Chapter 1
Introduction: The Need to Uncover the Field of Workplace Innovation

Frank D. Pot, Diana Rus and Peter R.A. Oeij

1.1 Where Does Workplace Innovation Come from?

Since the 1990s there has been growing concern among companies on how they can remain productive and innovative in a globalised market and in the so-called knowledge economy. Public organisations share similar concerns because the population (i.e., citizens, customers, clients and patients), which is better educated than ever before, expects high-level services under circumstances of limited public budgets. Over time, the awareness grew that technological innovation is not enough to prepare private and public organisations to successfully face the future. Instead, the notion emerged that technological innovation should be complemented and integrated with non-technological innovation [in the terminology of the European Community Innovation Surveys (CIS)] or with social innovation in the workplace (as it is called in a number of countries). The financial and economic crisis of 2008 has only strengthened the urgency of this type of integration. Non-technological innovation in the CIS covers marketing and organisational innovation. Social innovation takes a slightly broader perspective and covers issues such as work organisation, human resources policies and labour relations in the workplace as well as marketing strategies and collaboration with suppliers, research institutes and social partners. Core elements of these non-technological approaches to

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innovation are employee participation and better utilisation of human talents, including employees' as well as managers' talents. The objective of these approaches is to improve job quality and organisational performance simultaneously. Various names are being used for approaches which more or less relate to these issues and objectives. Some examples are: high performance workplaces, high involvement workplaces, innovative workplaces, innovative work organisation, workplace development, social innovation in the workplace, knowledge-based capital, relational coordination, employee-driven innovation and workplace innovation.

Since the beginning of this century, across Europe, researchers and consultants as well as national initiatives and programmes in English-speaking countries (UK, Ireland) have used the concept of workplace innovation (WPI) as an umbrella term for non-technological innovation. Programmes and initiatives in other countries have used concepts in their own languages, some of which are mentioned in an English translation among the examples above. More recently, the concept of workplace innovation has gained a high policy profile because in 2012 it was adopted by the European Commission in its industrial and innovation policy. The Commission established a European Workplace Innovation Network (EUWIN, to be pronounced as 'You Win') for 4 years, aiming at capacity building and dissemination of knowledge and practices. The initiative, led by TNO (NL) and Workplace Innovation (UK) began with 14 core partners and more than 30 ambassador organisations in 30 European countries encompassing companies, public policymakers, chambers of commerce, business federations, research organisations, and social partners. The contributing authors in this volume seem to share the idea that WPI is strongly related to employee involvement. However, they place a different focus regarding the objectives of quality of working life, organisational performance or a combination of both. They also differ in their treatment of preferred WPI-interventions such as organisational behaviour, HR-related measures, organisational design measures, or a combination of these.

In accordance with the purpose of the Springer book series 'Aligning Perspectives on Health, Safety and Well-being', this volume provides a number of interdisciplinary and complementary research, policy and practical perspectives on wellbeing at work and organisational performance. The book explores how different research perspectives regarding workplace innovation contribute to our understanding of simultaneously improving wellbeing at work and organisational performance. The included contributions are multi-disciplinary and stem from a wide variety of European scientists and practitioners.

1.2 Why Now a Book on Workplace Innovation?

Although sociotechnical forms of work organisation and dialogue-based forms of management have already been present for decades in multiple European countries, the link between these forms of organising and innovation has become more visible during the past two decades. During this period, national programmes and

initiatives related to WPI as well as the European Network have flourished. EUWIN has managed to engage with over 5000 experts from all over the EU to join in the movement. In addition, new alliances of employers' associations, trade unions, research institutes and governments came into existence, even in some countries and regions where workplace innovation is a completely new concept. They took employee involvement as a constituting element of WPI and added topics such as better dialogue, improved work organisation, better labour relations, and enhanced organisational performance. Different approaches to organisational renewal have been practiced. Some of these approaches emphasise organisational design rules and focus on the output; others give priority to democratic dialogue and are primarily concerned with the process. The theoretical foundations of these approaches, definitions of concepts and practices also differ substantially. Sometimes the focus of new initiatives is primarily to improve organisational performance; at other times, wellbeing at work represents the focal goal. Hence, the associated strategies for change also differ markedly. We believe that after two decades of divergence, the time is ripe to take stock of what has happened in this respect over the past 20 years, identify commonalities and differences and forge a path towards a more unified body of knowledge regarding WPI. In this respect, EUWIN has facilitated the exchange of experiences, research and opinions and has contributed to forging tighter connections within the European workplace innovation community. EUWIN has laid bare the grounds to be explored; now it's Europe's turn to make WPI a reality. This book *"Workplace Innovation: Theory, Research and Practice"* presents the state-of-the art of WPI for policymakers, practitioners and researchers.

