EDITORIAL

Welcome to the new-look UPDATE, the bi-annual bulletin of the National Centre for Partnership & Performance.

The unprecedented challenges facing the Irish economy right now form a sombre backdrop to this issue. In these straitened times, it is our firm conviction that innovative workplace practices, coupled with high levels of employee involvement and engagement, can and should play a critical role in helping Ireland Inc. to tackle the serious issues facing us at present.

Indeed, the business case for increasing productivity, performance and quality of working life through greater levels of workplace innovation and partnership has never been stronger.

The central theme of this issue of UPDATE is that innovation is everybody’s business. It is not simply confined to research and development or science and technology.

Starting in the workplace, we can and must use innovative and creative thinking to drive performance and improve the quality of working life for all.
This principle forms the cornerstone of the NCPP’s work programme for 2009. The key elements of this programme are described in this issue, including features on the National Workplace Survey 2009, a new research project on Public Service Innovation, the Hospital of the Future project and the Workplace Innovation Fund.

Since the last issue of UPDATE, we have completely revamped and relaunched our website, www.ncpp.ie, which we invite you to visit for regular news updates concerning our work.

We have also launched a dedicated website for the National Workplace Strategy. www.workplacestrategy.ie is a valuable online resource for anyone with an interest in workplace innovation and organisational development in Ireland. Recent features include video case-studies of workplace partnership in action in Irish organisations, and a special section on the Workplace Innovation Fund, a new support mechanism to drive productivity and performance in Irish business through increased employee participation and engagement.

UPDATE appears in the Spring and Autumn of each year, bringing you up to date on developments in the world of workplace innovation and change. Please feel free to share this copy of UPDATE with your colleagues. If they would like to be added to our mailing list, they should simply e-mail info@ncpp.ie with their contact details.

We hope you enjoy this issue of UPDATE and we welcome any comment or feedback on the issues covered.

Conor Leeson, Editor
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“Starting in the workplace, we can and must use innovative and creative thinking to drive performance and improve the quality of working life for all.”
Leadership in a time of crisis

Peter Cassells

There is now a general acceptance that building leadership and management capabilities, in both the public and private sectors, is one of the key elements that will get us through the current economic crisis. Indeed, our whole strategy for stability, solidarity and economic renewal is heavily dependent on the ability of our leaders and managers to inspire us, and to energise people at all levels to use their knowledge and ingenuity to bring about change.

But what leadership and crisis-management capabilities do we need? Do we have them already and, if not, what are we doing to develop and nurture them?

Urgent and radical action is required to restore stability to the public finances, to maximise short-term activity, including employment, and to improve competitiveness.

In this regard, it is clear that many private companies have no option but to drive down their overall operating costs. But how do they reduce their costs without causing high levels of instability for workers and managers alike? And how do organisations reduce expenditure while motivating staff to embrace change and lay the foundations for a better future?

In the case of the public sector, there is no doubt that there will be severe reductions in expenditure, including pay-roll costs, for some time to come. How, within these constraints, do managers maintain essential services to the public and retain the commitment of staff? Also, given the need for reform, how do they motivate their employees to embrace change and improve the delivery of services?

Traditionally, managers in Ireland, particularly at a time of crisis, have tended to rely heavily on a ‘command-and-control’ approach rather than on the ideas, knowledge and insights of their employees as to how their organisations really work and how they might be changed for the better. While strong leadership from central management will continue to be needed, it must be a different form of leadership.

It is about working together through the difficult challenges: supporting staff willing to take a lead in solving problems, coming up with new ideas, quicker solutions and a sense of momentum around making things happen. It is also about releasing people’s talents and creativity, more often than not in cross-functional teams and collaborative networks. For this approach to succeed, however, the burden of adjustment must be shared equitably across the organisation, and staff must be assured that collaborative forms of management will continue to be used once the crisis has passed.

