



Welcome to:

**European Workplace Innovation Network | March Bulletin**

**EUWIN** is an initiative of the European Commission's Directorate General for Enterprise & Industry

## Vulcano: A Culture of Improvement Supports Continuous Change

Aveiro, Portugal



When Vulcano, a leading Portugal-based water heater manufacturer, wanted to implement changes in the workplace, it turned to the Bosch Production System (BPS) which strives to combine enhanced innovation and production capabilities. Its aim is “to increase customer satisfaction and value contribution through overall improvement of quality, delivery and costs” and one of its attractions lies its claim to be deliverable in diverse national contexts.

Vulcano's objectives were to integrate management of the value chain; reduce waste; make all the processes simpler, clear and more flexible; and involve all employees, in order to surpass customer's expectations and improve the company's profitability.

Using the BPS model of developing and delivering the right part, at the right time, in the right amount and with the required quality, Vulcano aimed to:

- know what employees regularly needed in their daily work, what they only needed sporadically and what they didn't need at all;
- ensure that regularly needed objects should be as close as possible to the work area, and the ones that are not needed should be removed as quickly as possible.

The changes they introduced were based on three factors:

- Production and work arrangements (restructuring production and efficiency processes, business re-engineering, flexible work arrangements, greater integration among functional lines, and decentralization).

- Human resources (management practices, flexible job design, employee involvement, and improving employees' skills).
- Products/services (quality-related practices, total quality management and improving coordination with customers/suppliers).

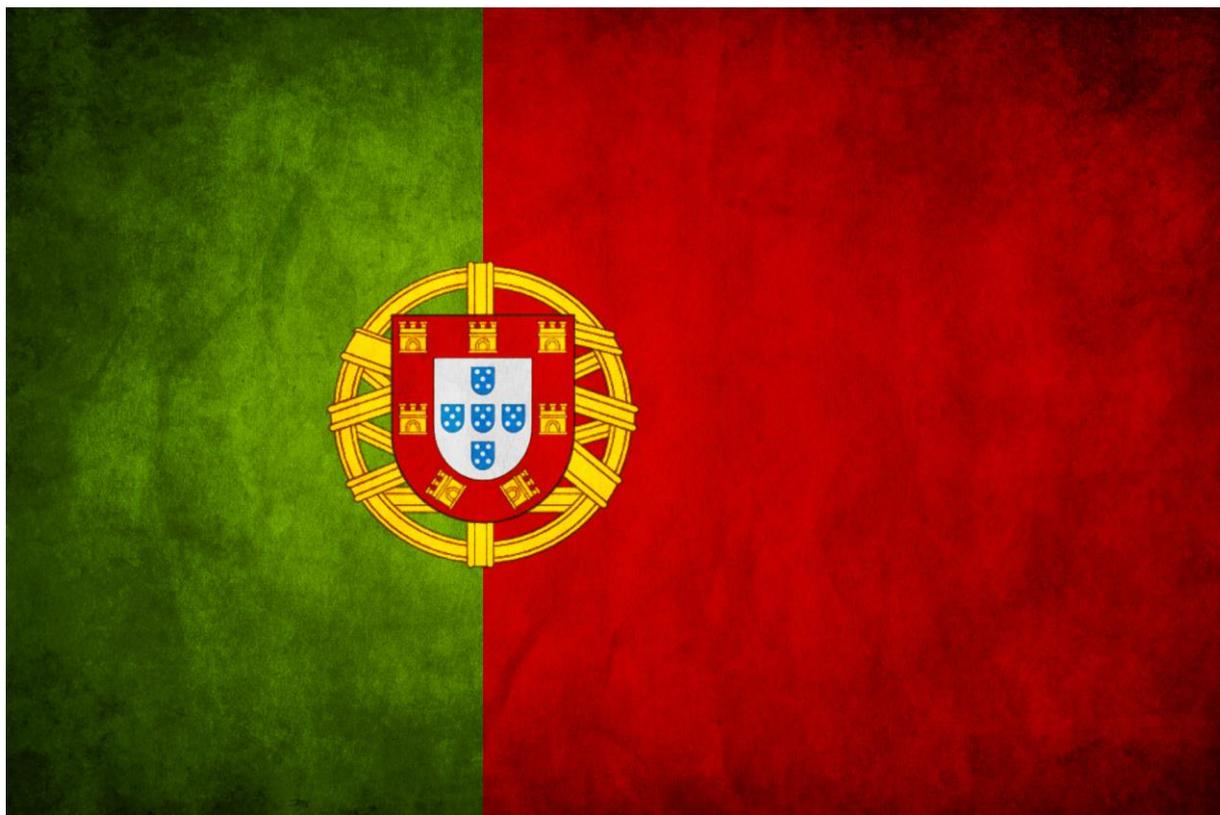


Maria José Sousa, Universidade Europeia

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## Special Feature on Portugal: Editorial



Why does this month's Bulletin focus on Portugal?

