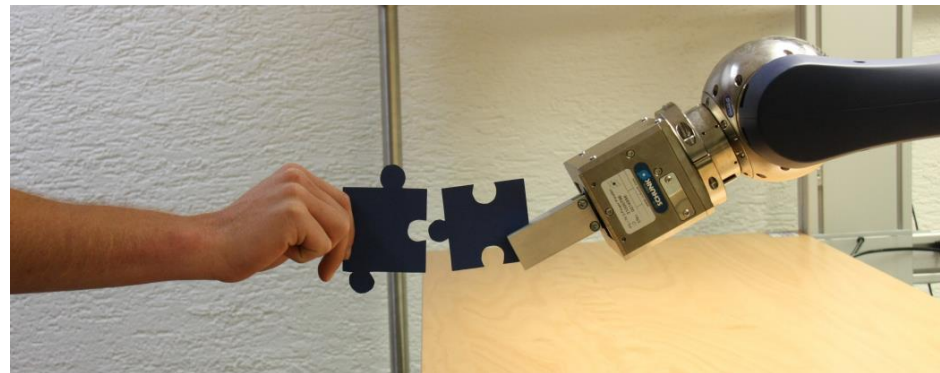


Republic of Korea, Sejong-si, 19 August 2020

Complementing technological innovation with workplace innovation in Europe

Frank Pot



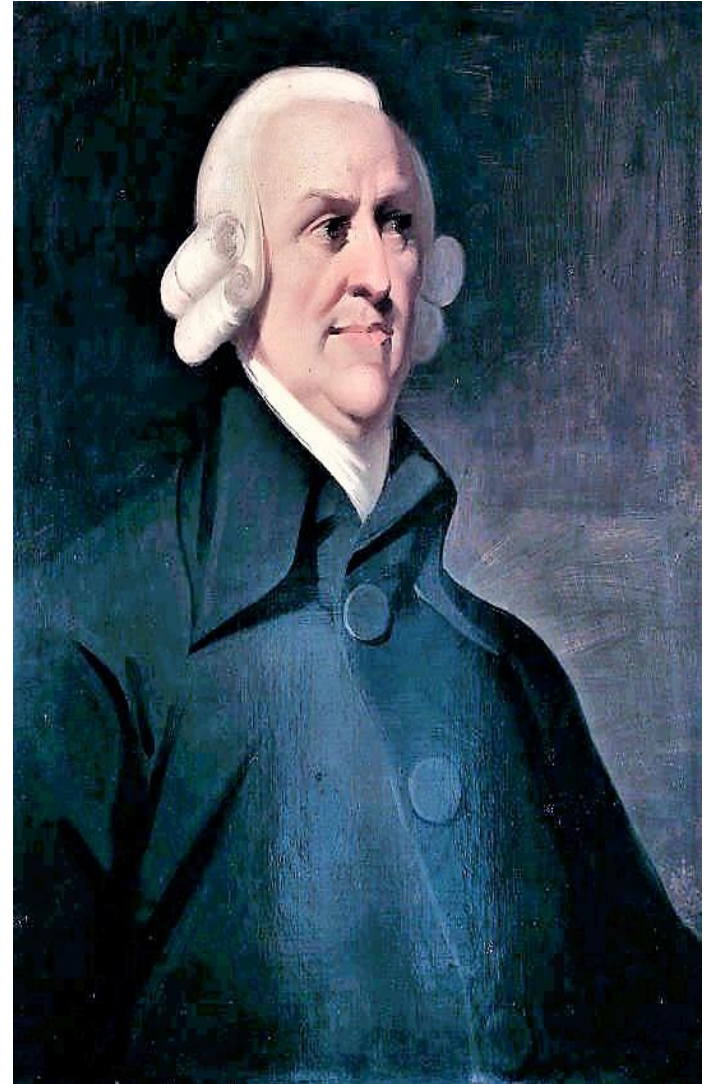
Radboud University Nijmegen



Machines and division of labour

Adam Smith, 1776

- Higher productivity and wealth
- “At the expense of intellectual, social and martial virtues”
- “Labouring poor fall in this state”
- “Unless government takes some pains to prevent it”
- He meant: primary education for compensation