This is well understood in other EU countries, Finland for example. A 2007 government report called Five Steps for Finland’s Future pointed out that renewal and innovation are: “always based on people, their knowledge, learning ability and motivation. Management is the facilitating factor that allows individual creativity, innovation and entrepreneurial inspiration to develop into a national economic and social resource.”
Thankfully, this is also being recognised by a small but growing number of companies and public-service organisations in Ireland.

After flirting with a conventional corporate hierarchy, Google, which has its European HQ in Dublin, now keeps middle management to a minimum because, as one senior executive puts it, “an excess of oversight was putting a damper on innovation.”

Furthermore, Google management is of the view that “command and control is not an option when your employees are some of the smartest people in the world.”

At Newbridge Cutlery, the ideas and skills of existing employees and management, and their ability to look ‘sideways’ at challenges, led to dramatic change and a radical product and market-diversification strategy which has seen the company develop a very successful jewellery business.

Based on the knowledge, ideas and stories of staff and the general public, the service model of Donegal County Council has moved from an archaic and bureaucratic system to one where the public is served by a series of Public Service Centres across the county. Working conditions and progression opportunities for staff have improved and the Council has become a customer-centred organisation with a highly motivated and innovative workforce.

However, it has to be acknowledged that such approaches to management and leadership are not particularly widespread among firms and organisations in this country.

Workplace surveys undertaken by the NCPP and others have shown that many managers believe they have moved beyond command and control. They say they are good at communicating, informing and engaging with their staff. However, when their employees are asked the same questions, they say their managers don’t really listen, that they inform rather than consult, and that they are more concerned about their right to manage than anything else. Employees are also of the opinion that they have very little influence over their jobs and that many managers simply don’t possess the skills and capacity to tap into the collective knowledge, experience and expertise of their workforces.

Building leadership capabilities and collaborative management at all levels is a challenge that must now be addressed as part of the National Workplace Strategy and the Government’s new Pact for Stabilisation, Social Solidarity and Economic Renewal.

Peter Cassells is Chairman of the NCPP

“Working conditions and progression opportunities for staff have improved and the Council has become a customer-centred organisation with a highly motivated and innovative workforce.”
Innovation is everybody’s business

Lucy Fallon-Byrne

“Innovation isn’t simply about people in white coats in science labs. Innovation is as much about the day-to-day stuff that we do all the time, and how we organise Government itself. How we organise public-sector reform for instance.”
An Taoiseach, Brian Cowen, T.D.
(The Irish Times, 3rd January 2009)

Following the Government’s recent commitment to make Ireland the ‘innovation capital of Europe’, now is a good time to reflect on this most critical of subjects. In particular, we need to develop a broader understanding of the innovation process and to explode some of the myths that persistently cloud the debate. The enormity of the challenges facing our economy at the present time merely accentuates the need to address this issue urgently and seriously.

Firstly, if we are to become an island of innovators, we need to understand that there’s much more to innovation than R&D, significant and all as this undoubtedly is. Innovation can no longer be perceived as an elitist activity confined to scientific or technological activities, or indeed to particular economic sectors or industries. In reality, innovation is what academics call a ‘distributed’ activity, a process which should involve everybody in the workplace.

It is also a fact that innovation increases in times of crises. A crisis, or ‘performance gap’, generates innovative thinking, greater creativity and, on occasion, radical change. The greater the challenge, the greater the need for innovation and the more likely it is to succeed.

True innovation involves large numbers of people producing a steady flow of new ideas and opportunities. It requires multiple hearts and minds working together to find new ways of adding value, anticipating and meeting the needs of citizens and customers alike. The most successful innovations frequently come from within the working environments of companies themselves, and not just from laboratories or scientific establishments.

Innovation also requires many platforms. Innovation at the level of the enterprise and the workplace is arguably the most crucial aspect of an economy’s innovation system, and yet it is an area that is often neglected. This is short-sighted, since our future economic success will ultimately be rooted in the success of innovative private enterprise and agile, customer-focused public services.