Firstly, as you will see below, May's [ICIEMC 2014](#) conference on innovation and entrepreneurship in Aveiro will host a groundbreaking, **euwin**-led Special Track on Workplace Innovation. This will bring together Portuguese company managers, policy makers and trade unions, many of whom already have experience of creating innovative workplaces.

Maria José Sousa demonstrates in her article that Portugal has a track record of public policy support for workplace innovation, though it is one which has been neglected in recent years. But EUWIN has created a momentum for change. As Irina Saur-Amaral points out, the Aveiro event will launch a **Portuguese Alliance for Workplace Innovation**, bringing together key stakeholders and identifying tangible actions to build better, more innovative and more productive workplaces throughout the country.

But this has a significance which reaches far beyond Portugal. Bringing diverse stakeholders together around evidence-based dialogue can create an unstoppable momentum. **euwin** Ambassadors have already begun to build a similar movement in Lithuania following events which took place in Vilnius under last year's EU Presidency. Look out for a special feature on Lithuania in a future **euwin** Bulletin.

Where will we strike next?

# The State of Workplace Innovation in Portugal

As a key part of its activities, Eurofound conducts regular Europe-wide surveys, providing insight into working conditions and workplace characteristics across all the EU Member States, plus the accession countries and Norway.

In 2010 the [fifth European Working Conditions Survey \(EWCS\)](#) was carried out, and the sixth wave is now being prepared. As in previous years, the fifth EWCS was based on face-to-face interviews with a sample of 44,000 employees across 34 countries. The Fifth EWCS overview report was published in 2012.



The third wave of the European Company Survey (ECS) was carried out in 2013. As with previous waves this was based on telephone interviews with managers in over 30,113 companies in 32 countries. In 9,094 of these companies, employee representatives were also interviewed. The first findings of the third ECS were presented in 2013 and the overview report is due to be published in 2014.

Both surveys included several questions specifically related to workplace innovation, enabling us to examine the prevalence of these practices in companies from the perspective of both management and workers.

In this article we will present some workplace innovation trends observed in Portugal, comparing them to the EU28 average and specifically to Spain due to the geographical proximity and economic interdependency of the countries.

The fifth EWCS contains three questions covering workers' involvement in improving the organisation of their tasks, how much can they influence relevant working-related decisions, and whether they are consulted before working targets are set. Overall the results for Portugal in these questions are close to those of Spain and the EU28 average, and similar results can also be observed in relation to task rotation. In terms of training paid for or provided by the employer and on-the-job training, the results are similar for Portugal and Spain and both are slightly below the EU28 average.

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# The Prospects for Workplace Innovation in Portugal



## The Portuguese Innovation Ecosystem

It is now widely accepted that, for workplace innovation to occur in a sustainable and effective manner, several internal and external stakeholders have to be aligned and to share an innovation strategy. Organizations have to be analysed as part of an internal and external innovation ecosystem which impacts on their innovation performance.

As a concept, workplace innovation is symbiotic with this perspective of innovation, reinforcing the need for fluid internal and external relationships, good communication between stakeholders, and the involvement of all relevant parties in developing the innovation strategy.

Inside the organization, top management needs to recognize and communicate innovation as a key factor for competitive differentiation. Mid-management and shop-floor employees, as well as administrative employees need to embrace innovation too, promoting creative idea generation and actively identifying improvement areas. The involvement of managers and employees at all levels in the development of the innovation strategy is critical for the sustainable development of innovation in the organization.

Outside the organization, policy makers need to create and promote the implementation of effective policies that look at workplace innovation in this wider perspective, going beyond technology or new product development to include the creation of innovative, learning organizations. Trade unions also need to participate in the debate on how to improve workplace practices, as specialists in workers' wellbeing, yet focused on achieving company goals.