1.3 What Is the Book About?

The content of the book is organised in four parts: (I) Policy, (II) Theory and evidence, (III) Research and (IV) Practice. Each part contains a number of chapters, which will be introduced hereafter.

Part I—Policy
In Chap. 2 **Frank D. Pot, Peter Totterdill** and **Steven Dhondt** sketch an overview of the last two decades' European policy on the core topic of the book. The authors illustrate that workplace innovation is gaining a higher profile as an emerging European policy embedded in a broader economic and social EU policy to support organisational change in companies. However, Europe's policy is still divided into silos; there is hardly any integration of national policies regarding innovation, productivity, skills, employment, quality of jobs, occupational health and safety. The authors suggest that today's digitalisation and robotisation offer opportunities for a more integrated EU policy.

National programmes and initiatives are described in Chap. 3 by **Tuomo Alasoini, Elise Ramstad** and **Peter Totterdill**. The overview shows that workplace innovation programmes in Europe exclusively utilise soft regulation in its various forms. Activities are still unevenly distributed by geographical area, with most

programmes being found in Northern and Western Europe. However, new promising developments are currently underway in many countries with no history of such programmes. Special attention is paid to methods for meeting the challenges of diffusion, an issue of crucial importance for the sake of improving the social effectiveness and legitimacy of programmes.

Chapter 4 deals with a particular case, namely the German Industry 4.0 policy to stimulate innovation, notably in smart and advanced manufacturing. **Jürgen Howaldt, Ralf Kopp** and **Jürgen Schultze**, in their essayist contribution, suggest that Germany has not learned much from its own history. Industry 4.0 is a technology-centred vision that underestimates risks and negative effects, as was the case with the completely computer-integrated and automated factory of the last century. The authors propose that workplace innovation (Work 4.0) should be given a more central place in the process of digitalisation.

Part II—Theory Matters and Evidence

The theory section starts with Chap. 5 by **Peter R.A. Oeij** and **Steven Dhondt**, who argue that the field of WPI is in dire need of an integrative theoretical underpinning. They propose a working definition of WPI, discuss a number of theoretical approaches that could be informative to the study and practice of WPI, and highlight some ways in which these approaches can inform a theory of WPI. Whereas the chapter does not develop a definitive theory of WPI, it presents the current state of the art in WPI research and suggests a path for aligning future research and theory development.

In Chap. 6, **Steven Dhondt, Lander Vermeerbergen** and **Geert Van Hootegem**, aim to show where the research on WPI as an organisational innovation is, and to outline why they think that it is not an issue that most of the proof is circumstantial. They first provide an overview of the current state of the art of the research on WPI. Next, they identify which kind of research approach would be the most promising for WPI. Finally, they discuss why some companies may not implement WPI, although WPI has been shown to deliver obvious results.

Given that workplace innovation promises to improve organisational performance, quality of working life and, consequently, wellbeing at work simultaneously, **Frank D. Pot's** Chap. 7 looks at wellbeing at work. He discusses how this promise can be theoretically backed up and shows the connection between wellbeing at work and workplace innovation in European policies. In some policies, however, there is an emphasis on improving wellbeing via individual coping behaviour. Pot argues that organisational interventions that improve the conditions for wellbeing (i.e., the 'conditional approach') represent a more successful strategy and that workplace innovation is a good example of such a conditional approach.

In Chap. 8, **Aditya Jain, Vlad Dediu, Gerard Zwetsloot** and **Stavroula Leka** present empirical evidence of determinants of wellbeing at work and relate this to the promotion of workplace innovation as such an antecedent. The chapter then proceeds to discuss commonalities in good practice interventions at the organisational level, specifically focusing on Vision Zero (zero accidents, zero harm, etc.) and PRIMA-EF, a model for the management of psychosocial risks. Considering

the current evidence base, recommendations for future research and practice are made while also referring to the relevance of policy-level interventions to promote workplace innovation.