That is why supporting innovative capacity in our workplaces, regardless of size or sector, is such a critical element of our response to the current economic situation. In this regard, the publication last summer by the Department of Enterprise, Trade and Employment of its ‘Innovation in Ireland’ policy statement is to be warmly welcomed, representing as it does the Government’s explicit recognition of workplace innovation as an important component of our national approach to the innovation challenge.

1 Building Ireland’s Smart Economy: A Framework for Sustainable Economic Renewal, December 2008
Furthermore, the decision to establish a new funding mechanism, the Workplace Innovation Fund, to assist our indigenous SME sector to embrace and embed innovative workplace practices as enablers of change and improved productivity, is also particularly appropriate at this time. (For more on the Fund, please see page 9.)

Our definition of innovation, and our use of that term, needs to be broadened, since there are many different kinds of innovation. We are all familiar with product and process innovation, but what about management innovation, business-model innovation, cost innovation, customer-service innovation, organisational innovation and innovations which expand the boundaries of the firm and optimise opportunities across companies and industries?

Of course, innovation is not confined exclusively to the private sector. It is equally relevant to public-sector organisations as well. Look, for example, at the great strides in service innovation that have been made in organisations like the Revenue Commissioners, Environmental Protection Agency, Courts Service and Motor Tax Online, to name but a few.

It is imperative that we understand how best to create the conditions and platforms for innovation to flourish in our companies and public bodies in these challenging times. Such conditions include:

- creating time and space for reflection and experimentation
- tolerating risk and, at times, mistakes
- fostering and promoting learning at all levels
- renewing the focus on the customer
- cross-company networking, expanding the boundaries for the creation and development of new ideas and configurations
- embracing diversity, which fuels innovation since different voices and perspectives are often required to encourage new thinking and to challenge old orthodoxies

Engaging and empowering employees at all levels is perhaps the most powerful of all the practices and strategies associated with successful innovation. The challenge for managers today is not only to value the contribution of their employees but to put in place the structures and processes that empower their people to drive innovation from the bottom-up and to embed a culture of innovation throughout their organisations.

Involving and engaging employees in the day-to-day running of an organisation is also the key to building a culture of innovation in the workplace. Well-developed internal communications systems that ensure high levels of information sharing and consultation are critical to this, as is an emphasis on team working and collaborative problem solving. Such an approach opens up the innovation process to everybody in the workplace, and allows managers and employees at all levels to make a meaningful contribution.

At this critical juncture in our economic development, it is vital that we expand the challenge of innovation to those beyond our scientific and research communities. We need to send out a call to employers and workers throughout the economy to take up this challenge and to respond creatively to the difficulties with which we are now presented. If we keep innovating, we can keep growing. And if we are truly to become an innovation island, then we must all be involved.

Lucy Fallon-Byrne is Director of the NCPP

“True innovation involves large numbers of people producing a steady flow of new ideas and opportunities.”
National Workplace Survey 2009

Damian Thomas describes the largest workplace survey ever undertaken in the State

In line with a commitment made in Towards 2016, the NCPP is currently overseeing the second in a five-yearly series of national attitudinal surveys of employers and employees in Ireland.

The 2009 National Workplace Survey comprises three separate research questionnaires, as follows, which collectively form the most comprehensive survey of workplace attitudes ever undertaken in Ireland:

- A nationally representative study of 5,000 employees in both the public and private sectors
- A representative survey of 1,500 employers in the private and commercial semi-state sector, including manufacturing, construction and services
- A survey of 400 senior management and decision-makers from across the entire public service, including the civil service, defence forces, Garda, prison service, regional bodies, non-commercial semi states, and the health and education sectors.

Following a competitive tendering process, the NCPP commissioned the ESRI and Amárach Consulting Ltd to conduct the Survey. The primary objective of the 2009 National Workplace Survey is to assess employers and employees’ attitudes, experiences and expectations of change and innovation in their workplaces. The Survey will generate comprehensive empirical data that will contribute to the development of a more robust national data infrastructure in relation to workplace and workforce issues.