When these stakeholders fail to achieve their task effectively, consultants, higher education institutions and policymakers step in to mediate the process as facilitators of knowledge adoption.

Now, let us focus on Portugal. Innovation in Portugal became a fashionable concept, sought by entrepreneurs. Innovation policies have given more emphasis to innovation from

a technological or new product development perspective, and less from the human resources perspective or business model perspective. As a result, and due to market asymmetries, not all relevant stakeholders have been actively involved and workplace innovation is barely present.



**Irina Saur-Amar**  
Director of IPAM Lab – Research Unit in Marketing and Consumption (University of Aveiro) and Member of EUWIN’s Advisory Board

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# Public Policies for Workplace Innovation in Portugal - Back to the Future?



Portugal has relatively few public initiatives explicitly targeted at workplace innovation and new forms of work organisation. During recent decades public policies and programmes have been primarily oriented towards technological innovation, and specifically focused on the development of Portuguese industry.

Nevertheless the technological orientation of these policies also helped to shape the organisation of work. It contributed to the introduction and implementation of production cells, job rotation, job enrichment, quality and JIT systems particularly in sectors of activity like automotive, moulding and textiles.

A few years ago the Portuguese government introduced programmes designed to create a culture of innovation. PROINOV (Integrated Programme for Innovation Support), created with this objective, was organised along four main axes: promoting innovation and entrepreneurship towards globalisation; enhancing education and training; improving the general conditions for innovation; and strengthening the innovation system. The programme tried to promote organisational development in both private and public organisations, but it seems to have had a false start because it was not implemented as anticipated.

[PROINOV](#) was replaced by the [Plano Tecnológico](#), a strategy to promote the development and reinforcement of growth and competitiveness in Portugal based on three axes:

**Knowledge** - To qualify the Portuguese people for the knowledge society, fostering structural measures which aim at enhancing the average qualification level of the population, implementing a broad and diversified lifelong learning system and mobilizing them for the Information Society.

**Technology** - To overcome the scientific and technological gap, reinforcing public and private scientific and technological competences, and recognizing the role played by

enterprises in the creation of skilled jobs and Research & Development (R&D) related activities.

**Innovation** – To boost innovation, helping the productive chain to adapt to the challenges of globalization by diffusing and developing new procedures, organizational systems, services and goods.

However this programme has now finished. Portugal subsequently announced the Strategic Programme for Entrepreneurship and Innovation but without an action line for workplace innovation, mainly because of the economic context and financial crises. It can be anticipated that government priorities will again be focused on innovation and especially on workplace innovation.

EUWIN can be a major trigger, creating a Portuguese innovation network involving companies like Vulcano, Efacec, Siemens and others that provide great examples at worldwide level.



Maria José Sousa, Universidade Europeia

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## ICIEMC 2014



On 2nd May, the [ICIEMC 2014](#) conference on innovation and entrepreneurship in Aveiro will host a Special Track on Workplace Innovation for the first time, led by EUWIN. This will bring together Portuguese company managers, policy makers and trade unions with national impact, where best practices may be shared with European success stories and with network coordinators. The informal networking session that will take place on the same day will lay the foundations for a ***Portuguese Alliance for Workplace Innovation***.

For details of euwin's Workplace Innovation track, including offers to present company cases, please contact [Professor Frank Pot](#).

A special rate is available exclusively for companies wishing to participate in the Workplace Innovation Track. For €90 each registered participant will have access to the first day of the Conference on May 2nd.

# Trade Unions: Knowledgeable Participants in Workplace Innovation

EUWIN and LO to host a free Workshop in Copenhagen on 29th- 30<sup>th</sup> April 2014



Trade unions defend workers' interests. Sometimes this means adversarial opposition to the effects of capital restructuring on jobs and communities. It means ensuring that workers gain fair shares in times of success and do not bear unfair burdens when things become difficult.

Workplace innovation offers an increasingly important way in which unions can improve working lives for employees at all levels. It is, above all, based on well-established evidence that sustainable competitiveness, innovation and productivity is achieved through jobs and workplace practices that achieve high quality of working life.

As the contributors to our Special Feature on Portugal point out, there is a major gap between evidence-based practice and common practice in European workplaces. Can unions play a role in closing that gap?

