees whilst maintaining service levels.

The agreement included several key commitments from the government:

No further reductions in pay for public servants beyond those applied in 2009 and 2010.

No compulsory redundancies if public servants were flexible about redeployment.

An extension of the period within which 2010 pay reductions were disregarded for pension calculations.

An annual review of public service pay.

Public servants and their managers were required to work together to improve efficiency and effectiveness despite reduced resources, though in practice this involved complex changes in work practices, redeployment, and performance management requiring a level of coordination and management which was not always achieved.

Nonetheless this collaborative approach initially helped the government manage the budget deficit and navigate the economic challenges posed by the financial crisis, demonstrating the potential of social dialogue and cooperation in addressing fiscal challenge. However a new Government elected in 2011 faced considerable external pressure to cut public spending further, leading to an attempt to revise the original agreement and to trim the public service pay bill by a further €1 billion by end of 2015. Public service unions fiercely opposed the new cuts, to which the government responded

20

⁵ https://www.gov.ie/en/publication/89ddb8-croke-park-agreement/

by threatening tough emergency legislation to force the cuts through whilst also asking the Labour Relations Commission (LRC) to intervene. Bilateral negotiations took place between the LRC and individual unions, resulting in a series of collective agreements which involved significant concessions from the government. Only three of the 20 public sector unions withheld their consent. These challenges underscored the difficulties in balancing fiscal austerity with maintaining public sector morale and service quality during a period of economic crisis (Maccarrone & Erne, 2023).

4.10. Workplace partnership and direct participation after 2010

The financial crisis led to the collapse of consensus approaches to social and economic policy-making in Ireland. For the first time in over 20 years, there was no formal institutional process governing social partnership, and with it the policy framework to support workplace partnership and direct participation also disappeared. An important question therefore is whether the legacy left from the social partnership era and the work of organisations such as the NCPP continues to have an impact on direct participation.

O'Dowd (2010) identified 150 instances in which workplace partnership initiatives had been established in the private and commercial state-owned sectors, 73% of which survived into 2008-9 in those firms that remained in existence. Although there has been no monitoring since 2010, many of the 36 companies benefitting from the Workplace Innovation Fund (Annexe 1) may have continued on the path of direct participation and even inspired changes in other organisations.

The NCPP's legacy is multifaceted and, arguably, continues to influence workplace innovation and labour relations. At the simplest level, NCPP's legacy lies in the individuals who either worked there or who come into contact with it, many of whom are now in influential or decision-making roles and continue to espouse the principles of workplace innovation. The NCPP built a strong evidence base for workplace innovation through its research and its practical support for enterprise-level change. Its principles and practices are embedded in the work of other agencies, and have been cited in various sectoral strategies, reports and policy documents such as in the health and tourism sectors. Most recently, a NESC report *Towards a National Better Work Strategy* restates the importance of workplace innovation for both productivity and wellbeing (NESC, 2024).

The future of government policies remains unclear. Despite the reintroduction of some tripartite mechanisms such as the Labour Employer Economic Forum (LEEF) and the National Economic Dialogue (NED), little has been said about new institutional arrangements for workplace cooperation. Nonetheless, workplace innovation and direct participation have never entirely disappeared from Irish policy discourse, even if they still remain under the surface.

4.11. Discussion: lessons from social partnership in Ireland

The story of workplace innovation in Ireland during the last 30 years demonstrates both the weaknesses and opportunities that characterise voluntarist systems of industrial relations. On the one hand, critics such as Dobbins and Dundon (2016) present a powerful argument about how the absence of legal or regulatory mechanisms inhibits the spread of collaborative management-union partnerships at workplace level. On the other hand, employee representation at enterprise level is not the same as direct participation, and there are many reasons why representative forums may

not have embraced work organisation as part of their remit. Likewise there are few (if any) examples internationally of mandatory regulatory standards that are specifically designed to enforce participative forms of work organisation. The creation of the NCPP was specifically designed to enhance workplace partnership simultaneously with participative forms of work organisation at enterprise level.

A return to social partnership at national level does not appear to be on the agenda for the foreseeable future, so the question is whether new policies and programmes to promote workplace innovation can emerge without it. SIPTU's IDEAS institute, though born during the national social partnership era, continues to produce convincing results by deploying partnership principles in the workplace even in the absence of the wider national partnership framework. From a government perspective, new programmes to enable workplace innovation could be seen as an important tool in realising key economic and social objectives including productivity, digitalisation, net zero, skills development and health.

However this would require sustained commitment from political parties and social partners alike. NCPP lasted less than ten years, a relatively short time in which to instigate the large scale transformation of workplace practices in Ireland, and it never really succeeded in cultivating the level of trust and commitment between management and unions to ensure the sustainability of workplace partnership (Roche & Teague, 2013). Nonetheless the learning generated during NCPP's relatively short life may well have prepared ground for the future.

5. Case Studies

In line with the objectives of the BroadVoice project, WIE sought to select and deliver four Irish case studies in which trade unions at workplace and/or national level were active participants in introducing and sustaining direct worker participation.

Ireland's social partnership era, as described in preceding chapters, made a particular mark on the manufacturing sector, not least because it led to the creation of SIPTU's *Ideas Institute* (section 4.9 above). IDEAS played a unique role in stimulating and resourcing workplace innovation, supporting manufacturing companies and their employees using a collaborative methodology to achieve winwin outcomes for management and workers alike. IDEAS survived the collapse of the social partnership framework and continues its workplace interventions into the present, as well as inspiring people-centred change in companies throughout Ireland.

In contrast, whilst there were reports of collaborative initiatives to stimulate direct participation in, for example, the health sector during the early years of the century (Totterdill et al., 2010), informants report that proactive union-management collaboration in the public sector has largely disappeared with the end of the national social partnership framework. Union density in the private services sector has remained very small.

Rather than seek service sector cases which achieve only marginal alignment with BroadVoice's principal aims and ambitions, the WIE team took the decision to focus entirely on the much stronger body of experience to be found in Irish manufacturing companies. SIPTU's distinctive role in supporting the development of direct participation in manufacturing firms represents Ireland's unique and specific contribution to the BroadVoice project, and in particular to understanding how unions can become knowledgeable participants in workplace innovation.

5.1. The manufacturing sector in Ireland

Overview



Manufacturing in Ireland is a vital component of the country's economy, contributing significantly to employment, exports, and overall economic growth. Manufacturing contributed approximately 29% to Ireland's GDP in 2023, a drop of €6bn from the peak year of 2015⁶ despite significant contributions from the pharmaceutical, food, and chemical sectors.

The sector's biggest segments are⁷:

basic pharmaceutical products and preparations (37 percent of total production);

food products (18 percent);

chemicals and chemical products (15 percent);

computer, electronic, optical and electrical equipment (11 percent);

other manufacturing, repair and installation of machinery and equipment (7 percent);

basic metals and fabricated metal products, machinery and equipment (5 percent).

The geographical distribution of manufacturing companies in Ireland shows a concentration in key localities. Dublin is the largest with a 32% market share, hosting 5,967 manufacturing companies.

24

⁶https://tradingeconomics.com/ireland/manufacturing-value-added-percent-of-gdp-wb-data.html [accessed 20.01.2025]

⁷ https://tradingeconomics.com/ireland/industrial-production [accessed 20.01.2025]

Cork follows with 2,016 companies, and Galway has 790 companies. These three areas combined account for 47% of the total manufacturing industry in Ireland⁸.

Industrial Relations

Industrial relations in the manufacturing sector are characterised by decentralised bargaining, with negotiations typically taking place at the company or workplace level. Full-time trade union officials and shop stewards represent workers, while HR professionals typically represent employers, at least in larger firms.

The level of unionisation in the Irish manufacturing sector has seen a decline over the years. As of the latest data, the union density in the manufacturing sector is approximately 13%. Of the 34% of Irish workers covered by collective bargaining, the majority are in the public sector rather than manufacturing (Geary and Belizon, 2022). Unions and other parties can ask for Sectoral Employment Orders (SEOs) to be applied by the Labour Court in sectors with a high proportion of employees covered by collective bargaining, such as mechanical engineering and electrical contracting⁹.

The main trade unions active in manufacturing are the <u>Services Industrial Professional and Technical Union</u> (SIPTU) and <u>Connect</u>, both affiliated with the <u>Irish Congress of Trade Unions</u> (ICTU). Additionally, the British trade union <u>Unite</u> is also active in the sector. On the employer side, the <u>Irish Business and Employers Confederation</u> (IBEC) is a major cross-sectoral association, representing companies that employ over 70% of the private sector workforce in Ireland.

Despite the collapse of social partnership after the financial crisis, the tripartite Labour Employer Economic Forum (LEEF) was established by the government in 2016 as Ireland began to emerge from recession to discuss employment and labour market topics, and continues to meet quarterly¹⁰. Likewise the National Economic Dialogue (NED) brings social partners and the government together as part of the national budgetary process¹¹.

Employment and Skills

The manufacturing sector employs over 275,000 people, contributing more than 11% to total employment in Ireland (IBEC, 2023). This sector is a significant source of employment, providing jobs across various skill levels and contributing to the economic stability of the country.



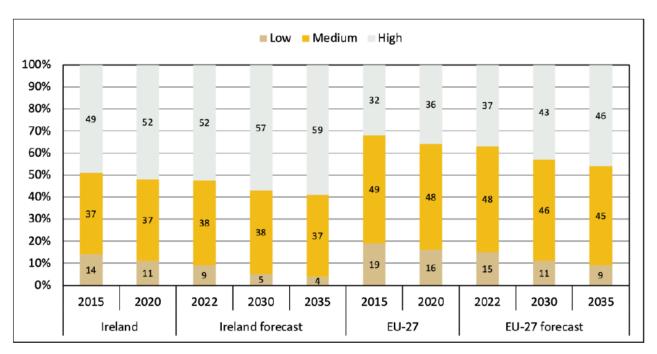
⁸ https://bolddata.nl/en/companies/ireland/manufacturing-companies/ [accessed 20.01.2025]

https://www.citizensinformation.ie/en/employment/employment-rights-and-conditions/industrial-relations-and-trade-unions/employment-agreements-and-orders/

¹⁰ https://www.oireachtas.ie/en/debates/question/2019-10-10/165/

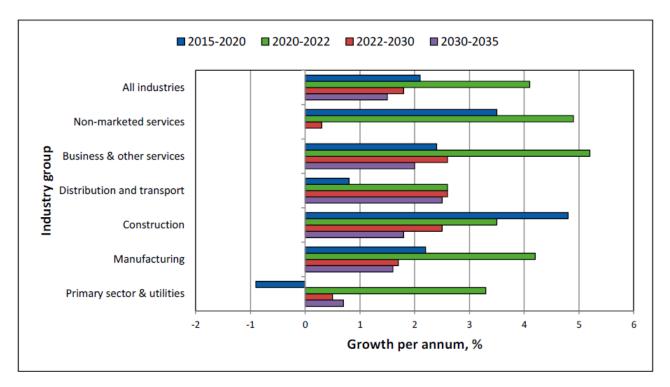
¹¹ https://www.oireachtas.ie/en/debates/question/2019-09-24/84/

CEDEFOP (2023) anticipates continued growth in Irish manufacturing employment until 2035, though at a lower rate of increase than in previous years:



Source: CEDEFOP (2023) Skills Forecast - Ireland

Whilst numbers of workers in each skill category are not readily available specifically for manufacturing, a significant share of the entire Irish workforce as a whole has low or medium-level qualifications:



Source: CEDEFOP (2023) Skills Forecast - Ireland

A growing demand for skilled workers due to advancements in technology and Industry 4.0, and a commensurate decline in the numbers of unskilled workers, is likely to characterise the future manufacturing workforce.

Strengths and Weaknesses

Ireland's manufacturing sector boasts several strengths, notably in high-end and high-tech manufacturing and particularly in pharmaceuticals, medical devices, and technology. As the above table indicates, Ireland's manufacturing exports are substantial with the sector exporting goods worth €208 billion in 2022, and having witnessed long-term export growth in both indigenous and FDI companies.

As with other manufacturing economies, Ireland faces the interlinked challenge of globalisation, digitalisation and the green transition. Its success over several decades in attracting foreign direct investment (in no small part due to a favourable corporation tax regime) gives rise simultaneously to strengths and weaknesses – strengths in the sense that foreign companies bring advanced technologies, skills and management practices with them, but weaknesses in that ultimate control over strategy and investment rests in other countries. It is also likely that the divide in investment and innovation between FDI and indigenous companies, cited by the Workplace Development Strategy in 2005 (NCPP, 2005), continues to act as a brake on the future growth of Irish manufacturing.