It will also assess the innovative capacity of our workplaces at a time of unprecedented economic change, thereby assisting the Centre and other policy analysts in identifying areas for development and improvement in the future.

The collection of this rich empirical data will support and inform not only the work of the NCPP, but also other economic and social policymakers. Building our capacity to engage in evidence-based policy development is particularly important, given the complex series of socio-economic challenges currently facing workplaces throughout the land.

“The primary objective of the 2009 National Workplace Survey is to assess employers and employees’ attitudes, experiences and expectations of change and innovation in their workplaces.”
The National Workplace Strategy, adopted by Government in 2005, states explicitly that the quality of our workplaces, and the levels of change and innovation within them, are critically important to Ireland’s ongoing transition to a higher-skilled, dynamic and knowledge-based economy.

By ‘workplace innovation’ is meant the adoption of new workplace practices, structures and relationships. This aspect of innovation recognises the importance of developing new ideas about how to do things and how to involve employees in doing them. The increased significance now being attached to workplace innovation places employers, employees and related workplace issues at the very centre of the debate on how to improve performance, increase competitiveness and enhance the quality of working life across our economy.

Given this policy context, there is a clear need to ensure that the ongoing development of national policies and supports for workplace change and innovation is informed by quality data and supporting analysis. In particular, the three surveys will:

- Provide in-depth insights into employee and employer experiences of change, working practices and their anticipation of future change
- Evaluate the extent to which employee and employer experiences and attitudes towards change are aligned with the objectives of the National Workplace Strategy
- Identify the organisational strategies and in particular employee-relations practices that public and private sector organisations are adopting in response to current pressures for change.

“This being the second in a series of medium-term attitudinal surveys will also allow us to measure and track progress in relation to the nature and depth of workplace change and innovation in Ireland since 2003, enabling us to identify gaps and thus plan accordingly.

The questionnaires are currently in the process of being piloted, with the full Survey taking place between March and June of this year. The final Survey reports are due to be published before the end of the year.

Dr Damian Thomas is Head of Research, NCPF
It is widely acknowledged that innovative responses will be required by Irish businesses to tackle the current economic downturn. One way of doing this is for our businesses to develop a culture of innovation in their workplaces, based on increased levels of employee participation, engagement and empowerment. Innovative workplace practices have long been acknowledged as a key driver of productivity, performance and quality of working life, and a new fund to support Irish companies in their efforts to embed this relatively unknown form of innovation has now been put in place.

The Workplace Innovation Fund (WIF) was first announced by the Taoiseach in early 2007. The Fund provides up to €6 million over a three-year period to support workplace innovation in Irish companies by developing the role of employee participation and workplace partnership as enablers of change and innovation, particularly in our indigenous SMEs. The Fund is administered by Enterprise Ireland in collaboration with the NCPP.

Workplace innovation is all about finding new ways of doing everyday things in the workplace, from the design and implementation of new working practices, structures, relationships and ideas to team working, decision making, problem solving and upskilling.

Employee involvement and participation has the ability to increase productivity and the rate of productivity growth. Across the world, organisations are turning to their employees, be it in formal employee-involvement processes or more informal collaborative arrangements, to achieve improved business performance. Innovative programmes of participation and involvement are transforming organisations, with employees invigorating the way in which enterprises innovate, add value and generally deliver improved products and services, not to mention operations and processes.

Employee involvement and participation can increase a company's strategic capacity, because more people are placed in a position to consider what they know and are asked how it can be used to improve the organisation. This process of ongoing learning increases organisational flexibility insofar as people are interested in change and learning in a participative environment because it is usually to their mutual advantage. Such flexibility provides these organisations with an ability to cope with increased levels of complexity and change.

Employee-involvement arrangements treat innovation and cost responsibility as a challenge facing everyone in an organisation.
Participation expands the organisation’s ability to innovate, while the dependency of employees on each other and on the principle of information sharing and communication ensures that such activity is always transparent and always accountable.