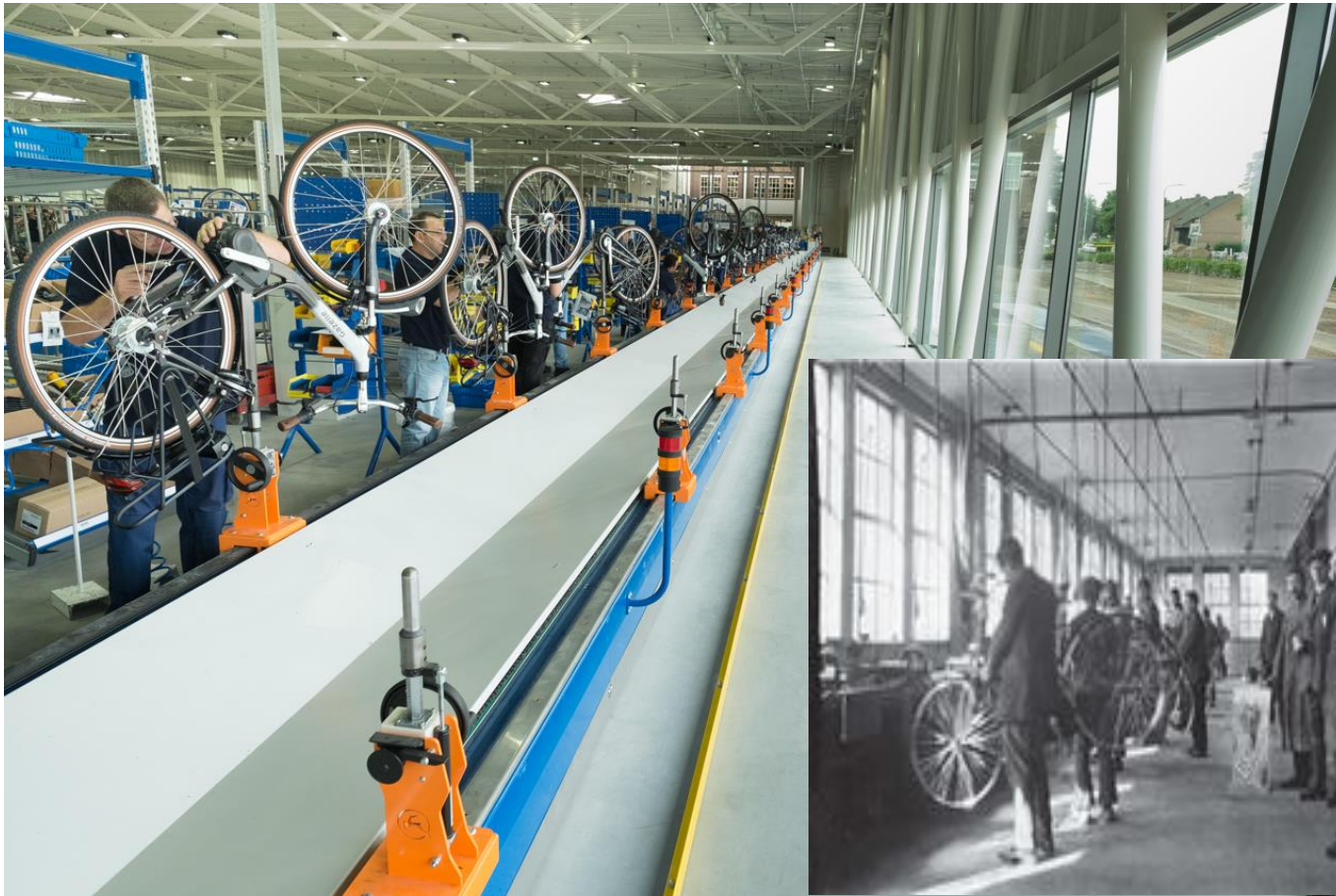
Outcomes: deskilling and intensification

- Not all expectations of 'scientific management' of Frederick Taylor did come true.