Nowhere is Ireland's 'two-track economy' better illustrated than in terms of productivity. According to the Nevin Economic Research Institute (NERI, 2024):

"While our headline productivity is lauded as being one of the highest in the world, buoyed by multinational firms, the emergence of a two-track economy is well documented. Our domestic firms

produce significantly less value than their multinational counterparts, leaving them less capable of competing internationally or providing decent living standards for their workers."¹²

In a joint study of indigenous firms (NERI, 2024), the Institute and SIPTU calculated that real value added per hour by Irish manufacturing between 2017-19 was 18.9% below that of European peer group countries (Austria, Belgium, Denmark, Finland, Luxembourg, Netherlands, Norway and Sweden). In other words, manufacturing workers in Ireland work on average some 300 more hours per year than their counterparts to achieve the same output. Along with inadequate investment and skills shortages, it is also possible to explain this productivity gap in terms of the low uptake of high performance workplace practices associated with workplace innovation (Totterdill & Exton, 2021).

Government Policy

An established, publicly supported portfolio of interventions promotes and stimulates collaboration between manufacturers, R&D facilities, business support agencies and public programmes, designed to foster innovation and adaptation in the manufacturing sector. Public agencies and initiatives dedicated to supporting the manufacturing industry in Ireland include:

<u>Enterprise Ireland</u>: This agency provides financial support, advice, and resources to help Irish businesses grow and compete internationally. It focuses on innovation, research and development (R&D), and market expansion.

<u>IDA Ireland</u>: The Industrial Development Authority (IDA) attracts foreign direct investment (FDI) to Ireland, promoting the country as a prime location for multinational manufacturing companies. IDA Ireland offers grants, property solutions, and other incentives to support new and existing investors.

<u>Local Enterprise Offices (LEOs)</u>: LEOs provide support to small and medium-sized enterprises (SMEs) through grants, training, mentoring, and networking opportunities. They play a crucial role in fostering entrepreneurship and innovation at the local level.

<u>Science Foundation Ireland (SFI)</u>: SFI funds research in science, technology, engineering, and mathematics (STEM) to drive innovation and support the manufacturing sector. It collaborates with industry partners to translate research into commercial applications.

<u>Sustainable Energy Authority of Ireland (SEAI)</u>: SEAI promotes energy efficiency and sustainability in the manufacturing sector. It offers grants and support for energy-saving projects and renewable energy initiatives.

<u>Skillnet Ireland</u>: This organisation provides training and upskilling opportunities for the workforce, ensuring that employees in the manufacturing sector have the necessary skills to meet industry demands.

In addition, the Irish government has launched several strategic initiatives to support the manufacturing industry:

<u>Industry 4.0 Strategy 2020-2025.</u> This strategy aims to transform the manufacturing sector through digitalisation, automation, and advanced technologies. It emphasises the importance of R&D, skills development, and collaboration between industry and academia.

28

BroadVoice

¹² https://www.nerinstitute.net/blog/ireland-domestic-productivity-laggard-and-were-all-paying-price

<u>Future Manufacturing Ireland (FMI).</u> This initiative aims to help the manufacturing sector in Ireland access advisory, technical, and research resources to drive competitiveness and digital transformation. FMI promotes engagement between the manufacturing sector and government-funded Advanced Manufacturing centres, which provide resources spanning fundamental academic research, applied technology development, and commercial deployment.

<u>Irish Manufacturing Research (IMR).</u> IMR is an EI/IDA Ireland Technology Centre focused on Industry 4.0 activities. It engages in mid-late-stage industry representative collaborative research across key themes such as digitisation, automation, advanced control, design for manufacturing, and sustainable manufacturing.

<u>Ireland's National Skills Strategy</u>. This strategy draws together the review of progress on skills and talent development in Ireland and internationally, recent developments and examples of effective policy and practice, and inputs from a wide range of stakeholders.

Whilst it is beyond the scope of this report to assess the overall effectiveness of this portfolio in enabling manufacturing companies to address twenty-first century challenges, from a BroadVoice perspective the absence of tripartite interventions is notable, as is the lack of any references to workplace innovation or direct participation, either specifically or in general terms. In short, Irish policy is largely ignoring both the evidence generated by an earlier generation of workplace interventions and the potential of such measures to enhance competitiveness and workforce health.

5.1.1. Case Study 1: Kirchhoff Automotive



Overview

This case study describes a union-management partnership in Kirchhoff Automotive's plant in Ireland, one which led to the transformation of working practices and to the achievement of substantial win-win outcomes for the company and its workers. Kirchhoff Ireland employs 42 people and is 100% unionised.

The case study was conducted by means of a full-day visit to Kirchhoff's Letterkenny plant by Rosemary Exton and Peter Totterdill (WIE), with Tony Murphy (IDEAS).

Context

SIPTU, Ireland's largest trade union, established the Institute for the Development of Employees Advancement Services (IDEAS) in February 2001. Its primary focus is workplace innovation, education and research (particularly research involving workers, employment and trade unions). IDEAS' principal role is to identify ways in which new thinking and new services can be introduced into the workplace for the benefit of employees and the enterprise as a whole. IDEAS began its involvement with Kirchhoff in 2010, stimulating a remarkable self-sustaining momentum of change within the company.

Kirchhoff's journey over more than a decade also exemplifies Industry 5.0 in practice through the use of digital technologies to create a more human centric, environmentally sustainable and resilient organisation.

Kirchhoff Automotive in Ireland is part of a wider family-owned international group based in Germany. It is a Tier 1 Supplier delivering high-quality complex stampings and complete assemblies to global automobile manufacturers. The plant focuses strongly on JIT delivery with high standards of quality and service, listing BMW, General Motors, and Ford amongst its largest customers.

The plant's location in the relatively remote North West of Ireland involves significant transportation of raw materials from central Europe, specifically Germany, adding to operational costs. This contrasts with competitors in Hungary and Poland who do not face these extra costs.

Above all, this case study demonstrates how union-led intervention can generate a self-sustaining momentum of workplace innovation firmly embedded within the culture and practice of an organisation.

The Start of the Journey

Sean McDermott's 43 year career progression from apprentice tool maker to Managing Director of Operations at Kirchhoff Ireland means that he is well placed to understand the company at every level. During the early years of the current century, he was well aware that the company was facing management-union conflicts, In particular, the traditional piece work payment system caused instability in staff pay and led to frequent disputes with SIPTU. Customer complaints also presented a significant challenge to the company which, in the words of SIPTU Shop Steward Paul McGee, "cost a fortune".

It was a local SIPTU official, Martin O'Rourke, who identified difficulties within Kirchhoff in 2010. Working with Sean and other managers, he initiated a joint union-management effort to address these issues, proposing a collaborative approach to improve competitiveness, upskill the workforce and address individual issues more constructively, thereby reducing union-management conflicts.

Enter Tony Murphy, an experienced workplace innovation facilitator from IDEAS. Under Tony's guidance, a joint union-management Steering Committee was formed, consisting of shop steward Paul McGee, Sean McDermott, a forklift driver, tool makers, a general operator, and other managers. Its remit, according to a presentation delivered at the inaugural meeting, was to address communications, upskilling, union-management partnership, quality and "Health & Safety, Housekeeping and Environment (HSHE)" in order to ensure the continuation of profitable operations in Letterkenny to 2020 and beyond.

A key principle underpinning the Joint Steering Committee was that adversarial industrial relations or HR issues would be excluded from its agenda, focusing instead on collaboration and working together to make the plant more competitive.

At the outset, all Steering Committee members underwent formal teamwork training together, designed to foster a non-adversarial, cooperative environment. The training course, accredited by Quality Qualifications Ireland and the Department of Education, concluded with all participants receiving formal qualifications. In particular, the course highlighted the importance of team working skills in achieving organisational change.

Operations Director John Roulstone emphasises the importance of Tony's role in coaching the management side in how to build a positive relationship with the union, as well as "to get away from a blame culture by having regular interaction with everybody involved in the process". For Paul McGee, the course empowered people with the skills and confidence to "put up their hand and ask questions - because there's no stupid questions".

Paul McGee played a key role as a champion of the new culture, helping overcome resistance and scepticism. His positive relationship with Sean McDermott began to exemplify the emerging partnership culture. Paul did encounter some suspicion amongst the workforce: "People were very nervous. 'Is this the company trying to get one over us?' That was hard for us to sell, so we had to get to the low hanging fruit, the easy ones."

The Steering Committee conducted a gap analysis to identify the current state of the art at Kirchhoff and to define future objectives, leading to a vision for operating effectively and profitably in Letterkenny by 2020. Seeking collective support for the journey ahead, a clear plan for the future was presented to, and was eventually supported by, the entire workforce.

An early milestone was reached when the Steering Committee successfully implemented a 5S project in a specific department, demonstrating the effectiveness of the partnership model and strengthening the legitimacy of the approach through visible improvements in organisation and efficiency. One early win lay in developing a collaborative approach to root cause analysis of customer complaints, and resulted in a significant reduction in their frequency.

The Steering Committee subsequently decided to adopt a lean manufacturing approach across the plant, with a strong emphasis on collaboration supported by the appointment of lean manufacturing champions from within the workforce.

A significant operational issue identified was the inefficient handling of heavy tools, leading to excessive time spent locating and moving them. A study revealed that some 1968 hours a year were

spent looking for, finding and moving tools unnecessarily. A simple yet effective solution was implemented by introducing a clear storage and signage system, drastically reducing unnecessary labour hours.

According to Paul, "So the operators loved it and they could see then this is good." As John Roulstone points out, a key element in employee acceptance of the partnership approach was the focus on "improvements to the daily work of all staff."

Tony Murphy commented that, as a result of this experience,

"People realised that working together in an honest and a transparent way can yield those sort of benefits. It was just a matter of identifying more incremental changes that the teams could look at and contribute to making the plant more effective. And I think everyone bought into that, and we had teams doing all sorts of interesting stuff."

And from a management perspective, John Roulstone says "That was an eye opener in those first couple of months of the power of collaboration within the workplace."

A Partnership Agreement

Alongside partnership with the union, distancing HR from production issues in the plant was a key element in building trust between management and the workforce, dismantling the blame culture and recognising that most manufacturing issues were technical rather than personnel-related.

A new company-union agreement was developed over two years, focusing on fairness and proper processes including the abolition of piece rate and subsequently the introduction of a bonus system based on KPIs. This agreement, which is still the basis for operations nearly 15 years later, has been a key foundation for the company's growing success. The Steering Committee also led a transition from yearly to three-year pay agreement processes, eventually extending to five-year deals. This was aimed at reducing time spent on negotiations and providing a stable basis for planning labour costs, benefiting both the business and the workforce.

More recently the company has also established a ten-year strategic perspective, enhancing workforce confidence and direction. According to Sean, "So that gives everybody skin in the game, you know, and everybody, everybody recognises that we're all working together towards a long term future."

Contextualising Lean Production

As potential challenge appeared in 2011 when Kirchhoff began to roll out a corporate approach to lean production, with the support of Porsche Consultancy. The consultants undertook a similar exercise to the gap analysis previously undertaken by the steering team, and created "lighthouse projects" to disseminate the corporate lean manufacturing approach.

According to John Roulstone, "At the time there was some conflicts because we, as a local plant, felt that we were on a good way with our Steering Committee. I can fully understand why our senior management in Germany wanted to have this production system from a corporate perspective. But it was a Japanese production system being rolled out by German consultants in Ireland, so we had to strip all that back and come up with a philosophy that that suited us here, based on the fundamental learnings from that we took from Tony in 2010."

In short, the strength of the foundations laid in 2010 provided the Steering Committee with the knowledge and ability to adapt and contextualise a generic corporate approach to lean in ways that maximised its effectiveness whilst embedding partnership and human perspectives.

Changing Work Practices

The efforts initiated in 2010 led to a major cultural shift within the organisation, emphasising transparency, collaboration, and employee involvement. This change was supported by both the Joint Steering Committee and senior management, leading to innovative changes and a more effective competitive environment. The development of soft skills within the workforce has been central to establishing this culture of collaboration.

A critical examination of spending within the plant led to the realisation that some managerial roles were adding cost without adding value. This prompted a decision to remove certain management layers. Over time, a less hierarchical management structure has evolved across the organisation. Many traditional management roles have been eliminated, thereby reducing conflict and fostering a more collaborative work environment. According to Sean:

"We approach each operational team within the plant from a collaborative perspective, and the workforce within each of those departments no longer needs management or supervision. We have a team meeting in the morning and the guys self-organise, they allocate their own work through the day, and everybody understands who's doing what."