WIF funding is open to all Enterprise Ireland client companies.

Examples of activities that may be supported under the Fund include:

**Building strategic capacity for change and developing management’s vision for employee involvement and participation**

Activities characterised by leadership and management-development initiatives, such as the deployment of:

- Open and engaging leadership/management styles
- Processes that engage employees in decision making and problem solving
- Arrangements that facilitate open and honest communications

**Working in partnership and enhancing the capacity for change among employees**

Initiatives that aim to implement new or revised working arrangements, thereby leading to greater employee autonomy and involvement in decision making, including:

- Team working
- Employee relations
- Communication – information and consultation
- Employee feedback and motivation
- Employee financial involvement arrangements

**Building employee loyalty and commitment to a better workplace**

Activities which have the potential to lead to greater buy-in, motivation and commitment from employees, such as:

- The provision of new approaches to development and learning through the prioritisation of learning
- Flexible arrangements for the development of skills, knowledge and motivation of individuals and groups of employees
- Provision of greater levels of flexibility

Activities might also focus on the broader pressures facing employers and employees such as worker health and well-being, work life balance and quality-of-work issues.

### Introducing new HR processes to support the business

Activities included in this area contribute to the development of processes around:

- Recruitment
- Performance management
- Staff retention

Initiatives supported under the Fund include activities aimed at both management and employees. Companies may also avail of pre-consultancy support to assist them in assessing their requirements and to assist in the preparation of their application.

WIF applications must also demonstrate evidence of management and employee collaboration in the implementation of project activities, including the development of the project proposal itself.

Significantly, the **minimum company-spend requirement** for companies wishing to avail of the Fund has recently been reduced from €25,000 to €12,500.

It is strongly recommended that you contact your local Enterprise Ireland Development Officer for advice and support before and during the application process.

*Further information on the Workplace Innovation Fund is available on the NCPP website at [www.ncpp.ie](http://www.ncpp.ie) and the National Workplace Strategy website at [www.workplacestrategy.ie/wif](http://www.workplacestrategy.ie/wif). Full application details are available on the Enterprise Ireland site at [www.enterprise-ireland.com](http://www.enterprise-ireland.com).*

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*Edna Jordan is Head of Workplace Learning and Development, NCPP*
Transforming our Public Services through Innovation

Damian Thomas summarises a new NCPP initiative on the role of workplace innovation and partnership in transforming the Public Service in Ireland

In November 2008, the Government published the report of the Task Force on the Public Service, entitled ‘Transforming Public Services – Citizen Centred, Performance Focused.’ The report provides an overarching and integrated set of actions and initiatives that clearly establishes the agenda for the next phase of Public Service transformation.

In particular these actions are focused on:

- Achieving improved performance by individuals and organisations
- Creating flexibility in deployment of people, assets and resources
- Identifying the appropriate transformation agenda in each sector and engaging and mobilising the necessary actors and
- Achieving greater efficiency, effectiveness and economy.

Although the economic downturn and deterioration in public finances intensifies the challenges associated with Public Service transformation, it also serves to reinforce the impetus for achieving a more innovative, customer centred and performance-focused service.

The Task Force Report suggests that collaborative approaches to managing change, as reflected in existing partnership structures, provide a useful basis for the local customisation and implementation of the change agenda. Indeed, the Report clearly recognises that achieving the desired outcomes associated with Public Service transformation will require the active mobilisation and engagement of all the relevant stakeholders, including management, staff and their representatives.