Gazelle (NL): Repetitive work, 90 sec, 2015, 1925



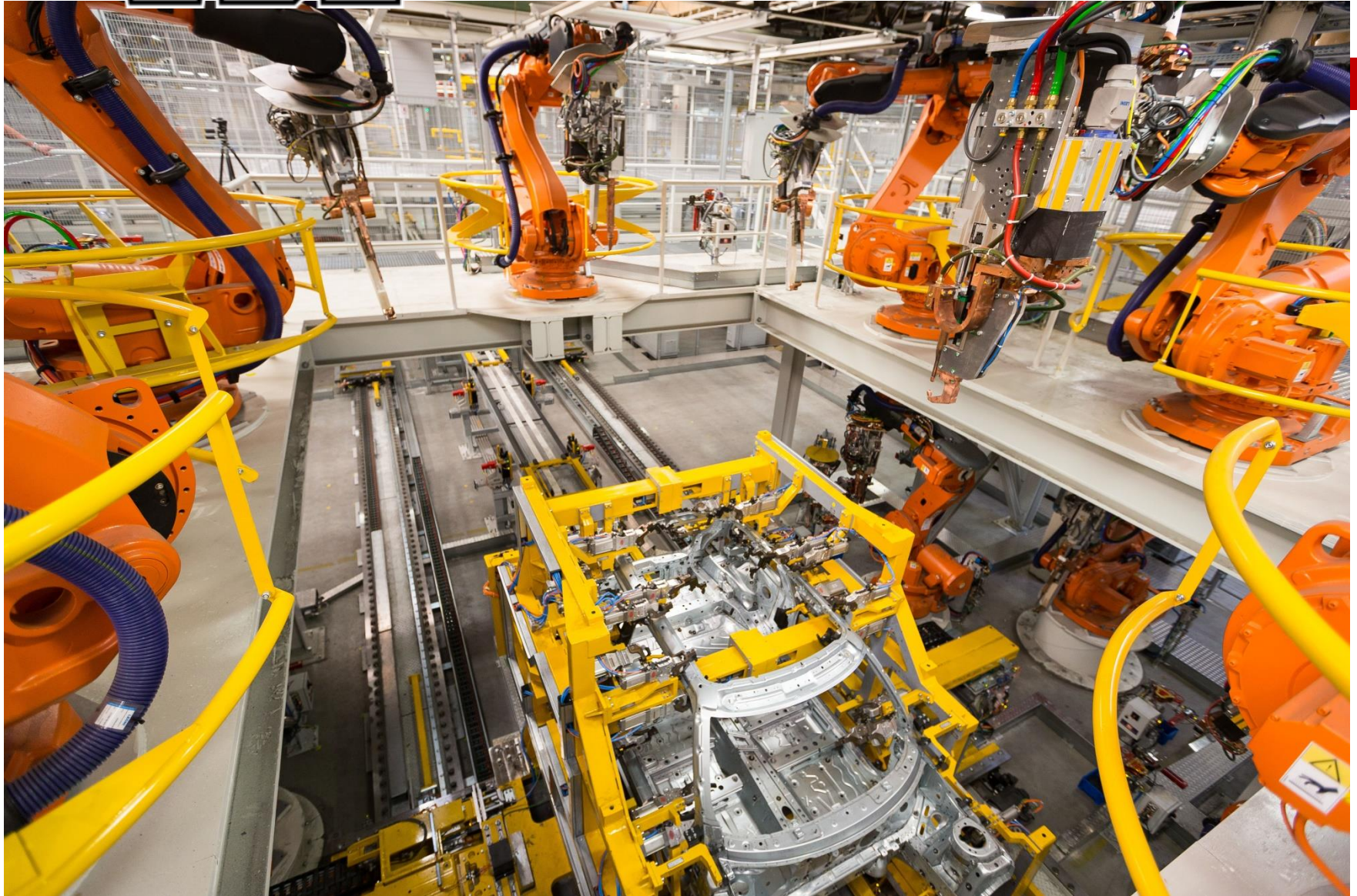


KOGA (NL): Manufacturing the whole bicycle





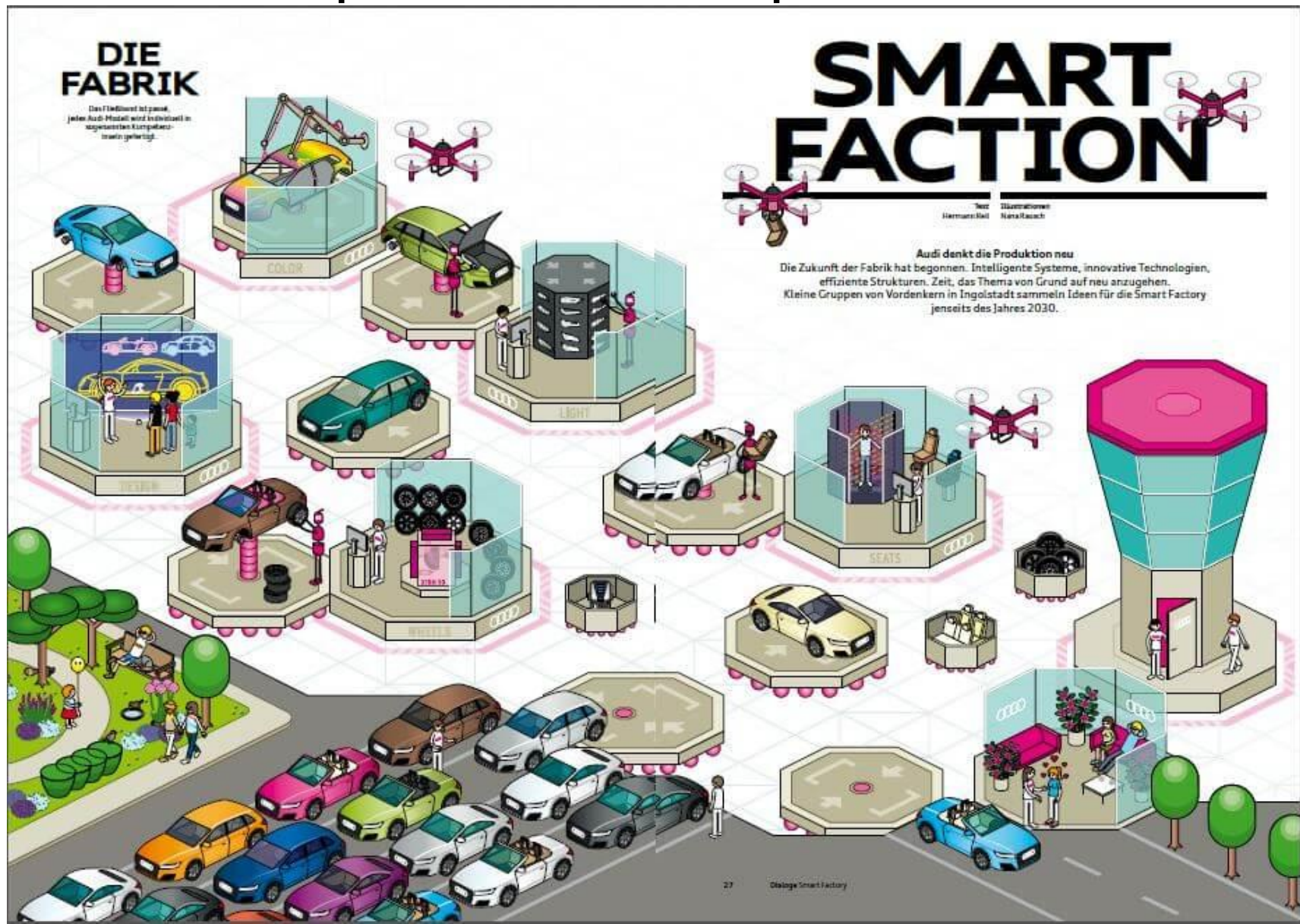
Nedcar



1,5 km assembly line with 61 seconds tasks, 2018



Audi: experiments with production islands





Workplace innovation in Korea

“Overall, Korea is behind other OECD member states in the adoption of workplace innovation. Korean companies have opted for introducing new technologies such as substituting labor through automatization instead of focusing on various methods of workplace innovation through operators who actually produce products and services or improving the skills of workers in the workplace.”

“This reflects the technology-focused mindset of the management and reveals the lack of sober efforts for approaches and strategies to utilize workplace innovation with the trust in the abilities and potential of workers on site.

Next, another significant reason for the lack of innovation in work processes or organization at Korean companies and workplaces is the confrontational industrial relations within Korea.”

Source: **Kiu-Sik Bae and Chang-Won Lee, 2017**



Definitions Europe (same as at KLI)