He continued:

"We don't have a management team anymore. We have a very flat structure, so we only have one person managing the whole shift. And they're there as a support function rather than as a management function. It's not a management team that runs the company, it's the workforce that runs the company. The workforce is focused on developing themselves and developing the company as a whole."

The Steering Committee emphasises the importance of workers owning their processes. A very evident difference between now and 2010 is that the role of the operator within the company is significantly elevated, harnessing their unique insights gained from direct interaction with the machinery. Operators have gained more autonomy in day-to-day operations, taking lead responsibility for quality, making sure that the process is correct and being empowered to stop the machine if something isn't right. They can digitally register maintenance issues, enabling the maintenance team to plan preventative actions based on this data. This collaboration fosters a service-oriented relationship between operators and the maintenance team, aiming to prevent future issues.

John also emphasises the collaborative nature of goals setting and attainment:

"We agree a common standard of what our targets are and we train everybody properly on how to input the data. So when we have a gap, then it's very easy to communicate where we need to be to, to bring us back to the to the standard."

Different departments work together as a single team, facilitated by digital communication tools that enhance collaboration and facilitate horizontal information sharing and problem solving. For Sean, "Because [staff] now have an opportunity to communicate digitally, the system works like a beehive almost, you know like an organism rather than a formal management system."

Tool makers are one example of a fully autonomous team, taking on tasks such as assessing work, ordering parts, and working with external tool makers. Involving tool makers in the design stage ensures that tools are easy to maintain and function properly. This benefits both the company and the tool makers by reducing labour costs and maintenance issues.

Paul McGee also experienced this change in his role as a tool maker. In 2010, "We would have had 10 tool makers, and they would have had a manager and an assistant manager. Now there's no manager, there's no assistant manager. We've taken ownership, we run it ourselves."

John Roulstone emphasises the continuing importance of an inclusive approach to problem solving:

"Unless you integrate everybody into the to the problem solving team, then you're not going to be successful. So the guys in production, they know 99% of the problems. I think that the management and the technicians only know 1%. We also have our town hall meeting every month where we present our quality issues and everyone can have their say."

Shift leaders also have a role in gathering ideas from the shopfloor and bringing them to daily plant management meetings. Ad hoc workshops – currently around 16 a year - are another effective tool for stimulating new ideas. The number of ideas generated each month is measured, together with the percentage of those actually implemented as part of a company-wide KPI.

Digitalisation and Skills

Sean and Tony both highlighted the transition to digital operations, noting that the plant has secured production contracts running up to 2032 thereby enabling substantial investments in new technologies. Both also point to the long-term benefits such as process optimisation and increased productivity per employee, leading to strengthened competitive advantage that can secure the plant's future.

Acknowledging the workforce's initial fear of new technologies, the Steering Committee implemented a digital training programme in collaboration with SIPTU. This programme aimed to increase digital confidence amongst the workforce, ensuring they were comfortable using the new technologies. Individual development plans enable each employee to prepare for new technologies by identifying personal learning and skill gaps. The partnership agreement with SIPTU also ensured that none of the digital production data would be used by HR to measure individual performance.

Automation has led to a shift in roles rather than a reduction in employment, with operators developing the collaborative and digital skills that have enabled them to take on different processes, whilst creating a continuous need for skill upgrades. The aim has been to build a learning culture within the plant, reflecting the fast-changing nature of digital technologies and (especially) AI.

For Paul:

"There was always a fear that there would be no jobs for operators, but I think there'll always be jobs for operators. Not as many, but we as a union have tried to upskill our workers here, as many people as we can. So maybe fewer jobs, but higher skilled jobs and more secure jobs."

The company is building on its digital foundation to incorporate more robotics, with plans to introduce 10 to 12 new robots in the next year or two in areas such as arc welding. This will diversify the plant's product portfolio whilst also enabling an increase in capacity without reducing headcount. For workers, the complexity of their tasks will increase as will their role in ensuring

quality as the industry adopts a zero defect philosophy. Upskilling will clearly continue to play an important role in achieving that goal.

The Legacy

Sean McDermott:

"So we would have come, you know, from a traditional manufacturing basis where you're told what to do and, and, if it wasn't done, then there would be consequences. We've moved away from that completely. We've gained competitive advantages through this process because we changed to a collaborative process, a partnership process. And over the last 14 or 15 years that has completely changed the landscape within the company.

We can compete with low-cost East European competitors because they still have the formal structures, they still have department managers, managers, supervisors...they have five or six layers of management, whereas we only have one. So that gives us a huge advantage, a huge competitive advantage.

Why do you need management structures? To explain to tell the workforce what they should do? That's a thing of the past."

Tony Murphy:

"I have to say that the Joint Steering Committee, the shop stewards and the senior management people have taken the opportunity and they've run hard and fast with it. They've introduced all sorts of new and very interesting changes in the way the plant is run, the way operators can get involved, they have a voice. All those things are a direct result of that initial work back in 2010. But I would have to say that the workers here have really developed it way beyond what we all thought was possible back in 2010, and I'm very pleased. So walking around today and listening to the people, you can feel the difference."

John Roulstone:

"I think we've used a combination of both our partnership foundation and what we've learned of what works and what doesn't work with lean tools in over the past 10 or 12 years. We back that up with regular follow on meetings after each project's closed, because it's continuous improvement and continuous learning. Nowadays, it's ingrained in our organisation."

Paul McGee:

"And I honestly think that if we hadn't do this, would we still be here?"

Conclusion

Kirchhoff Ireland offers compelling evidence that a time-limited but highly structured period of intervention can lead to a sustainable momentum of change with employee participation at its heart. Such evidence is not however commonplace, so it is important to understand the underpinning success factors at Kirchhoff. Not only was Tony an experienced change facilitator in his own right, but he also represented the trade union recognised by the company. This helped to overcome the major barriers of trust and employee engagement typically found at the inception of such change projects.

Ireland's history of social partnership, albeit diminished by 2010, nonetheless left a legacy of trust and co-operation between SITU and management at Kirchhoff, facilitating Tony's acceptance by the company proposal and easing his initial pathway.

Nonetheless, for employees and management alike, the achievement of relatively "quick wins" as a result of the initial course played an important role in creating enthusiasm and subsequent commitment to the programme.

KIRCHHOFF AUTOMOTIVE IRELAND IN BRIEF		
COMPANY CHARACTERISTICS	Company context German-owned automotive components supplier employing 42 people.	
	State of innovation Comprehensive adoption of workplace innovation practices over 15 years.	
INDUSTRIAL RELATIONS	Trade union density rate at the company level 100%	
	Workplace labour representation structure characteristics Shop steward supported by regional SIPTU official.	
	Company-level collective bargaining 3-year agreements signed with SIPTU, now extended to 5-year intervals to provide greater stability.	
DIRECT WORKER PARTICIPATION	Direct participation as the subject of organisational tools Direct participation driven by union-management steering committee.	
	Direct participation as a vehicle for workplace innovation Job autonomy, self-organised teams, employee-driven innovation and improvement, flat organisational structure.	
THE ROLE OF INDUSTRIAL RELATIONS IN DIRECT WORKER	Direct participation driven by the Joint Union-Management Steering Group.	
PARTICIPATION	Model of integration b/w direct participation and industrial relations Democratic (participatory) model.	
	Breadth and depth of participation Day-to-day management and continuous improvement are largely driven by workers in the flat organisational structure.	
DIFFICULTIES	Some initial scepticism, largely overcome by the advocacy of the shop steward.	
IMPACTS	Significant improvements in production quality, productivity, cost and capacity for product innovation secured the future of the company against the threat of closure. Workers benefitted from autonomy, skills development and job security.	
FUTURE PROSPECTS	A self-sustaining momentum of workplace innovation over a 15-year period since 2010, resulting from the symbiosis between direct and representative participation.	

5.1.2. Case Study 2: FSW Coatings



Overview

This case study describes the union-management partnership at FSW Coatings, Ireland's largest indigenous paint company founded as a family business in 1950. FSW underwent a sustained transition over a period of 9 years as the result of a collaboration between the company's management team and SIPTU's IDEAS Institute.

The case study was conducted by means of a full-day visit to FSW Coatings' main plant in Virginia by Rosemary Exton and Peter Totterdill (WIE) and Tony Murphy (IDEAS).

Background

SIPTU, Ireland's largest trade union, established the *Institute for the Development of Employees Advancement Services* (IDEAS) in February 2001. Its primary focus is workplace innovation, education and research (particularly research involving workers, employment and trade unions). IDEAS' principal role is to identify ways in which new thinking and new services can be introduced into the workplace for the benefit of employees and the enterprise as a whole. IDEAS began its involvement with FSW Coatings in 2015, stimulating a remarkable self-sustaining momentum of change within the company. Some 25% of FSW's 160 employees are unionised.

FSW manufactures, develops, distributes and sells coatings and related products to professional, industrial, commercial and more than 400 retail customers in Ireland and internationally. Located in a rural setting in Virginia, Co. Cavan, FSW employs more than 160 people, many of whom have worked in the company for a large number of years. The company hosts Ireland's largest paint laboratory with over 15% of its personnel actively involved in Research and Development. Several R&D projects have been focused on sustainability, including the introduction of environmentally-friendly ranges and reducing the use of plastics.

Reflecting the company's commitment to continual innovation and improvement, 18 high-level projects are currently under development including the construction of a new storage facility, streamlining the 'accounts payable and accounts receivable' process, reviewing e-commerce, and ERP system upgrades. Employee participation plays an important role in shaping each of these initiatives.

As a major employer in the area, FSW is strongly engaged with the local economy and community. In addition to sourcing from local suppliers wherever possible, FSW's community outreach includes significant charitable donations (often inspired by employees), sponsoring students into further and higher education, and the "Community Colour" campaign. The latter has led in recent years to the donation of hundreds of thousands of litres of paint to local organisations such as sports clubs, scouts and those working with disadvantaged groups.

FSW's journey from a traditionally managed company to one in which employee participation is embedded as a core value was largely made possible by the establishment of mutual trust between SIPTU and the senior team, engendering a shared commitment to exploring 'win-win' outcomes. Above all, this case study demonstrates how union-management co-operation can generate a self-sustaining momentum of workplace innovation that becomes firmly embedded within the culture and practice of an organisation.

The Start of the Journey

In 2015 Tony Murphy, an experienced workplace innovation specialist in the IDEAS institute, received a call from the Plant Manager to discuss the possibility of SIPTU assistance aimed at improving operational performance and quality in the face of growing competition from the multinationals. Tony travelled to Virginia to meet CEO Stan Buckley and other members of the management team, and to share the Institute's experiences of working with other companies experiencing comparable challenges.

Despite some initial caution, Stan and his team agreed to invite Tony to deliver an initial training programme, bringing managers, staff and operators together to explore ways in which teamworking might be strengthened in the company. According to Tony, the course would enable them "to see what was involved and the potential benefits, and if they thought it was worthwhile, they would pursue it and we would work forward with them."

The course focused on building effective teams in the workplace by equipping them with problem-solving tools and techniques. Course material was designed to be engaging and relevant, with a focus on learning from failures. For Tony, "the essence of the course is to develop teams that are good problem solvers." He saw untapped potential in the knowledge and ideas of people across the workforce; for example, people in the mixing area know more than anyone about mixing, "we know the problems that we have every day, and we know the solutions too."

"Natural" teams – people with different roles but working together in the same functional area - were encouraged to select and resolve specific sources of frustration they experienced in their day-to-day work. The course focused on root cause analysis, team dynamics and a collaborative approach to problem solving. It included tools such as brainstorming, fishbone diagrams and flow charting whilst at the same time placing emphasis on effective teamwork.

Examples of team projects undertaken within the course included the more effective management of paint returned to the factory because of damage to the tins, enhanced response times within the orders department, and improvements to the factory's cleanliness and layout. These projects "won the heart of the company" according to Stan, "so everyone that was sitting down looking at a very simple 10 minute presentation understood, we've got a problem, we have a solution."

The pilot training course was conducted over six full days, resulting in an accredited Level 5 qualification for each participant based on a formal assessment with a written exam, a learner's journal, and a team presentation evaluated by the other teams.

Notably, course participants varied significantly in levels of previous academic attainment, yet the content was pitched at a level appropriate for all. For many, the award of a Level 5 certificate was a proud achievement.

Levels of engagement and the positive atmosphere that prevailed throughout the course were tangible, and its outcomes were well received by management and employees alike. Bringing senior managers and operators together broke down barrier and reduced the sense of hierarchy. According to Stan, "we were blessed, everyone loved what Tony was doing with us."