Union officials have experience of diverse workplaces and can play an important role in sharing good practice between organisations. National and regional officials can be highly effective as facilitators and experts, delivering knowledgeable approaches to change in the workplace and mobilising the energy and ideas of frontline workers in pursuit of "win-win" outcomes. Union stewards typically have detailed knowledge of what is working – and what isn't – at the frontline. In many cases they are in post for a much longer period than their managers and represent much of the company's "memory". Their week-by-week experience of listening to members' concerns and dealing with formal grievances gives them a unique opportunity to explore the root causes of problems in the workplace. But how often do they have an opportunity to do so?

Experience from a minority of EU Member States suggests that unions can play an important role in stimulating, resourcing and sustaining workplace innovation. Unions are key stakeholders in national programmes for workplace innovation in countries such as

Finland and Germany as well as playing a growing role in the implementation of individual projects at workplace level. [Flanders Synergy](#) is an example of a tripartite institution in which unions are central to the promotion of workplace innovation within the region. In Denmark, collective agreements between employers' organisations and unions have created structures in which both social partners work collaboratively to offer companies and employees expert advice and support on workplace innovation, going far beyond traditional industrial relations. In Ireland, SIPTU and the [Ideas Institute](#) are proactive in providing expert consultancy on process improvement and business performance through employee engagement.

The role of social partners in stimulating, resourcing and sustaining workplace innovation is embodied in the [Dublin Declaration](#), endorsed by participants at SIPTU's Workplace Innovation: Translating Policy into Practice conference in Dublin on 30th April - 1st May 2013.

## Invitation

Representatives from trade unions, employers' organisations and companies across Europe are invited to take part in a workshop hosted by LO in Copenhagen on 29th – 30th April 2014.

We are particularly keen to hear from those with good practice case studies to share. Please contact [Pia Mulvad Reksten](#) or [Peter Totterdill](#) for more information.

This interactive two-day event for the trade union movement will raise two questions:

How does workplace innovation benefit workers?

How can trade unions play an active role as “knowledgeable participants” in workplace innovation through the provision of expertise and expert facilitation?

The workshop will examine good practice case studies of union intervention which leads to win-win outcomes for workers and enterprises.

Read prospectus and Programme [here](#).

[Book now](#) - places for this free workshop are limited.

# ISA World Congress of Sociology



## XVIII ISA WORLD CONGRESS OF SOCIOLOGY

横浜  
YOKOHAMA

FACING AN UNEQUAL WORLD:  
CHALLENGES FOR GLOBAL SOCIOLOGY



13-19 July 2014

The ISA World Congress of Sociology Research Committee on Sociology of Work (RC 30) will host a session on Workplace Innovation – Social Innovation Shaping Work Organisation and Working Life (Wednesday, July 16, 2014: 08:30 AM - 10:20 AM) at this important Conference.

Session hosts Prof. Jürgen Howaldt, Peter Oeij MSc and Prof. Ben Fruytier will prepare a Special Issue of the journal World Review of Entrepreneurship, Management and Sustainable Development (WREMSD) based on the topic.

Although the call for papers for the ISA session is now closed the guest editors have extended the call for papers to all scholars interested in submitting a paper to WREMSD. (It is not necessary to register for the ISA Conference but of course the hosts hope that you will do so).

**We invite you to submit a paper on this topic**

**Deadline: 14th July, 2014.**

Author's guidelines and information about submitting your article online according can be found here. The journal will apply a double blind review process in order to ensure good quality papers. Please read the instructions how to submit carefully.

Please click [here](#) for more information on the topic or contact the organisers.

[Juergen HOWALDT](#), Social Research Center Dortmund, Germany.

[Peter OEIJ](#), TNO, Netherlands.

[Ben FRUYTIER](#), Research Centre for Social Innovation, Netherlands.

Coming soon: details of euwin's Vienna Conference, 6th May. Watch out for a special mailing with your invitation to this exciting event featuring leading companies from central Europe.

# Please Forward

Thank you for being part of [euwin](#). Together we bring together the knowledge, experience and enthusiasm of enterprises, employees, unions, employers' organisations, policymakers and researchers from across Europe. Spread the word! Please forward this briefing to your colleagues, associates and suppliers. Ask them to sign up [here](#). Make sure they don't miss out.