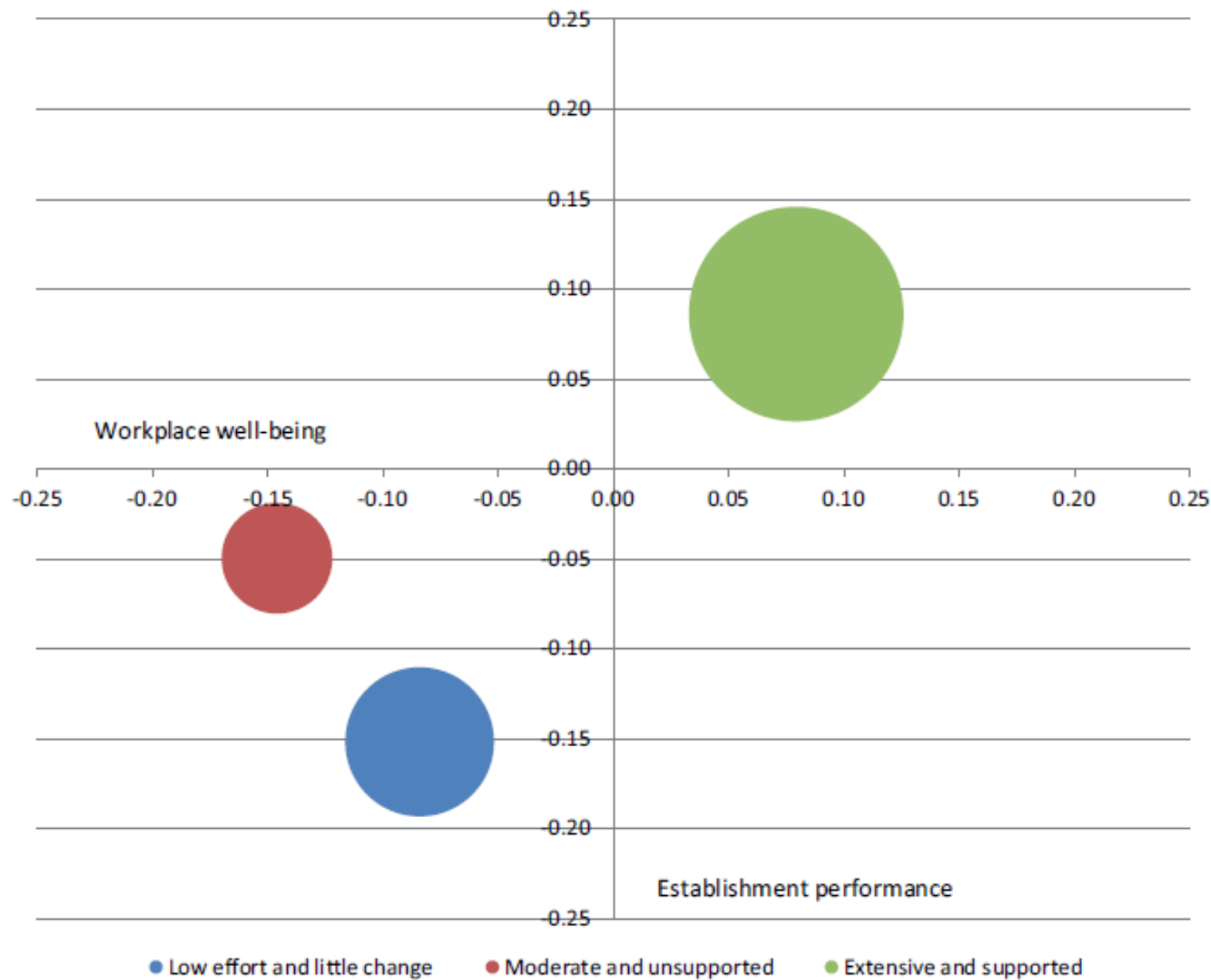
- **Workplace innovations** are new and combined interventions in work organisation, human resource management, work relations and supportive technologies.
- **Workplace innovation**
 - is a process of productive reflection as part of everyday working life,
 - derives from interaction between stakeholders within and outside the organisation,
 - builds bridges between the strategic knowledge of the leadership, the professional and tacit knowledge of frontline employees and organisational design knowledge of experts,
 - Works towards win-win outcomes as a creative convergence rather than a trade-off



How to deal with digitalisation and Covid crisis?

- Workplace Innovation claims simultaneous improvement of
 - organisational performance (in particular productivity and innovation capabilities) and
 - quality of working life (learning opportunities, wellbeing, stress prevention).
- Making new technology work through innovative work organisation
- These claims are supported by a number of theories and research projects Unfortunately there is no time today to refer to those.

Figure 4: Establishment-level outcomes by establishment type and direct employee participation





Case Bronkhorst good example



Bronkhorst HIGH-TECH

in Ruurlo, the Netherlands

- Develops and produces thermal mass flow meters and controllers
- Clients all over the world; surface treatment, process industry, life sciences, automotive, bio-technology, etc.
- Continuous innovation of product technology and manufacturing process

<http://www.bronkhorst.com>



Innovation of manufacturing process 2005 - 2006

- Demand flow
- Lean Manufacturing
- Workplace innovation
- Training on the job (developing competences)
- Involvement
- Partner TNO





Results

- Productivity plus 20%
- Throughput time minus 30%
- More flexible work organisation
- Enthusiastic staff





Workplace innovation in Vietnam

- Nga Hoang Thanh Dang



- 2018 (PhD thesis)

- ***Workplace innovation and new product development in Vietnamese manufacturing small and medium-sized enterprises. Melbourne: RMIT University***



Why programmes of government and social partners?

