



BroadVoice

Broadening the spectrum of employee voice in workplace innovation

Enhancing Worker Participation and Industrial Relations

Ireland – National Report

written by Workplace Innovation Europe

The *National Report - Ireland* explores the evolution and current state of direct worker participation and industrial relations in Ireland. It provides a comprehensive overview of the historical context, key initiatives, and challenges faced by the Irish workforce and industrial relations framework.

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.

Historical Context and Evolution

Ireland's industrial relations system has its roots in the voluntarist and adversarial system inherited from Britain upon gaining independence in 1922. The 1960s and subsequent decades saw significant industrial conflict and wage inflation, leading to the establishment of successive social partnership agreements from 1987 to 2008. These agreements aimed to foster collaboration between the government, employers and trade unions on economic and social policy issues at national level, as well as promoting management-union collaboration at the company level.

Several initiatives arising from the national social partnership era were instrumental in promoting direct worker participation in Ireland. 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. However, these benefits were not fully realised across the economy.

Case Studies

The report highlights four case study companies, all of which are in the manufacturing sector where the most striking examples of direct participation are currently to be found in Ireland. Manufacturing is a vital component of the country's economy, contributing significantly to employment, exports, and overall economic growth. It represented approximately 29% of Ireland's GDP in 2023.

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 cases illustrate the pioneering work of the IDEAS institute, a social enterprise created by Ireland's largest union (SIPTU) and dedicated to the propagation of workplace innovation based

on partnership principles. Its approach focuses strongly on the people dimension, valuing and encouraging the knowledge and practical process experience that workers accumulate throughout their working lives. IDEAS represents Ireland's unique contribution to BroadVoice in understanding how trade unions can become active participants in promoting workplace innovation.

Case Study 1: Kirchhoff Automotive

This case study describes a 15-year union-management partnership instigated by IDEAS 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, including worker empowerment within a flat organisational structure.

Case Study 2: FSW Coatings

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

Case Study 3: Aughinish Alumina

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 which has been sustained over 30+ years, but enabled the introduction of participative working practices based on a flatter organisational structure.

Case Study 4: SAICA Pack

This case study describes an intervention by the IDEAS institute in 2013 that led to the introduction of direct participation throughout the production process, driven by union-management collaboration. However many of the gains achieved at the time were subsequently eroded by a change of leadership, illustrating the vulnerability of direct participation in a system of voluntarist industrial relations.

The End of Social Partnership in Ireland

Despite the initial gains achieved by social partnership, the financial crisis of 2008 exposed its limitations. Following crisis, the government turned towards harsh austerity measures and effectively walked away from social partnership. The institutional framework for promoting workplace partnership, including the NCPP, collapsed shortly afterwards.

The report underscores the fragmented and vulnerable nature of direct participation under Ireland's voluntarist system of industrial relations since the end of the social partnership era. There is currently little statutory protection for employee voice and few institutional drivers for workplace collaboration or direct participation.

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 the enterprise level. The strong interdependence of representative forums and direct participation helps to explain the longevity of workplace innovation and partnership in three of the four case studies, strongly reflecting the definition of workplace innovation outlined in *The Fifth Element* (Totterdill, 2015).

A return to social partnership at the 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. Perhaps it is now time for change as companies, unions, and

workers face an increasingly volatile global economic climate as well as the ‘twin transitions’ towards digitalisation and net zero.

Reference

Totterdill, P. (2015). Closing the Gap: ‘The Fifth Element’ and Workplace Innovation. *European Journal of Workplace Innovation*, 1(1). Retrieved from <https://journal.uia.no/index.php/EJWI/article/view/166/113>



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