As a result, further courses were then run for a 40+ additional people across the site, a programme designed to create an enduring legacy of effective, well-functioning teamwork in each production area.

The Growth of Employee Participation

Much changed in the years following the courses, a journey that can be described as one of incremental transformation. Empowered by the insights and tools acquired during the course, operators and managers worked together to introduce several measures designed to enhance communication and teamworking.

Improving day-to-day communication featured strongly within the course, and several departments subsequently implemented regular 'huddles' – brief stand-up meetings during which teams share information and issues relating to current areas of work. Tuesday morning meetings which bring the CEO together with line managers include time during which employee suggestions are discussed. Periodic off-site meetings have also been instigated for key departments as an opportunity for wider reflection, review and improvement. One worker endorsed the changes, commenting that:

"There's a lot more communication now between upper level management and anybody else, and the other way as well."

Employee involvement in problem solving, improvement and innovation is an important part of the changes that followed Tony's intervention. Stan is clear that the process established during the courses ("where we are we now, to where we want to go, and the process in the middle of it") remains at the core of each project. "Any of the projects that the project team are looking at would be based on those presentations, but a little bit more elaborate as we've learned more models."

Other improvement measures such as the accounts initiative referred to above are typically as inclusive as possible, involving frontline staff sitting down with managers to use the collaborative problems solving tools acquired during the course. According to one worker in the Colour Lab:

"There's a lot of ideas out there that never see the light of the day. What we formed was a giant steering committee, where people could basically do a bit of a brainstorming, come up with ideas of how to improve various areas. So if this person knows a way to do something better, then he could do that particular task better."

As Stan points out:

"It's the staff that know how to run the plant, know how things actually happen. We can provide additional backup and resources, but really they know what the problem is."

Beyond problem solving, employee-led innovation has led to significant developments at FSW, and does not rely on a traditional suggestion box. For example, Karina Hyland (the manager of the R&D department) came from a farming background, and knew that farmers needed to distinguish between those cows that were pregnant and those that were not. Farmers were buying significant amounts of specialised paint from New Zealand, used to mark the tails of those animals in heat and which rubs off during mating, enabling pregnant cows to be easily identified. She saw an immediate opportunity for import substitution. Karina recalls:

"I brought the idea to FSW and they were very much on board to see where the project went and to support it fully financially. And so they gave me the scope to get in discussion with a designer to come up with the design."

Karina was given the time and resources to develop the paint plus a specialised applicator with her team. *RainBó* roller tail paint is now an important addition to the Fleetwood range.

Although such notable successes account for only a small percentage of ideas generated by employees, openness to new thinking is recognised by management as an important contributor to workforce engagement. Stan mentions that:

"One of our staff members wanted us to investigate putting solar panels because you've massive roofs here to start. That project will have him directly involved in it with two other two or three other people in the business, because he's passionate about it."

Another employee-instigated and led initiative is the creation by a team of employees of an attractive garden area outside the factory, "planted by people, employees in the business on their spare time, not getting paid." The company also contributes to an Employee Assistance Plan, providing counselling and financial support to workers and their families in times of need, and run by volunteers from the workforce rather than managers to ensure confidentiality.

A further legacy of Tony's courses is the establishment of a learning culture within the company, characterised by an openness to meeting individuals' interests in acquiring new competencies and a constant flow of training from Masters' level qualifications to lean 'Green Belt' training to the basics of Excel spreadsheets.

Notably, FSW's organisation chart is relatively flat for a company of its size, reflecting a culture of trust and the avoidance of micromanagement. John Hetherton, Fleetwood's Technical Manager, says,

"You know, we all have our jobs to do, but if you try to micromanage people, then it just becomes a mess. And if you can say to person A or B, this is what I want and this is what good looks like, I'm not going to go down and look over your shoulder every day."

Stan points to the ripple effect of the changes since 2015. Around half of FSW's workforce are external to the plant – in shops and trade centres as well as peripatetic sales staff and technical specialists,

"Now none of those people have participated in the training, but the fruits of that have all been shared around the place. And you can see it, without a doubt."

Introducing New Technologies

The introduction of two new robots to the production floor provides a key example of employee participation in technological innovation. The introduction of a state-of-the-art palletizer (used for the automatic stacking of cases of goods or products onto a pallet) involved extensive participation by members of the filling team, enabling the removal of some arduous physical tasks and leading to significant improvements in employee productivity.

Four staff, including operators, were sent to Spain to provide input to the robot manufacturers, ensuring that the design was ergonomically suitable for them, and making them feel both valued and part of the process. This also helped the team understand the new technology as well as its benefits.

Operators were upskilled to programme and use the new robot. Four developers and programmers visited the factory from Spain to collaborate directly with operators in the deployment and initial operation of the machine. Kieran O'Carroll (Production, Environment, Health and Safety Manager) points out that in terms of day-to-day operation:

"The guys on the floor very much have the decision on that rather than the company. And we kind of work around that. They get very much involved in it and it feels like it's their machinery rather than the company's."

For FSW, this level of operator autonomy and control significantly reduces the need for management intervention whenever something changes, for example the introduction of a different size of paint can.

Kieran is clear that there is more potential for automation: "And so where we can improve efficiency and improve welfare, that's very important to us", but not at the expense of jobs. Human skills and intuition remain vitally important. John says that paint-making remains something of a "black art" despite all the technological advances:

"You can look at a formulation but without understanding the nuances of that, it's difficult then to be able to get it to achieve the results that you want. That comes from working with the product for so many years and trying to understand that if I make an adjustment here, that's obviously going to affect something else."

Learning the Culture

Stan is optimistic that the established culture will survive as long as the business remains family-run. The founders built the business on relationships, and the current owners try to treat everybody as if they were their own family member. Stan and Tony both describe this in terms of "Irishness": awareness of other people's feelings and looking after each other, a national cultural characteristic which the company tries to maintain in business practices and interactions with employees.

Stan explains that new employees receive a basic induction into the business operations, but that the culture is something they experience and learn through interactions with colleagues and management.

The culture of the business also influences FSW's recruitment process, which is based on attitude and values as much as skills. They sometimes pass over highly qualified candidates if they do not fit the family business culture, and look for team players who are respectful to colleagues at all levels.

Lessons from the Transition

FSW offers compelling evidence that a time-limited but highly structured period of collaboration can lead to a sustainable momentum of change, with employee participation at its heart. Significantly Tony's practical support for FSW ended in 2016 and he did not return to the company until the BroadVoice research visit in 2024, yet the internal drive for change was sustained throughout the intervening years.

Such evidence is not however commonplace, so it is important to understand the underpinning success factors at FSW. Not only was Tony an experienced change facilitator in his own right, but he also represented the trade union recognised by the company. This helped to overcome the major barriers of employee trust and engagement typically found at the inception of such change processes.

Ireland's social partnership was severely diminished by 2015 but this did not affect the trust and cooperation between SIPTU and management at FSW. Doubtless this facilitated acceptance of Tony's initial proposal and eased his pathway into the company.

Nonetheless, for employees and management alike, the achievement of relatively "quick wins" as a result of the initial course played an important role in creating enthusiasm and subsequent commitment to the programme.

Stan emphasises the impact of leadership behaviours on organisational culture, and especially the importance of self-awareness: "If you're self-aware, then you can go and tackle any other issues that you want to. You don't start by changing culture. You look at yourself first, and you change the things that change the culture."

One frontline worker commented:

"Something's working because there's more demand for our products now, even though the economy is basically the same as it has been five years ago. It's just made people more aware that, look, you can do things better here and constantly strive to improve instead of just going along and producing a product week in week out and just sticking to that. So you have to keep changing and moving forward. Otherwise you're going to be overtaken by the competition.

FSW COATINGS IN BRIEF		
COMPANY CHARACTERISTICS	Company context Irish-owned paint manufacturer employing 160 people.	
	State of innovation Comprehensive adoption of workplace innovation practices over 10 years since 2015.	
INDUSTRIAL RELATIONS	Trade union density rate at the company level Circa 25%.	
	Workplace labour representation structure characteristics Shop steward supported by regional SIPTU official.	
	Company-level collective bargaining Agreements signed with SIPTU.	
DIRECT WORKER PARTICIPATION	Direct participation as the subject of organisational tools Direct participation driven by employee-management improvement groups.	
	Direct participation as a vehicle for workplace innovation Job autonomy, self-organised teams, employee-driven innovation and improvement, flatter organisational structure.	
THE ROLE OF INDUSTRIAL RELATIONS IN DIRECT WORKER	Union-instigated training and facilitation initiated the incremental adoption of direct participation.	
PARTICIPATION	Model of integration b/w direct participation and industrial relations Democratic (participatory) model.	
	Breadth and depth of participation Regular worker-management forums identify collaborative opportunities for improvement. Extensive delegation of decision-making.	
DIFFICULTIES	Some initial scepticism, largely overcome by the success of initial improvement projects undertaken during the trade union-led training programme.	
IMPACTS	Significant improvements in production quality, productivity, cost and capacity for product innovation enhanced the position of the company against competition from multinationals. Workers benefitted from autonomy, skills development and job security.	
FUTURE PROSPECTS	A self-sustaining momentum of workplace innovation over a 10-year period resulting from the collaborative relationships between management and workers.	

5.1.3. Case Study 3: Aughinish Alumina



Acknowledgements

This case study draws on previous published work (Totterdill et al, 2002; Dobbins & Dundon, 2017) as well as recent interviews conducted with Michael O'Toole (Health, Safety, Human Resources & Community Affairs Manager at Aughinish Alumina) and Stephen Lavelle (SIPTU). Additional information was provided by Tony Murphy (IDEAS). Any errors or inaccuracies remain the sole responsibility of the authors.

Overview

This case study describes how the introduction of union-management partnership in a large processing plant not only led to a new era of co-operative industrial relations but enabled the introduction of participative working practices based on a flatter organisational structure. The case is notable in the context of Ireland's voluntarist system of industrial relations because of the sustained and embedded nature of these practices, enduring for more than three decades and resulting in continuing win-win outcomes for the company and its workers alike.

Background

Aughinish Alumina, located in Askeaton, Co. Limerick, Ireland, is Europe's largest alumina refinery employing 475 full-time employees, along with 16 apprentices. The plant processes bauxite imported from Africa and Brazil to extract 1.75 million tons of alumina, which is then supplied to a global market for smelting into metal.

Opened in 1983, the plant's location in a rural area on the west coast of Ireland may at first seem puzzling. Alcan, its original owners, conceived the plant as a vital link between Guinea and its smelter in North-East England, as well as those in continental Europe. Access to the deep water port on the Shannon estuary and the availability of sites to store the residues were instrumental in the selection of Askeaton. However intervention by the Irish government may well have been the deciding factor. During the 1960s and 1970s, manufacturing employment in Co. Limerick declined sharply, and reindustrialisation was a political priority. Government support for "Ireland's biggest-ever private investment" took the form of direct subsidies, tax exemptions, grants for training costs, improvements to the road and water supply networks, and grants for housing construction¹³. When the plant first opened, it employed some 800 people, a number that has gradually reduced due to successive market downturns and improvements in productivity.

Aughinish Alumina was acquired by the Swiss firm Glencore International AG in 1999 before its 2007 acquisition by Rusal, a Russian company and the world's second biggest aluminium producer. Rusal has been supportive of Aughinish Alumina, providing funding for capital programmes to help secure stability and consistency in operations, as well as reducing the plant's environmental impact. However, Russian ownership has brought challenges due to sanctions and companies self-

¹³https://hstmnetworkireland.org/2024/08/29/the-largest-industrial-investment-in-irelands-history-the-aughinish-alumina-refinery-in-a-globalised-aluminium-economy/

sanctioning. This has affected the refinery's ability to secure suppliers and financial services, creating additional operational challenges.

Despite widespread concerns during the 1980s about local pollution and the plant's wider impact on the environment, successive investments have led to considerable improvement, and Aughinish Alumina is now one of the most energy efficient plants of its kind in the world according to Rusal¹⁴. The company is also working on treating by-products to be used in cement production, with the potential to create new employment and reduce environmental impact.

Work at Aughinish Alumina operates in a heavy industry environment and has many associated potential hazards that need to be controlled. The company has a strong focus on health and safety, with an emergency response team, on-site fire brigade, ambulance, and nurses. Union density stands at around 370, divided between SIPTU, Connect and Unite. The company operates a 'closed shop' for manual workers, with union membership forming part of the terms and conditions of employment.

Aughinish Alumina is seen locally as a good employer with above average pay and conditions, and advertised vacancies always attract and large number of applicants. The workforce is transitioning, with many older employees retiring and younger ones joining.