- Market mechanism will not produce a ‘good jobs economy’ by itself.
- “massive market failure” Rodrik, D., & Sabel, C.F. (2019). *Building a good jobs economy*. Cambridge, MA/New York: Harvard Kennedy School/Columbia Law School (Working Paper, November 2019).
- Barriers for workplace innovation:
 - Management not interested
 - Insufficient knowledge
 - Insufficient competences management
 - Waiting for the competitors
 - Tradition
 - Fear of losing power
 - Adversarial labour relations



Connection with EU Strategy

- The 'EU2020 Strategy' aims at Smart, Sustainable and Inclusive Growth
- Workplace innovation integrates these objectives on the level of organisations: working smarter with less CO₂-emission, developing skills and competences and improving organisational performance and job quality, creating wellbeing.
- Workplace innovation was adopted in EU industrial and innovation policy in October 2012
- European Workplace Innovation Network (EUWIN) started in 2013
- Fits also into the Global Sustainable Development Goals of the UN for 2030: productive employment and decent work¹⁸



‘National’ ‘programmes’ in Europe

- Finland: workplace development; Innovative, creative and participatory workplace of the future
- Germany: Good work in the digital age; Future Work
- Flanders/Belgium: innovative work organisation
- Netherlands: social innovation of work and employment
- Norway and Denmark: employee driven innovation
- Scotland: workplace innovation
- Sweden: management and work organisation renewal
- Basque Country/Spain: workplace innovation
- Governance roles of govt, soc partners and research differ



Misconceptions: from low road to high road

- **Technology is the answer.** Companies only achieve a sustainable return on investment when technologies enhance – rather than replace – workforce skills.
- **Training managers in participative styles of leadership represents a sufficient solution.** Makes no sense when sent back to hierarchical organisations.
- **A happy employee is a productive and innovative employee.** Nice colleagues and good earnings can make you happy but not yet productive. High performance and capacity for innovation is achieved through task autonomy, learning on the job, self-managed teamworking, etc.



Happy employees at SEMCO (Brasil)

- SEMCO Principles and Values
- SEMCO Survival Manual



Narrow debate on skills

- Under-utilisation!
- 'Soft skills'?
- On the job learning!
- Individual responsibility?





Solvay global agreement on digitalisation, 2020

- For all significant projects, 'technology assessment' must be carried out in the preparatory phase, indicating the consequences.
- Republic of Korea: more than 500 employees, 6 sites
- CEO Ilham Kadri
- EWC and Global Forum Albert Krufft





Agreement European social partners

- June 2020. cross-sectoral social partners (Business Europe, SMEUnited, CEEP and the ETUC) public and private sectors and all economic activities



It covers the following issues:

- Digital skills and securing employment
- Modalities of connecting and disconnecting
- AI and guaranteeing the human in control principle
- Respect of human dignity and surveillance

WORKPLACE INNOVATION EUROPE



<http://www.workplaceinnovation.eu/>

information and tools

EUWIN

Connections:

Professor Frank Pot is emeritus professor of Social Innovation of Work and Employment, Radboud University Nijmegen, the Netherlands. He used to be the chair of the advisory board of the European Workplace Innovation Network (EUWIN). He is currently Honorary Partner of EUWIN. frank.pot@ardan.demon.nl

Professor Frank Pot is former director of TNO Institute Work and Employment where dr Peter Oeij works who was in Seoul at KLI presenting at the conference of 21 November 2019 and who organised a session at ISPIM 2020 in Berlin with participation of KLI. peter.oeij@tno.nl

Professor Frank Pot is non-executive director of Workplace Innovation Europe CLG where professor Peter Totterdill is founder and director. Peter Totterdill visited Republic of Korea twice. In 2009 he published: Totterdill, P., Exton, O., Exton, R., & Sherrin, J. *Workplace innovation policies in European countries*. Nottingham: UKWON. A report to the Korea Workplace Innovation Center, Seoul. peter.totterdill@workplaceinnovationeurope.eu