Part III—Research

The research section starts with Chap. 9 by **Arianna Costantini**, **Riccardo Sartori** and **Andrea Ceschi**, who present an overview of studies on WPI from a work and organisational psychology (WOP) perspective and discuss the advantages of integrating WOP and WPI research. Drawing on the definition of WPI as composed of two dimensions, i.e., a structural and a cultural orientation, they present evidence on how job autonomy, job flexibility, and participation in organisational life have an effect on quality of working life (QWL) and organisational performance (OP). The authors conclude that taking a systemic perspective in WPI implementation would be beneficial in promoting QWL and OP.

In Chap. 10 **Peter R.A. Oeij**, **Steven Dhondt**, **Rita Žiauberytė-Jakštienė**, **Antonio Corral** and **Paul Preenen** present evidence from the Eurofound study comprising 51 cases across 10 EU countries on why, how and with what effects, companies implement WPI. The authors show that successful WPI implementation results from an interplay between management-driven business goals and employee-driven quality of work goals. Moreover, they show that, whereas companies take different paths in implementing WPI, one key success factor is constructive cooperation between management, employees and employee representatives. They conclude that a whole-system approach focusing on the interplay between strategy, structure, and culture is most likely to lead to successful WPI implementation.

The chapter by **Helge Hvid** and **Vibeke Kristine Scheller** (Chap. 11), based on the study of six Danish organisations—part of the Eurofound study mentioned in Chap. 10—states that neither economic arguments nor arguments of humanising work are sufficient to get companies to implement WPI activities; workplace innovation also depends on institutional entrepreneurship. The article focuses particularly on institutional entrepreneurship exercised when WPI-related activities are implemented. Results suggest that institutional alliances and coalitions are not only an important part of institutional entrepreneurship to direct WPI in organisations; the sustainability of the introduced WPI activities also depends on the institutional alliances.

In Chap. 12, **Peter Totterdill** and **Rosemary Exton**, relying on data from the Eurofound study (see Chap. 10), present three UK case studies exemplifying the role of enterprise leadership for successful WPI implementation. Although the three case studies showcase journeys towards WPI from different starting points, they all demonstrate how a consistent approach to shared leadership can stimulate employee empowerment and bottom-up initiative, which, in turn, lead to successful WPI interventions. The authors highlight the importance of taking a systemic approach, a focus on long-term, small incremental changes as well as consistent values and leader behaviours for WPI success.

The contribution by **Liv Starheim** and **Peter Hasle** (Chap. 13) discusses the broader possibilities and challenges associated with a lean-inspired methodology as a tool for local WPI in hospitals. They present a case study in a Danish hospital where a lean-inspired intervention led to both improvements in the psychosocial work environment as well as to productivity improvements due to employee participation. The authors discuss some of the dilemmas associated with using lean for local WPI and conclude that lean can only be a successful tool for WPI if employees are actively involved in the process.

The contribution by **Marta Strumińska-Kutra, Boleslaw Rok** and **Zofia Mockałło** (Chap. 14) looks at the space for employee involvement in innovation-related activities in Poland's post-communist era. Using a qualitative approach, based on in-depth interviews and focus groups, they show that technological innovation often neglects the improvement of workplaces and state that this is associated with low work engagement. The authors conclude that the interaction between the individual level (employee) and the structural level (organisation) likely results in a gradual destruction of innovation, because innovation processes in Polish companies seem contrary to what WPI stands for. WPI stresses employee involvement to succeed in innovation, whereas Polish companies seem to do the opposite.

Despite the growing positive attention for workplace innovation it is threatened by new business models and labour relations such as in the platform economy. **Chris Warhurst, Chris Mathieu** and **Sally Wright** in Chap. 15 first place Uber and Uberisation amidst the various types of innovation. They then outline the model of work offered by Uber. Indeed, if digitalism can create new forms of work that diminish the quality of working life, 'vigilance' is needed to prevent a 'race to the bottom' in employment (work) standards. What constitutes employment and, with it, what constitutes decent, let alone good, job quality will need public and policy debate, a challenge to advocates of WPI.

In Chap. 16 **Agnès Parent-Thirion, Greet Vermeylen, Mathijn Wilkens, Isabella Biletta** and **Frank D. Pot** use data of the 6th European Working Conditions Survey (2015) to explore some key elements of workplace innovation: job autonomy (or discretion at work) and organisational participation and how a combination of these two dimensions relates to job quality, engagement and wellbeing. The analysis shows that employees in high involvement organisations (high discretion at work and high organisational participation) have the best scores on indices for job quality, engagement and wellbeing. The opposite is true for employees in organisations with low discretion at work and low organisational participation.