In consultation with the unions, the company introduced annualised hours for its employees based on a fixed basic salary incorporating payment for 250 extra (reserve) hours that may need to be worked in unforeseen circumstances, or for additional training and meetings. In practice only a small percentage of those hours are actually worked (4% in 2024), yet for the company the scheme was seen to improve the productivity of working time and break down a costly "overtime culture" (Dundon & Dobbins, 2017).

The Emergence of Workplace Partnership

The plant experienced a period of major turbulence during its first decade. Industrial relations were poor and often conflictual, whilst management made little attempt to contain costs, almost resulting in closure during the early 1990s. A new managing director was appointed early in 1992, and the senior team felt that it had no option but to take drastic action to save the plant. The first major initiative was a redundancy programme which cut the workforce from 580 to 435. The redundancies occurred with little union resistance, because unions were aware that the alternative was plant closure.

After administering the shock of redundancy, management began to seek better, more co-operative relations with unions and workers. According to an internal document (quoted in Dundon & Dobbins, 2017):

"We see a partnership role for the trade union in the new AAL. Our objective is to create a climate of trust where this partnership can develop to ensure that AAL remains competitive. Our common interests allow for a significant trade union role in shaping AAL's future. We believe that the new culture and the change in management style will allow the trade unions to respond with a flexible and supportive approach. The use of the 'Getting to Yes' principles will support and facilitate the new style and culture."

46

¹⁴ https://rusal.ru/en/about/geography/aughinish-alumina/

The journey began with joint offsite training programmes for managers and employee representatives, focusing on team working. Conflict resolution was also addressed through a 'Getting to Yes' course. According to one union representative quoted by Dundon & Dobbins, (2017):

"It was certainly helpful. It opened the door to a new way of doing things. It demonstrated that you don't have to follow the adversarial approach. Most of us followed the adversarial approach because as shop stewards we had never seen an alternative and that was the way things were done, so you just fall in. But having been shown an alternative we were certainly ready to try it. The trust was then gradually built."

A series of benchmarking visits to other organisations was also undertaken, enabling learning from good partnership practices elsewhere to be assimilated within Aughinish Alumina. In addition, the company participated in an EU-funded ADAPT project, further fostering shared learning between unions and management.

Initially referred to as 'co-operation', the term 'partnership' was formally adopted following the 'Partnership 2000' National Agreement in Ireland. At this time, the Education & Training Services Trust (ETS) was retained to deliver a six month course on partnership, the aim of which was to illustrate how a continuing partnership process could be embedded within the organisation. One of the key components of the ensuing strategy was the creation of a learning climate where self-learning and self-development was supported and facilitated based on the following objectives:

To give people the skills and opportunity to think creatively

To identify a range of development opportunities for individuals, both internally and externally and the entry points to such development.

To create possible development paths internal and external to the organisation.

The resulting partnership structure did not rely on a single partnership forum. From the outset, partnership at Aughinish Alumina was characterised by a continuing series of ad hoc, issue-based teams comprising both management and union representatives. These teams are formed to address specific organisational issues or to exploit opportunities and are disbanded once their objectives are achieved. This flexible and dynamic approach ensures that the partnership remains relevant and effective for both workers and management.

Management and unions also meet on a quarterly basis to review policies and procedures. As in other companies operating within the Irish partnership model, bargaining over wages and conditions takes place in a separate industrial relations forum, and is excluded from these meetings.

Direct Participation

Alongside the development of workplace partnership, management and unions introduced new forms of work organisation from 1994 that led to significant local empowerment and autonomy among employees. As a consequence, a flatter organisational structure emerged at Aughinish Alumina, minimising hierarchical levels, reducing overhead costs, and allowing for more direct communication and decision-making.

The structure comprises eight senior managers, including a Managing Director. Below this layer is a stratum of eighteen coordinators/facilitators, followed by a matrix of self-managed teams. Teams are responsible for their own tasks, training, and vacation scheduling, with facilitators supporting

their work in place of traditional supervisors. This structure avoids any close supervision, though facilitators play a crucial role in enabling the work of self-managed teams by providing guidance and support, helping to maintain a collaborative and empowering work environment. Employees are trained in teamwork principles and are trusted to complete their tasks without micromanagement, though indirect controls include the expectation that workers will meet performance targets (KPIs).

The flat hierarchy also promotes a collaborative work environment across the whole production flow where employees from different departments can work together on projects and initiatives. This cross-functional collaboration enhances the quality of decisions by incorporating diverse perspectives and expertise.

Aughinish Alumina also places strong emphasis on continuous improvement, with each area targeting specific improvements annually. These improvements, suggested by engineers, craft workers, and operations staff, are funded and implemented to enhance safety, work efficiency, and overall job satisfaction. The company also encourages employees to take ownership of improvement projects. For example, a team of craft workers proposed and implemented a project to improve the maintenance schedule for critical equipment, resulting in reduced downtime and increased equipment reliability.

Further examples of continuous improvement initiatives include:

Safety Enhancements: Employees are encouraged to identify potential safety hazards and suggest improvements. For instance, engineers and operations staff collaborated to redesign a section of the plant to reduce the risk of accidents. This initiative has not only improved safety but also increased operational efficiency.

Process Optimisation: Craft workers and engineers worked together to streamline the bauxite processing workflow, reducing downtime and increasing the yield of alumina. This initiative involved implementing new technologies and refining existing processes to achieve better results.

Energy Efficiency: The company is a heavy energy user and actively involves employees in identifying potential energy-saving measures as part of its culture of continuous improvement. Initiatives include the introduction of advanced monitoring and control systems to optimise energy usage patterns. These systems allow for real-time tracking of energy consumption and enable the identification of areas where energy can be saved. The company has also installed heat recovery systems to capture and reuse waste heat generated during the production process. The integration of renewable energy sources, such as solar and wind power, has also been explored in order to decrease reliance on fossil fuels. Overall these initiatives have led to significant cost savings and reduced the environmental impact of the plant, for example by cutting greenhouse gas emissions.

Training and Development Programmes: Continuous improvement is also supported by comprehensive training and development programmes. Employees receive training on the latest industry practices, safety protocols, and technical skills. This ensures that the workforce is well-equipped to contribute to ongoing improvement efforts.

To support a culture of learning and experimentation, the company actively promotes a no-blame culture when investigating incidents, focusing on learning from mistakes and communicating those learnings to the teams. The company uses <u>Just Culture</u> modelling to determine the appropriate response to incidents, ensuring that employees are not unfairly blamed for lapses in judgment, and contributing to a safer and more collaborative work environment.

The benefits of direct participation at Aughinish Alumina have been two-fold. The company has enjoyed significant financial benefits, for example, employee-led energy efficiency measures alone have led to substantial cost savings, whilst the process optimisation initiatives increased the yield of alumina leading to higher production output and enhanced revenue. Employee-led projects have also contributed to cost savings by reducing downtime and increasing equipment reliability, which has minimised maintenance costs and improved overall operational efficiency.

Employees benefit from an empowering, high-trust culture based on delegated decision-making and the absence of micro-management, as a result of the flatter organisational structure. They also have the opportunity to develop and deploy creative thinking skills through regular participation in continuous improvement initiatives.

As part of this culture of empowerment, the company also makes significant investment in creating opportunities for employee learning and development. The company offers 50% funding for external education and adopts a joint approach to skill requirements, creating a vibrant internal labour market and encouraging employees to pursue career paths based on their own areas of interest and aptitude. Training programmes also focus on business literacy, helping employees understand the broader business context and their role in achieving organisational goals, designed to foster a sense of ownership and accountability.

Conclusion: the endurance of cooperative partnership at Aughinish Alumina

The case of Aughinish Alumina demonstrates how effective workplace cooperation and partnership can lead to significant organisational innovations, resulting in win-win outcomes for management and workers. By promoting local empowerment, continuous improvement and a strong focus on training and development, Aughinish Alumina has created a responsive and dynamic work environment that builds competitive advantage by leveraging the full potential of its workforce.

In terms of the resilience of workplace partnership, co-operative relations at Aughinish Alumina remain in place after more than thirty years. A confluence of external and internal conditions has underpinned the durability of co-operation including a parent company with a focus on stability and consistency in operations and which continues to support investment, and the internal institutionalisation of cooperation as part of the company's business strategy, supported by a complementary bundle of industrial relations and HRM policies and practices. This contrasts vividly with many other voluntarist workplace partnerships in Ireland which collapsed due to exposure to market forces and various internal tensions, lacking these same embedded conditions for sustainability.

However this does not provide grounds for complacency. The rapid growth of China as a global supplier of aluminium, high energy costs in Ireland and other external factors will present growing challenges to Aughinish Alumina's competitiveness in the medium-term future. These challenges will need to be met through continuing employee-led innovation and improvement. At the same time, the 'founding generation' of managers and union representatives involved in the establishment of workplace partnership in the company are now moving on. The incoming generation will need to make partnership and participation their own rather than allowing the onset of innovation decay.

AUGHINISH ALUMINA IN BRIEF		
COMPANY CHARACTERISTICS	Company context Russian-owned alumina producer employing 475 workers and 16 apprentices.	
	State of innovation Comprehensive adoption of workplace innovation practices since 1992.	
INDUSTRIAL RELATIONS	Trade union density rate at the company level 78%	
	Workplace labour representation structure characteristics Three trade unions each represented by a shop steward and supported by regional officials.	
	Company-level collective bargaining 3-year agreements signed with the unions, now extended to 5-year intervals to provide greater stability.	
DIRECT WORKER PARTICIPATION	Direct participation as the subject of organisational tools Direct participation driven by quarterly union-management meetings and frequent continuous improvement groups.	
	Direct participation as a vehicle for workplace innovation Job autonomy, self-organised teams, employee-driven innovation and improvement, flattened organisational structure.	
THE ROLE OF INDUSTRIAL	Direct participation driven by quarterly union-management meetings.	
PARTICIPATION	Model of integration b/w direct participation and industrial relations Democratic (participatory) model.	
	Breadth and depth of participation Delegated decision-making to self-organised teams in a flat organisational structure, and systematic use of collaborative continuous improvement.	
DIFFICULTIES	Market pressures. Initial workforce scepticism overcome by the necessity to save the plant.	
IMPACTS	Significant improvements in production quality, productivity, cost and capacity for product innovation secured the future of the company against the threat of closure. Workers benefitted from autonomy, skills development and job security.	
FUTURE PROSPECTS	A self-sustaining momentum of workplace innovation over a 30+ year period resulting from the symbiosis between direct and representative participation. However, the loss of organisational memory caused by the turnover of managers, union representatives and employees involved in the original transformation may eventually erode the gains associated with the current culture.	

5.1.4. Case Study 4: SAICA Pack



Acknowledgements

This case study draws on a 2013 case study published by Eurofound¹⁵. Updating and additional information were provided in an interview with Tony Murphy (IDEAS). Any errors or inaccuracies remain the sole responsibility of the authors.

Overview

With certain similarities to the FSW Coatings and Kirchhoff examples, this case study describes an intervention by the IDEAS institute that led to the introduction of direct participation throughout the production process, driven by union-management collaboration. Unlike the previous examples however, the momentum of change was not sustained despite significant initial achievements due to changes in key personnel. The SAICA case is therefore of particular interest to BroadVoice, illustrating the vulnerability of workplace partnership and workplace innovation in a voluntarist system of industrial relations, as discussed in previous chapters (Dobbins & Dundon, 2016; Roche & Teague, 2013).

Background

SAICA Pack, based in Ashbourne, County Meath, Ireland, produces paper and cardboard boxes for various industries such as food and pharmaceuticals, employing 92 full-time staff at the time of the 2013 case study. Union membership was divided between SIPTU and the Technical, Electrical and Engineering Union (TEEU).

In September 2006, Spanish-owned company SAICA bought the plant in Ashbourne and renamed it SAICA Pack Ashbourne. SAICA has its headquarters in Zaragoza, Spain, and is present in several European countries. Its activities cover paper production, recycling and packaging production.

After a decade of underinvestment by its previous owners, the plant was facing considerable challenges including constant conflict between management and trade unions. The work climate was characterised by "real friction and lack of trust between management and employees". The productivity level of the plant's equipment was also very low: maintenance problems meant that the equipment performed in the bottom quartile of what would be expected in its category. Unexpected problems would often arise, and according to the plant manager, there was a "constant firefighting climate". The company's production quality, capacity and employee motivation deteriorated significantly, and client expectations were not being met. In 2008 the plant lost one of its most important customers and by 2010 the plant faced the threat of closure.

