

In 2016, Scotland's Fair Work Convention set out its vision for the future of work which included a practical blueprint for Fair Work and a new type of dialogue between employers, employees and trade unions, public bodies and the Scottish Government. In response, Scottish Enterprise launched a portfolio of initiatives to promote workplace innovation, amongst the most significant of which is the two-year pilot Workplace Innovation Engagement Programme (WIEP), delivered by Workplace Innovation Europe CLG.

What is workplace innovation?

As co-creators of the concept, Workplace Innovation Limited defines it as the introduction of empowering workplace practices that enable people at every level of the organisation to use and develop their full range of knowledge, skills, experience and creativity, leading to significantly enhanced business performance and quality of working life.

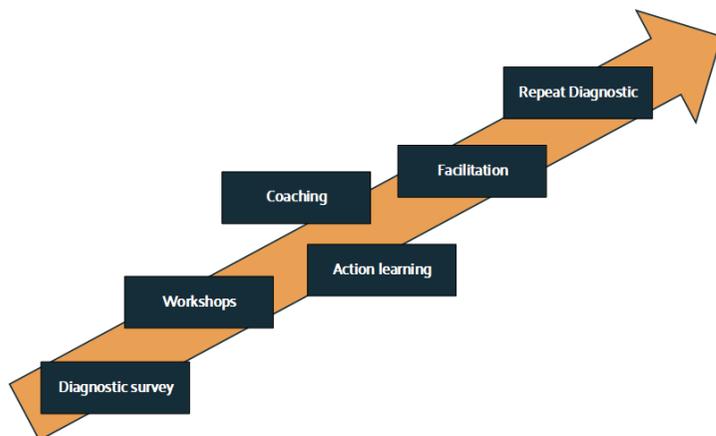
The *Essential Fifth Element* approach to workplace innovation is based on a vast body of research evidence and practical experience which shows that these outcomes are achieved by combining:

- Discretionary learning jobs plus self-managed teamworking
- Regular opportunities for employees to contribute to improvement & innovation
- Permeable organisational structures plus performance metrics and managers aligned to empowerment
- Senior level commitment to devolved decision-making and employee voice.

These interdependent bundles of practice combine to create workplace cultures of innovation and engagement.



Enhanced Performance & Working Lives



How does the Workplace Innovation Engagement Programme help?

WIEP was designed to overcome the gap between evidence-based workplace practice and common practice in Scottish companies. We know that there is a 'long tail' yet to benefit from workplace innovation, with consequent losses for productivity, product and service innovation, skills development and utilisation, and employee health.

The programme brings diverse cohorts of companies together on a nine month shared journey towards the sustainable transformation of workplace practices. Two participants from each company gain the knowledge and skills required to engage others in their organisations to plan and implement exciting changes.

WIEP combines a state-of-the-art Diagnostic survey, interactive workshops, an online platform for learning and interaction, peer-to-peer support through action learning, individual coaching and in-house facilitation, helping each company to address its individual needs and opportunities as part of a community of companies on similar journeys.

Individual participants gain an internationally-recognised qualification in Leadership & Management while their companies gain sustainable improvements across a range of indicators and continuing capacity for change.

Impact

The first cohort of ten companies began the programme in November 2016, completing it during Autumn 2017.

Cohort 2, with nine companies, commenced the programme in September 2017 and continued until completion in June 2018.

Each company made tangible changes in working practice, including self-managed teams, employee involvement in improvement and innovation, reducing functional silos and hierarchies, changing management roles and behaviours, eliminating low-trust systems and procedures, delegating decision-making, greater openness and transparency, introducing or revitalising employee forums, and building more inclusive approaches to leadership.

Companies enhanced profitability and competitiveness by improving cost control, workflow, decision-making, quality, customer service and capacity for innovation.

100% participants satisfied or very satisfied, and each company reports that benefits would not be have been achieved at all, or to the same extent, without WIEP.