Part IV—Practice

This part on practice starts with Chap. 17 by **Pierre Van Amelsvoort** and **Geert Van Hootegem** with a coherent set of design approaches which together provide a framework for stakeholders interested in redesigning organisations for WPI. Their starting point is the sociotechnical design perspective for the design of core work processes, which is subsequently broadened by other approaches, such as Lean

Thinking, Total Productive Maintenance, HRM theories and ICT theories, to address issues related to the design of control, coordination and support systems. They conclude with outlining a path towards combining these approaches to develop a systemic concept of Total Workplace Innovation (TWIN).

Steven Dhondt, Peter Totterdill, Sylvie Boermans and **Rita Žiauberytė-Jakštienė** describe five steps to develop workplace innovation. Chapter 18 starts with explaining the building elements of WPI. Enriched with inspiring illustrations of the best practices from the Knowledge Bank of EUWIN and supplemented with easily applicable tips, it aims to be a practical tool for everyone interested in developing and implementing workplace innovation.

An important approach in the family of workplace innovation is employee-driven innovation. In this respect, the Norwegian cases are among the best documented cases. In Chap. 19, **Kåre Hansen, Oscar Amundsen, Tone Merethe Berg Aasen** and **Leif Jarle Gressgård** analyse why organisations differ in their abilities to obtain, explore and exploit their employees' ideas and knowledge in order to increase overall organisational innovation capacity. The findings indicate that all enterprises aiming to implement principles of employee-driven innovation should do a thorough assessment of their management styles and managers, in particular the middle managers (such as foremen, section heads, or shift bosses).

The expertise of work and organisational (W&O) psychologists is greatly underused in WPI practice. In their essay (Chap. 20), **Maria Karanika-Murray** and **Peter R.A. Oeij**, take an integrative, critical approach in discussing the potential role that W&O psychologists could play to strengthen the practice of WPI (see also Chap. 5, for a theoretical perspective). They propose a multidisciplinary, integrated perspective on WPI that takes into account the interplay between strategy, structure, and culture and outline avenues in which WPI practice can benefit from W&O psychology as well as how W&O psychologists can broaden their focus to provide a unique contribution to WPI practice.

In Chap. 21, **Fietje Vaas** and **Rita Žiauberytė-Jakštienė** argue that case examples of WPI best practices can supplement more abstract definitions of WPI by providing practitioners with more hands-on advice on how to implement WPI. Based on cases from the Eurofound study (see Chaps. 10–12), the authors develop three criteria for a case to be a good example for practical purposes: (1) the company should have implemented substantial WPI practices, (2) the case description should provide actionable information, and (3) the narrative should be inspiring. The authors underscore their argument by providing extensive and lively case descriptions.

Peter R.A. Oeij introduces in Chap. 22 the Innovation Resilience Behaviour tool (IRB-tool), aimed at improving teamwork in innovation teams, as an example of a WPI intervention. The tool is premised on the notion that innovation requires employee participation. The IRB-tool focuses on team processes, such as resilience, psychological safety, learning, voice, and leadership. By uncovering team defensiveness, a team's mindful infrastructure, and innovation resilience behaviour, the tool helps teams become more aware of issues that could hamper the success of innovation projects and provides ways to overcome these hurdles. The author concludes that the tool can be used to boost intrapreneurship and innovation.

1.4   What Do We Intend to Achieve?

We hope that our efforts will help to inform the growing workplace innovation community about the state of the art on workplace innovation in the four areas of policy, theory, research, and practice. We have tried to provide an overview of current approaches and thereby, uncover similarities and differences among them. By learning from different perspectives and by looking for convergence, we hope to contribute to mutually reinforcing workplace innovation approaches. Of course, the intention is not to promote any one best approach, as local circumstances differ and every approach, every project has to adapt to local circumstances. Nonetheless, we hope that the book will teach us about the core theories and practices that can guide organisations to better jobs and performance.

1.5   What Are the Plans from Here?

In the final Chap. 23 **Peter R.A. Oeij, Diana Rus** and **Frank D. Pot** analyse and discuss what has been achieved regarding convergence, core theories and practices. Finally, they share their thoughts about possible future activities/pointers in the four areas of policy, theory, research and practice. Their main message is that an integral, systemic approach of WPI is preferred in all these four realms. This seems to be the best guarantee for simultaneously arriving at better organisational performance and better quality of work. To enable this to happen there are consequently a number of tasks for various agents. The authors give suggestions on how policy can strengthen the case for WPI, how research could provide evidence and help practice, and on how employers and employees can utilise the opportunities that are unfolded in this book.

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