In that same year a new plant manager, Malcolm Reid, was appointed with a brief to turn the site around – or to close it. A plan was drawn up to grow the plant's production volume from 37 million m^2 to 50 million m^2 , at which point it might be deemed profitable given the existing cost base.

The plan, put to the union representatives by management, required a renegotiation of wages and hours with some pay reductions for managers and administration personnel, and extended working

51

https://www.eurofound.europa.eu/en/publications/2013/work-organisation-and-innovation-ireland-case-study-saica-pack-ashbourne

hours for shop floor operators. That negotiation was successful and the agreement was carried by only two votes in a ballot. This enabled the company to secure the 92 jobs in the plant for the immediate future.

The Journey towards Transformation

In 2011, Tony Murphy from the IDEAS institute was contacted by SIPTU's regional official John Regan to discuss the problems at SAICA. John facilitated Tony's introduction to Malcolm Reed, resulting in an invitation to explore possible assistance aimed at improving operational performance and quality alongside employee engagement and morale. Tony travelled to Ashbourne to present a proposal to the entire workforce gathered in the company's canteen, outlining a proposed roadmap as well as sharing the institute's experiences of working with other companies experiencing comparable challenges. The proposal was then submitted to a secret ballot of the workforce, resulting in a decision to proceed but by only a narrow margin.

Under Tony's guidance, the transformation involved the creation of the Joint Union Management Steering Group (JUMSG), which played a central role in driving and implementing workplace innovation initiatives. The direct involvement of the plant's two trade union representatives — one from SIPTU and the other from TEEU — was central to the establishment of the JUMSG, opening dialogue and launching active collaboration between management and employees. The JUMSG excluded adversarial industrial relations or HR issues from its agenda, focusing instead on collaboration and working together to make the plant more competitive.

The JUMSG provided a practical, jointly agreed structure which helped to create a supportive atmosphere, to build trust and to encourage working together constructively. The aim was to enable use of the full range of knowledge, skills, and life experiences of the entire workforce based on winwin outcomes.

All JUMSG members took part in a formal 6 day teamwork training course together, designed to foster a non-adversarial, cooperative environment. The training course, accredited by Quality Qualifications Ireland and the Department of Education, concluded with all participants receiving formal qualifications. Key components of the training included:

The importance of team working skills in achieving sustainable organisational change.

Building trust amongst participants as a prelude to establishing a collaborative workplace culture.

Conducting a gap analysis to assist in developing a jointly-agreed strategic vision for the future.

Learning and applying problem-solving techniques collaboratively.

Putting together a joint presentation outlining the vision and the plan for transformation, which was then shown to the entire workforce.

The training enabled JUMSG members to work together in a new, positive, and constructive way, leading to significant improvements in motivation and collaboration among employees, and enhancing overall performance and engagement. Following the success of the JUMSG course, the entire workforce subsequently went through the training programme over a period of 18 months, including a reluctant key influencer who initially resisted but was eventually won round.

Workplace innovation at SAICA Pack

Over time, the JUMSG evolved to assume both decision-making and consultative roles. It became the support body for the innovative Continuous Improvement Teams (CITs) that were established to enhance employee engagement and collaboration. The CITs began by analysing the performance of the machinery and what was needed to improve it. For each piece of machinery, the crews from both shifts, the supervisors and the cell engineer met every third week to discuss how the machine was being run and its periods of downtime over the past month. They then sought to look at the situation in a different way: they categorised the problems, prioritised what needed to be fixed and discussed how it can be improved. Close to each machine there was a board where the results of the analysis were displayed so that other colleagues working with the same machine were informed of the issue. Before this collaborative approach was implemented, the remedies adopted would be mainly led by management and would not necessarily fix the problem in the best possible way.

Through the CITs, employees progressively took ownership of larger projects within the plant, leading to significant improvements in motivation and collaboration as well as performance. The company introduced a project management methodology to allow employees to develop projects to improve production efficiency and working conditions in general. This approach also allowed operators and managers to collaborate in dealing with the issues identified. Drawing on lessons from the courses delivered by Tony, the objective was to have a team-focused approach to problem solving, and to change the prevalent thinking that employees should be focused only on executing tasks rather than also dealing with work processes.

SAICA Pack Ashbourne also restructured the plant's management team to flatten the organisational structure. Managers were given training and support to adapt to new ways of working based on delegation. According to one union representative, it was a challenging process for managers: some had to leave the business to enable the flatter structure whilst others had to change the management style that they had practiced for up to 30 years.

In parallel, plant management defined a new communications plan, one based on regular business updates shared with all employees. Every three months, the plant manager made a presentation to the employee body on the current situation of the plant: what is going well, what progress has been made, and what needs to be improved, providing up-to-date information about competitors and the market in general. Prior to each quarterly meeting, the JUMSG would review and recommend content for the Managing Director's presentations to employees.

Impact

The workplace innovation initiatives at SAICA Pack resulted in enhanced employee engagement, improved problem-solving capabilities, and better overall performance.

According to one of the trade union representatives, the social climate in the plant changed significantly. Everybody became more equal:

"At the end of the day, managers have to make the decisions but everybody's opinion counts, and anybody can approach anybody else. There's no reason for anyone to be afraid to talk, because everybody is heard no matter what opinion they may have, which might be right or wrong. Before, people would be afraid to express their opinions because they were afraid they could be making a mistake."

The union representative said that prior to the creation of the JUMSG, no forum or space existed in which managers and employees could discuss problems together. The prevailing attitude was that managers knew best and told employees what to do. Then the culture changed to a collaborative one: both parties may have a different understanding of the same problem, and that the best solution will come from combining both perspectives. The training undertaken with SIPTU was critical in enabling this cultural shift from confrontation to collaboration.

According to managers, enabling employees to develop a sense of ownership unleashed new skills and creativity: 'You tell us what the problem with the machine is. Let's put a process in place: we allocate the time; you build the process. We don't want to tell you what the process is; you know the machine."

By 2013 the company was in a better financial position than in 2010, largely due to higher productivity and reduced costs. The production volume increased by more than 20% with the same number of people employed. Maintenance downtime improved from a very low point, though there was concern that following these quick wins, future improvements would be more challenging. Teamworking was seen as the key to further progress. In 2012 SAICA Pack paid a bonus to all its employees.

Afterword

In 2013 Malcolm Reid, the plant manager appointed in 2010, was promoted to a more senior position elsewhere in the company, having turned the Ashbourne plant around. His successor ended contact with IDEAS. SIPTU's officer John Regan, a strong advocate of the IDEAS approach, also left his post at around this time. Whilst the plant continues in operation to the present time thanks to the transformation led by Malcolm and Tony from 2010, the momentum of change established in the plant faded.

For Tony, SAICA Pack illustrates the vulnerability of even the most positive workforce transformations to changes of key personnel. He stresses need for continuous engagement from both union officials and management to sustain the momentum of improvement and change.

In short, workplace innovation is not a one-off hit.

SAICA Pack IN BRIEF		
COMPANY CHARACTERISTICS	Company context Spanish-owned packaging producer employing 92 workers (2013).	
	State of innovation Widespread adoption of workplace innovation practices over a three- year period from 2011.	
INDUSTRIAL RELATIONS	Trade union density rate at the company level Circa 80%.	
	Workplace labour representation structure characteristics Two trade unions, each represented by a shop steward and supported by regional officials.	
	Company-level collective bargaining Annual agreements signed with the unions.	
DIRECT WORKER PARTICIPATION	Direct participation as the subject of organisational tools Direct participation driven by a Joint Union-Management Steering Group.	
	Direct participation as a vehicle for workplace innovation Introduction of greater job autonomy, self-organised teams, employee-driven innovation and improvement, flattened organisational structure.	
THE ROLE OF INDUSTRIAL RELATIONS IN DIRECT WORKER	Direct participation driven by Joint Union-Management Steering Group.	
PARTICIPATION	Model of integration b/w direct participation and industrial relations Democratic (participatory) model.	
	Breadth and depth of participation Delegated decision-making to self-organised teams in a flat organisational structure, and systematic use of collaborative continuous improvement.	
DIFFICULTIES	Market pressures. Initial workforce scepticism overcome by the necessity to save the plant.	
IMPACTS	Significant improvements in production quality, productivity, cost and capacity for product innovation secured the future of the company against the threat of closure. Workers benefitted from autonomy, skills development and job security.	
FUTURE PROSPECTS	After 3 years, a change of leadership in the plant stalled progress before workplace innovation could become fully embedded, leading to innovation decay.	

5.2. Case study discussion

In each of these four companies a 'burning platform', or at least the need to respond more effectively to competitive pressures, led to the formal establishment of union-management co-operation and, in turn, to the instigation of different forms of direct participation.

Three of the four cases contribute a distinctive Irish perspective to BroadVoice's understanding of the role of trade unions in workplace innovation. Intervention in the form of SIPTU's IDEAS institute provided the expertise and facilitation required to stimulate co-operation between management, unions and employees, challenging the legacy of conflictual industrial relations and 'command and control' management cultures. With its roots in the trade union movement, IDEAS is well-placed to overcome scepticism amongst workers and to achieve high levels of engagement in workplace innovation. At a time when membership is decreasing in many European countries, IDEAS pioneers a significant new role for trade unions, acting both as advocates and as expert participants in driving employee-centred workplace change.

All four cases demonstrate the symbiotic relationship between representative and direct participation with unions acting as enablers of transformation, and employee/union-management forums driving the introduction of participative workplace practices such as job autonomy, self-organised teams, and employee-driven improvement and innovation. In three of the four companies, the symbiosis between representative and direct participation has ensured a self-sustaining momentum of workplace innovation over many years. Each partnership forum focused exclusively on collaboration and win-win outcomes, whilst bargaining over pay and conditions or dealing with HR issues were confined to other settings.

The establishment of partnership-based steering committees has far-reaching implications in bypassing normal line management responsibilities; moreover they result in a loss of direct control as communication passes from the committee directly to and from the workers. This in turn leads to a re-evaluation of the value added by management hierarchies as direct participation means that decision-making is delegated to frontline teams (aided in the case of Kirchhoff at least by the introduction of digital information technologies). In consequence this can result in flatter organisational structures, leading to cost savings, more responsive decision-making and enhanced problem solving.

Finally, all four case studies have the presence of enlightened company leadership in common. Sean McDermott at Kirchhoff Automotive and Stan Buckley at FSW Coatings both attribute the longevity of workplace innovation in their respective companies to family ownership, providing consistency and support for their transformation journeys.

Enlightened leadership and trade union representation also drove the initial transformation at Aughinish Alumina. Its commitment to workplace partnership and direct participation has endured for more than 30 years despite both internal and external pressures and personnel changes. Aughinish Alumina is owned by a Russian parent company, but one which has been essentially oriented towards ensuring stability in the plant and which avoids day-to-day interference. However there is a risk that loss of organisational memory caused by the turnover of managers, union representatives and employees involved in the original transformation may eventually erode the gains associated with the current culture.

In the case of SAICA Pack, survival of the Ashbourne plant depended on the recruitment of an enlightened plant manager in 2010. His removal after having turned the plant around doubtless

reflected the distance of the Spanish parent company from the plant and the failure to consider the nascent workplace innovation culture when selecting the plant manager's replacement. Unlike the other three cases, perhaps the new ways of working at SAICA Pack were just too young to fully survive the change of leadership.

Conclusions and Recommendations

Evidence from the NWO programme, NCPP and IDEAS suggests that proactive interventions by an expert trade union team or a partnership-based agency can stimulate and sustain workplace innovation by creating a seamless bridge between representative and direct participation at enterprise level. Each of the intervention methodologies associated with the three agencies described in Chapter 4 typically brought employees, union representatives and managers together in programmes of shared learning. These programmes focused on the introduction evidence-based workplace practices associated with the simultaneous achievement of enhanced business performance and quality of working life. After brief, targeted interventions, the resulting company-level partnership forums then became engines for the introduction of participative workplace practices targeted at solving problems or seizing opportunities for improvement. Notably in the cases of FSW and Kirchhoff, they unleashed a sustained and continuing momentum of workplace innovation which has continued over several years.

Ireland's experience shows that workplace partnership does not replace traditional trade union bargaining roles. Huzzard et al. (2004) introduced the terms 'boxing' and 'dancing' as metaphors for adversarial and co-operative industrial relations, arguing that effective unions can skilfully combine activities in both modes, which should be seen as mutually supportive and not comprising a trade-off. This is echoed in the case studies as well as many of the interventions conducted by NOW, NCPP and IDEAS, in which union representatives exhibit a degree of dexterity in moving between bargaining settings and partnership forums within the workplace.