Here is a small selection from the 19 companies:

Argenta Pharmaceuticals	Reduced the impact of functional divisions to improve workflow, delegated decision-making to team and involved staff in innovation.	Significant cost reduction and efficiency gains, and major steps towards creating a culture of improvement and innovation.
Booth Welsh Engineering services	Greater transparency and measures to engage staff, reducing functional silos and stimulating employee-driven innovation.	60+ ideas generated by employees; Martin Welsh (MD) argues that WIEP has placed the company 12 months ahead of its competitors.
Cornerstone Social care	Introduced self-managed teams and a flatter management structure to address changing and more complex demands in the care sector.	Enhanced client satisfaction, greater resource efficiency and improved staff engagement.
DS Smith Packaging	Leadership transparency; delegation of decision-making to frontline meetings; employee-led process mapping and improvement.	WIEP played a vital role in changing work practices through DS Smith Lockerbie, leading to a £1.4m profit upturn without capital investment.
Laing Traditional Masonry Building renovation	Leadership transparency and enhanced 2-way communication with site-based teams combined with good practice teamwork principles.	Significant improvements in meeting targets and an average improvement in profitability of 6% per project.
Premier Hytemp Engineering	Introduction of a representative 'Shop Committee' bringing employee voice into decision-making and stimulating ideas for improvement.	MD claims that KPIs have all improved as a result of employee voice measures introduced by WIEP, building pride in the workplace.

What they say about WIEP...

I highly recommend WIEP and suggest that everyone should go on it. It works for every size of business. **Chris Owens, IOM**

The Essential Fifth Element Diagnostic allowed us to pin point the areas of the business where we needed to focus and prioritise. This focus allowed us to tackle the real challenges on site. Without the Diagnostic there is a danger that we would have looked for the traditional 'low hanging fruit' or more 'attractive' improvement initiatives. By focusing on the structures and processes that our teams work with, we are able to free them from bureaucracy. With this new-found freedom they're innovating and improving - that is the power of The Essential Fifth Element. **David O'Byrne, Argenta Dundee**

WIEP exceeded all expectations and was enjoyable and rewarding. Invaluable facilitation of cultural change. **David MacPherson, Charles River**

This programme affects the way people involved in change think and act, and gives a power to the change process. **Sara Blanco Rodriguez, Kilco**

It's been an eye-opening experience not just personally but as a company. It's changed the way we look at staff and how at how I interact with people working around me. Especially after a session, I think about the way you've supported us, yes that's okay, what do you think? A good idea! Just the way you were speaking and sharing so much.

Iain Heddle, Laing Traditional Masonry

Rosemary and Peter from Workplace Innovation have taken participants on a learning journey. The programme has been excellent for learning from other organisations. Building key networks and relationships has been invaluable. The content of the programme has been geared to ensure all organisations gain something. We are introducing a new business model and this programme has certainly helped guide and support us as we commence our three year Strategic Plan to bring transformational change to the care sector. **Mairi Martin, Cornerstone**

We wouldn't be thinking like this at all without being involved in the programme... there wouldn't be that journey to where we are now. **Harriet Boyle, Glenton**

I can see a difference also in the two people that have been in this course and I can see how they are keen to see that change to be replicated within the business. For me it has exceeded all expectations, probably gone beyond the boundaries of where I thought it would go, it goes right under the skin of the business. I am happy that we are now at the other side of it, that it's made a big difference. **Martin Welsh, Booth Welsh**

Conclusions

Companies participating achieved significant improvements in a relatively short period of time, and have established a sustainable momentum of change with real potential to go much further.

Feedback on the programme has been overwhelmingly positive, focusing on the overall quality of support, the learning, sharing and 'camaraderie' between companies, and the practical outcomes stimulated by WIEP. Group-based programmes such as WIEP offer policymakers particular value for money, firstly because most of the expert input is shared by the whole cohort, and secondly because peer-to-peer support, as an important motivator and a valuable source of ideas, comes as part of the package without extra cost.

With slow productivity growth affecting many Scottish businesses, this clearly requires new thinking about what can be done to make more businesses competitive and to tackle the long tail of businesses under-performing.

The WIEP programme is one of a number of support services provided by Scottish Enterprise to help companies implement innovative, fair and responsible business practices, and I am delighted to see the benefits that the participating businesses are reporting.

The critical issue for us is to help employers create the conditions for fulfilling work which is meaningful to individual workers and can create a sense of pride and interest in what they do. Evidence indicates that pursuing a smarter people-centred approach to work, which secures participation and fairness will reap significant business benefits.

Clare Alexander, Head of Workplace Innovation, Scottish Enterprise

Rarely in the UK has the role of policy-makers been so decisive and catalytic in helping companies achieve effective and sustainable transformation. Scottish Enterprise has helped to create and realise a vision of the workplaces of the future, with a lasting effect on the country's economy.

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