The strong interdependence of workplace partnership forums and direct participation in these examples strongly reflects the definition of workplace innovation outlined in *The Fifth Element* (Totterdill, 2015; Totterdill & Exton, 2021). In this formulation, three bundles of workplace practices concern direct employee participation whilst the fourth focuses on representative participation as a key enabler of the others:

Job design, self-managed teams and people-centred technology

Organisational structures, systems and processes

Employee-driven innovation and improvement

Co-created leadership and employee voice.



The Fifth Element is a systemic approach in which the sustained achievement of win-win outcomes requires the alignment of the four interdependent elements, in other words that they create "a system of interdependent parts" (Totterdill, 2015). Without such systemic alignment, remaining pockets of traditional practice and mindset can erode or even subvert new forms of work organisation and lead to "innovation decay" (Buchanan & Fitzgerald, 2007) by reasserting "command and control', especially at moments of internal or external pressure. According to EUfunded research by Business Decisions Ltd (2002), "partial change" is one of the most important causes of workplace innovation failure.

From this perspective, the persistence of workplace innovation at Aughinish Alumina, FSW Coatings and Kirchhoff Automotive can be explained by the systemic, if incremental embedding of partnership and direct participation across the whole organisation, ensuring sustainability in the face of disruptive forces. In the context of Ireland's voluntarist system of industrial relations in which union-management agreements have little statutory force, this is a particularly significant finding.

The figure below summarises the nature of this alignment in each of the three companies:

co-created leadership and employee voice

Workplace partnership drives direct participation, enhances employee voice in decision making and aligns workers with strategic goals.

jobs, teams and technology Workers exercise autonomy in delivering tasks, solve problems, work in collaborative self-organised teams, and help shape technologies.

structures, management and procedures Worker autonomy and self-organised teams remove micromanagement, leading to flatter organisational structures and better horizontal collaboration.

employee-driven improvement and innovation Regular involvement in improvement and innovation activities is a core element of the job, creating new learning and development opportunities, and greater business resilience.

There is also another significant way in which these case studies contribute to our understanding of direct participation and workplace innovation. As unionised companies working within a legislative framework that guarantees minimum working conditions, each already had policies in place relating to, for example, fair remuneration, equality, and information and consultation, some more advanced than others. However these can be considered as *baseline policies* – necessary but not sufficient conditions for addressing the internal and external challenges faced by each of the four companies before embarking on their journeys towards direct participation through workplace partnership. In each case, union-management partnerships were predicated on the achievement of win-win outcomes for company performance and quality of working life, in other words achieving improved productivity, cost reduction and capacity for innovation by empowering and upskilling frontline workers. Baseline policies alone cannot achieve this convergence of win-win outcomes; it is only achieved when the blend of proactive partnership working and forms of direct participation as represented by the four elements reach a certain stage of maturity. As the illustration below demonstrates, this requires a strategic choice by companies, one that is embedded in its values, mission and goals.



Prospects for the future

The experience and achievement of SIPTU's IDEAS institute since 2001 signposts an important future direction for trade unions at a time when membership and density are declining in many parts of Europe. Evidence from other BroadVoice national reports suggests that even in countries where it is more firmly established and supported by law, collective bargaining alone is a weak instrument for promoting workplace innovation. Direct participation appears in only a small minority of collective bargaining agreements in most countries, and where it does appear it often meets with lack of

understanding or even resistance at company level. Lack of trade union knowledge and expertise is often cited as the cause.

Although IDEAS currently operates on a small scale, evidence in this report demonstrates that its modus operandi can lead to significant and sustained workplace change. It leaves formal, adversarial collective bargaining behind, yet in a sense it represents a new form of collective bargaining in which enhanced company performance is achieved by unleashing the full knowledge, skills and creativity of workers in return for workplace partnership and enhanced quality of working lives (Cressey et al., 2013). SIPTU's creation of IDEAS demonstrates the potential for trade unions to become expert participants in workplace innovation, drawing on generalised knowledge of evidence-based practices whilst contextualising them in individual companies by harnessing the tacit knowledge and creativity of their workforces.

In the wider Irish context, IDEAS was formed during the country's social partnership era when it formed part of an ecosystem which included NCPP and relatively collaborative relationships with stakeholders such as IBEC and Enterprise Ireland. Since 2010, IDEAS has continued to operate but without that wider coalition of support.

Perhaps it is now time for that to change. Companies, unions and workers alike face an increasingly volatile global economic climate as well as the 'twin transitions' towards digitalisation and net zero. Whilst a return to previous models of social partnership is unlikely in the foreseeable future, a collective response is needed if Ireland is to achieve inclusive and sustainable growth. IDEAS, as well as the legacy of NCPP, has a great deal to contribute to that collective response.

References

- Buchanan, D. A., & Fitzgerald, L. (2007). Improvement evaporation: Why do successful changes decay? In D. A. Buchanan, L. Fitzgerald, & D. Ketley (Eds.), *The sustainability and spread of organizational change. Modernizing healthcare*. London: Routledge.
- Business Decisions Ltd. (2002). *New forms of work organisation: The obstacles to wider diffusion*. KE-47-02-115-EN-C, DG Employment and Social Affairs, European Commission, Brussels.
- CEDEFOP. (2023). *Skills forecast Ireland 2023*. Thessaloniki: CEDEFOP. Available at https://www.cedefop.europa.eu/en/country-reports/ireland-2023-skills-forecast (accessed 15.01.2025).
- Cressey, P., Totterdill, P., & Exton, R. (2013). Workplace social dialogue as a form of 'productive reflection'. *International Journal of Action Research*, *9*(2), 209-245.
- Cullinane, N., Donaghey, J., Dundon, T., Hickland, E., & Dobbins, T. (2014). Regulating for mutual gains? Non-union employee representation and the Information and Consultation Directive. *International Journal of Human Resource Management*, 25(6), 810-828.
- D'Art, D., & Turner, T. (2005). Union recognition and partnership at work: A new legitimacy for Irish unions? *Industrial Relations Journal*, *36*(2), 121-139.
- D'Art, D., & Turner, T. (2011). Irish trade unions under social partnership: A Faustian bargain? *Industrial Relations Journal*, 42(2), 157-173.
- Dobbins, T., & Dundon, T. (2016). Workplace partnership in Ireland: Irreconcilable tensions between an 'Irish third way' of voluntary mutuality and neoliberalism. In S. Johnstone & A. Wilkinson (Eds.), *Developing positive employment relations, international experiences of labour management partnership* (pp. 101-123). Palgrave Macmillan Ltd.
- Doherty, E. M. (2001). Globalization, social partnership, and industrial relations in Ireland. In C. Candland & R. Sil (Eds.), *The politics of labor in a global age: Continuity and change in late-industrializing and post-socialist economies* (pp. 132-155). Oxford: Oxford University Press.
- Doherty, M. (2011). It must have been love ... but it's over now: The crisis and collapse of social partnership in Ireland. *Transfer*, 17(3), 371-385.
- Dundon, T., & Dobbins, T. (2017). Workplace cooperation at Aughinish Alumina. In S. Johnstone & A. Wilkinson (Eds.), *Developing positive employment relations, international experiences of labour management partnership* (pp. 229-247). London: Palgrave McMillan.
- Eurofound. (2013). Work organisation and innovation in Ireland. Dublin.
- Eurofound. (n.d.). Ireland: Industrial relations profile. Downloaded 12.01.2025 from https://www.eurofound.europa.eu/sites/default/files/ef files/eiro/country/ireland.pdf

- Fiole, M., Roger, M., & Rouilleault, H. (2002). Les effets sur l'emploi de la loi du 11 juin 1996 sur la réduction du temps de travail; suivi d'un commentaire de Henri Rouilleault. *Economie et Statistique*, 357(1), 3–22.
- Geary, J., & Belizon, M. (2021). Union voice in Ireland. Dublin: University College Dublin.
- Huzzard, T. (2004). Boxing and dancing Trade union strategic choices. In T. Huzzard, D. Gregory, & R. Scott (Eds.), *Strategic unionism and partnership: Boxing or dancing?* (pp. 20–44). London: Palgrave Macmillan.
- IBEC. (2023). *Manufacturing in Ireland 2023*. Dublin: IBEC. Available from https://www.ibec.ie/manufacturinginireland (accessed 15.01.2025).
- Larragy, J. (2006). Origins and significance of the community and voluntary pillar in Irish social partnership. *The Economic and Social Review, 37*(3), 375-398.
- Maccarrone, V., Erne, R., & Regan, A. (2020). Ireland: Life after social partnership. In T. Müller, K. Vandaele, & J. Waddington (Eds.), *Collective bargaining in Europe: Towards an endgame* (pp. 315-355). Brussels: ETUI.
- Maccarrone, V., & Erne, R. (2023). Ireland: Trade unions recovering after being tipped off balance by the Great Recession? In J. Waddington, T. Müller, & K. Vandaele (Eds.), *Trade unions in the European Union* (pp. 585-624). Berlin: Peter Lang.
- Murray, P. (2004). The transatlantic politics of productivity and the origins of public funding support for social science research in Ireland, 1950-1979. *Working Paper Series No. 22*. Maynooth: National Institute for Regional and Spatial Analysis.
- NCPP National Centre for Partnership & Performance. (2005). *Working to our advantage: A national workplace strategy*. Dublin: NCPP.
- NCPP National Centre for Partnership & Performance. (2008a). New models of high performance work systems: The business case for strategic HRM, partnership and diversity and equality systems. Dublin: NCPP.
- NCPP National Centre for Partnership & Performance. (2008b). *Ireland's national workplace strategy. Building a commitment to workplace innovation*. Dublin: NCPP.
- NERI. (2023). Job quality in Ireland: First findings from the UCD working in Ireland survey 2021. Dublin: NERI. Available at https://www.nerinstitute.net/research/job-quality-ireland-first-findings-ucd-working-ireland-survey-2021 (downloaded 15.01.2025).
- NERI. (2024). *Productivity in Ireland's domestically-owned market economy: A comparative survey.*Report Series no 35. Dublin: NERI.
- NESC. (1996). *Strategy into the 21st century*. Dublin: NESC. Available at https://www.nesc.ie/publications/strategy-into-the-21st-century (downloaded 12.12.2024).
- NESC. (2024). Towards a national better work strategy. Dublin: NESC.

- O'Connell, P., Russell, H., Watson, H., & Byrne, D. (2009). *The changing workplace: A survey of employee' views and experiences*. Dublin: National Centre for Partnership & Performance.
- O'Donnell, R., Adshead, M., & Thomas, D. (2011). Ireland: Two trajectories of institutionalisation. In S. Avdagic, M. Rhodes, & J. Visser (Eds.), *Social pacts in Europe: Emergence, evolution and institutionalisation* (pp. 89-117). Oxford: Oxford University Press.
- O'Dowd, J. (2010). Organisational change through partnership: Promise, performance and prospects for Irish firms. Dublin: Liffey Press.
- Roche, W. K., & Teague, P. (2013). Successful but unappealing: Fifteen years of workplace partnership in Ireland. *The International Journal of Human Resource Management*, 25(6), 781–794. https://doi.org/10.1080/09585192.2012.756823
- Sheehan, B. (2018). Social partnership and its continuities. *Irish Business Journal*, 11(1), Article 5. Available at https://sword.cit.ie/irishbusinessjournal/vol11/iss1/5 (accessed 10.11.2024).
- Teague, P., & Donaghey, J. (2015). The life and death of Irish social partnership: Lessons for social pacts. *Business History*, *57*(3), 418-437.
- Totterdill, P. (2015). Closing the gap: 'The fifth element' and workplace innovation. *European Journal of Workplace Innovation, 1*(1). Available at https://journal.uia.no/index.php/EJWI/article/view/166/113 (accessed 16.01.2025).
- Totterdill, P., Dhondt, S., & Milsome, S. (2002). *Partners at work? A report to Europe's policy makers and social partners*. Nottingham: The Work Institute.
- Totterdill, P., Exton, R., Savage, P., & O'Regan, C. (2010). *Participative governance: An integrated approach to organisational improvement and innovation in Ireland's health care system*. Dublin: NCPP.
- Totterdill, P., & Exton, R. (2021). Workplace innovation in practice: Experiences from the UK. In A. McMurray, N. Muenjohn, & C. Weerakoon (Eds.), *The Palgrave handbook of workplace innovation across developed and developing countries* (pp. 57-78). Cham: Palgrave McMillan.
- Totterdill, P., & Sharp, A. (1999). *New work organisation in Ireland. Report of the independent evaluator*. Dublin: Irish Productivity Centre.

Annexe 1: Companies supported by the Workplace Innovation Fund

	Company	Project Description
33	Co. Donegal Sector: Fish Processing Employs: 22 Amount approved: €13K	The focus of this company is to develop target markets in mainland Europe Sweden and Asia. The company's WIF training activities include: Change management and development Collaborative problem solving and decision making Teambuilding and management for high performance Performance management and development
32	Co. Limerick Sector: Engineering Employs: 12 Amount approved: €15.5K	The company's vision is to become a leader in its field and is focusing on expanding its product offering. This will require the people capability to significantly increase. The WIF training programme includes: People and business management development Change management Effective communication skills Skills to support the development of an open and creative work environment Information sharing Collaborative decision making and problem solving
31	Co. Louth Sector: Seafood Processing Employs: 36 Amount approved: €28.5K	The overall culture and outlook of the company needs to be moved to one that embraces modern working arrangements including a greater emphasis on flexibility and team-working environment. Management needs to expand its range of strategic skills and capabilities across all functional areas. Their WIF training activities include: Team development and management Team-based problem solving Consultation and engagement skills Performance management and development practices
30	Co. Cork Sector: Fresh Food Employs: 37 Amount approved: €22.9K	This company is seeking to create a culture of superior performance, organisational efficiency and cost competitiveness to sustain long-term success in a competitive marketplace. The WIF training activities include: Change management development programme to facilitate the required cultural shift Developing and empowering teams Communication skills Motivations skills Performance management and development practices and skills Employee involvement skills and practices
29	Limerick Sector: Engineering Employs: 212 Amount approved:	This company is seeking to introduce a product development and innovation culture. This will require it to strengthen the management team and develop flexibility and versatility amongst all staff which will be

	€202K	achieved through greater levels of employee involvement: Their WIF activities include; Management and implementation of change through teams Team management Skills Team working Skills Communication and consultation skills Decision making and problem skills Time management Employee involvement practices and skills Flexible working skills and practices and skill
28	Co. Galway Sector: Food (Bakery) Employs: 85 Amount approved: €36K	To continue to grow in this market the company recognised the importance of creating a more flexible workforce, opportunities for improved efficiencies across functionalities and generally to improve company processes that will enable them to adapt to customer driven demand. Their training activities will include: Strategic leadership development Change management Managing a team-based environment Performance Mgmt & Development Team Development
27	Co. Galway Sector: Environmental Refuse Services Employs: 60 Amount approved tbc	This company is undertaking a substantial organisational development programme which will create significant challenges for the company in terms of people, products, processes and performance. The achievement of their growth objectives. They have also identified the need for more flexible responses to market which will require creative strategies and a flexible workforce. Their training activities will include: HR Management Development of cOmpetencies to facilitate employee engagement and partnership Arrangements to facilitate ideas generation Problem solving and collaborative decision making
26	Co. Cavan Sector: Manufacturing Employs: 23 Amount approved: €11.75K	The overall objective of this company is to improve productivity. They recognise the need to up-skill all members of staff to provide a flexible workforce which will be capable of achieving productivity gains. Their training proposals include: Development of competencies to facilitate employee engagement and partnership Problem solving and collaborative decision making Arrangements and processes to promote positive industrial relations Development of employee financial involvement arrangements
25	Dublin Sector: Printing Employs: 36 Amount approved: €33.5K	This company has devised a substantial OD strategy in order to reduce costs, improve productivity, and increase production capacity with the objective of achieving additional sales and exports. The proposed training activities include: Development of team-based working Development and management of team based environment Communication skills to facilitate information sharing and consultation

		Change management and motivation
24	Co. Mayo Sector: Food Processing Employs: 21 Amount approved: €26	This company is seeking to improve its international competitiveness through improved flexibility enabled by the development and involvement of employees at all levels in the company. Proposed training activities include: Continuous process improvement techniques Development of arrangements and competencies to facilitate greater levels of employee involvement Introduction of innovative employee reward arrangements Conflict resolution skills Change management Communication skills
23	Monaghan Sector: Food Processing Employs: 43 Amount approved: €49K	The aim of this company is to become a quality conscious and profitable niche food manufacturer which will be achieved through the implementation of WCM processes and the development of a high quality work environment. They are committed to implementing a culture of continuous improvement — quality and efficiency. Their training plan includes: Development of high performance work teams Collaborative decision making skills Conflict resolution and problem solving skills Development of HR policies and competencies to support a team-based environment HR Management skills for the first-line managers and the senior management team Development of communication skills and processes Development of skills and processes to facilitate employee engagement.
22	Limerick Sector: Packaging Employs: 24 Amount approved: €24k	The company wishes to introduce a culture of continuous improvement and high performance teams. The introduction of a change ethos will provide a platform that will enable them to strengthen and professionalise the management team, up-skill all members of staff and improve levels of staff involvement through more formalised information sharing and consultation and new work arrangements. Training activities will include: Management training in people management, change management, team work etc Training and active participation in company-wide communications structures Review and establishment of financial incentives for managers and supervisors Internal customer concepts Development and introduction of Gain share arrangements
21	Co. Dublin Sector: Manufacturing insulated panel systems Employs: 30 Amount approved:	The company wishes to implement a Workers Involvement Programme which will support the Management Development /Training plan. Other activities will include: Development of Team based working Introduction of High Performance Work Systems

	€29.5k	Change management Communication skills
20	Co. Kilkenny Sector: Manufacturing Employs: 19 Amount approved; €30k	The company wishes to embed a culture of engagement, flexibility, open communications, openness to change and innovation and meeting customer requirements. The WIF activities will focus on people, developing a professional and delivery oriented environment e.g. Leadership and management skills development Succession planning Development and introduction of continuous improvement techniques Development of arrangements to for management and employee engagement
19	Co. Cork Sector: Instrumentation and process automation Employs: 16 Amount approved: €123k	The company has devised a substantial management and staff training plan to drive and support their strategic objectives. Staff capability is recognised as key to successful growth and WIF activities will contribute to improved staff retention, involvement and utilisation. The activities include: Communications and Best Practiser People Management training for management Effective meeting and communications skills training for all employees Inter-company Forum t5raining for all staff Development and introduction of standard induction training and handbook for all employees Introduction of Six Sigma
18	Co. Carlow Sector: Agricultural Equipment Employs 188 Amount approved; €145k	The company is developing its business model with greater emphasis on the provision of whole solutions rather than just a machine manufacturing. This will require a huge mindset change on the part of management and employees many of whom have been with the company for many years and who have a strong allegiance towards engineering rather than 'advisory/knowledge' products. WIF activities will include training in: Meetings and internal communications Principles of Lean Manufacturing Team working Quality circles Time management
17	Co. Clare Sector: Electronics Employs: 140 Amount approved: €52k	This company which has many long serving employees wishes to move from a very traditional hierarchical arrangement to team-based work arrangements and greater levels of employee involvement: Training activities will include: Development of a cultural change programme to the development and implementation of strategy Communication skills People management Managing team based environments Cross-skilling
16	Dublin Sector: Electronics	The company aims to make substantial changes to the current structure in order to achieve the ambitious targets that have been set out in their

	Employs 112 Amount approved: €149.8k	PIF application. The objective of the workplace innovation initiative is to improve efficiency levels and communications and introduce teamwork. The training activities include: Leadership development programme Team building Communication and facilitation skills
15	Co. Dublin Sector: Food (Fresh Fish) Employs 40 Amount approved: €24.5k	This company aims to fully involve employees in the operation process and build greater levels of commitment to quality and efficiency. In return the company is developing plans to expand incentive arrangements. The plan includes training in: People and change management Team working / High Performance Work Teams Customer Care English Language for employees who do not have English as their first language
14	Cork Sector: Environment and Life Sciences Employs 22 Amount approved: €26.4k	The company is keen to accelerate employee involvement in the business, delegating decision making to the staff involved in each process. The aim is to empower production and sales/administration staff to input and take responsibility for key activities in their work areas that were hitherto carried out by management. The training plan includes: Communications skills People management/ managing team based environment Coaching/mentoring Team based working
13	Louth Sector: Life sciences & Chemical Markets Employs: 49 Amount Approved: €150k	Management Development activities that will build strategic capacity for change through developing a leadership and management style that values the input of employees and has the capacity to implement leading edge processes. Introduction of Continuous Improvement Processes that will be supported by the introduction of cross-functional teams to formalise planning around the introduction of new products Development and implementation of training plans for all members of staff that will support and enable them to take on new responsibilities associated with CIP HR management training for all managers — recruitment, performance management and staff retention
12	Clare Sector: Medical Devices Employs: 63 Amount Approved: €143k	This company is seeking to address the cultural changes in order to become a more flexible, adaptive and responsive organisation. Specifically addressing issues identified during a strategy review around their people, including poor morale, old work practices, and lack of quality focus. Management development and training in the areas of leadership, change management and cultural change programme Development of participative mechanisms to involve employees in work design and better communication
11	Louth Sector: Consultancy	The aim of this company is to build a high value open company culture through the development of a strategic communication strategy.

	Employs: 20 Amount Approved: €88k	Management training in teambuilding, mentoring, conflict resolution and communications Investment in career development opportunities and merit based reward Project management, team building and change management Development of an internal communication strategy to optimise employee participation
10	Sector: Print/Packaging Employs: 120 Amount Approved: €115k	Plan addresses cultural changes required to become a more flexible, adaptive and responsive organisation. Learning to work together initiative to create an environment of mutual respect and trust Implementation of new communication and feedback, appraisals and rewards initiatives Development and implementation of an Annualised Working Hours process and operating mechanism
9	Tipperary Sector: Industrial/Agricultural Machinery Employs: 78 Amount Approved: €13k	Autonomous team based manufacturing cell concept process being introduced into the business. Each team will be responsible for quality, output, budget costs and delivery Dates for their own group leading to enhanced employee involvement in the business Reward scheme being implemented to drive initiative Initiatives to improve communications and planning and understanding of health and safety legislation
8	Cork Sector: Materials Handling – Industrial Markets Employs: 20 Amount Approved: €39k	The company recognises that employee involvement and participation is essential if they are to implement changes to work practices. An El Benchmarking report highlighted areas for company to address such as: Employee involvement Performance measurement Developing a shared vision Customer satisfaction
7	Mayo Sector: Prepared Consumer Foods Employs: 16 Amount Approved: €50k	A range of workplace initiatives aimed at improving the overall culture and productivity of the organisation. Management training specifically focusing on change and people management Development of a company-wide communications process to encourage upward/downward flow of ideas, information etc. Staff and management training in High Performance Work Teams
6	Tipperary Sector: Construction Products/Systems Employs: 78 Amount Approved: €44K	The company has grown organically with strong sales growth year on year and employee numbers have grown in response to this. The company now wish to formalise their 'people management' within the company through the development of roles, responsibilities and a competency framework. Management training in people management, change management, Managing teams etc Cross-skilling in all functions Development of profit share/gain share arrangements Development of a company-wide communication strategy and structures that encourage two-way communication, feedback and corrective action

		English language for non-Irish employees
5	Dublin Sector: Software development and services Employs: 26 Amount approved: €59k	The company is seeking to create an efficient multi-functional, teambased learning organisation. Specific activities will focus on Leadership and change management Team design and development Communications Devolved decision-making arrangements Innovative work methodologies
4	Clare Sector: Industrial Engineering Employs: 77 Amount approved: €109K	The company recognises that in addition to the proposed capital investments and associated functional training that new structures and communications systems are also required. WIF activities will focus on: High performance team-working and cross training for all staff Introduction of Lean manufacturing Training for management in HR and communications Project/problem solving for all staff Introduction of work-life balance arrangements
3	Cork Sector: Industrial Engineering Employs: 13 Amount approved: €14K	Established in 1973 the company for the first time is undertaking an extensive management and development programme involving all staff; The plan includes Management training in communications skills, people management and managing team based environments The introduction of team-based work arrangements and processes Team development Cross-skilling training
2	Cork Sector: Industrial Engineering Employs: 37 Amount approved: €40K	The company is seeking to establish a new culture of training and cross training of employees and management providing employees with opportunities to work in different areas. Activities include: Communication skills Implementing communication systems People management and coaching/mentoring Team building and development Management of team based environment
1	Galway Sector: Manufacturing Employs: 47 Amount approved: €45	The company has continuously improved productivity but in order to continue to find further improvements in its operations it has identified technology and their employees. The company is seeking to create an environment of respect for all members of the team in terms of career satisfaction and individual responsibility. WIF activities will include HR and change management training Development of company-wide communication structures to encourage employee involvement and feedback Introduction of financial incentives Development of profit share/gain share systems