Realising partnership’s potential to contribute to fundamental Public Service modernisation will necessitate, however, a renewed commitment to employing its principles, structures and associated practices to drive and support genuine workplace change and innovation across the public service. The current economic crisis has concentrated attention on reducing costs and achieving efficiencies. There is, however, a growing recognition that achieving a high-quality, cost-effective Public Service will also require the fostering of a spirit of innovation within our public-sector organisations. Increasing the pace, level and quality of workplace innovation will require the development of more participatory leadership styles, premised on higher levels of employee involvement and engagement.
Although the agenda associated with the ‘Transforming Public Services’ report is both challenging and ambitious, the remit, functions and activities of the NCPP are clearly of direct relevance to the next phase of public-service renewal. As part of its current strategy (2007-2010), the NCPP has undertaken a series of initiatives that have the capacity to inform and shape this process, including the 2009 National Workplace Survey, our 2008 Partnership Conference on Participatory Leadership in the Public sector, the Hospital of the Future project (see page 13 for details), and other initiatives in the area of leadership development.

The NCPP proposes to build on this body of work by developing a new research project focused on Public Service Innovation. This comprehensive initiative will seek to support directly the next phase of Public Service transformation and modernisation in Ireland by achieving two specific objectives:

- Elaboration of a clearer understanding of the practices, strategies, attributes and behaviours that characterise innovative Public Service organisations; and

- Identification of the specific set of supports, initiatives and strategies that need to be undertaken in order to deliver an innovative Public Service. Particular attention will be paid to the ‘sequencing’ of actions that will assist in engaging the relevant actors, embedding reform and achieving higher levels of innovation within the Public Service.

In this context, the project’s overarching focus on supporting Public Service innovation clearly correlates with recent calls for developing a ‘spirit of innovation’ within the Public Service. The project will focus on a series of interrelated themes that were identified in the Task Force report as being central to the next stage of the Public Service transformation agenda, namely:

- Leadership development at every level of organisations
- Achieving improved performance by organisations and individuals
- Sequencing of the reform agenda, and engaging and mobilising the necessary actors
- Networked and collaborative governance
- Employee engagement and participation

In developing this initiative, the NCPP is working closely with the Department of the Taoiseach and other key actors. It is essential that this body of work contribute in a practical and sustained way to the implementation of the next phase of Public Service transformation.

Within this overall strategic objective there are a number of tangible outputs that this work will seek to generate, namely:

- A clearer and richer understanding of Public Service innovation
- The identification of the set of actions and their appropriate sequencing to support higher levels of innovation within the public service
- Case studies of good practice in Public Service innovation and networked governance
- Key lessons and learnings for managing change through enhanced employee engagement and participation
- Increased knowledge of the practical challenges and opportunities associated with networked governance and
- Practical resources and guidance that will assist the Public Service transformation processes.

For more on the NCPP’s Public Service Innovation project, please contact Dr. Damian Thomas, Head of Research, on Tel: 01-814 6393 or Email: damian@ncpp.ie
These are challenging times for the health sector in Ireland, as for all other sectors, public and private alike. As we write, individual hospitals and health-sector organisations are trying to figure out how to cut millions of euro from their budgets and yet still strive to provide excellent services.

In this, they have a choice. Do they deliver the cuts by diktat from the top or do they work with all of their employees to identify where savings can be made? Do they work collaboratively in the framework of a partnership-based approach, where each unit and staff member accepts responsibility for contributing to the efficiencies that have to be made, or do they default to the old ‘command-and control’ formula where decisions are made at the top and everybody else resists the changes and suffers accordingly?

Partnership at the level of individual organisations was never more needed in Ireland as it is now. That is why we need to assess the capacity of partnership in the health sector to deliver real change and workable solutions in this time of crisis.

By any measure, the health sector is a hugely significant contributor to the Irish economy. In 2006, it was ranked second in importance only to the construction sector, accounting for one in 12 jobs and some 8% of GNP.

Within the sector, a 2003 study by the World Health Organisation found that our hospitals accounted for up to 70% of overall health expenditure. In view of this, it is perhaps surprising that very little research has been conducted to date to identify the management policies and practices that promote efficiency and effectiveness in hospital settings.

In 2007, the NCPP launched a comprehensive research project in collaboration with the Health Service National Partnership Forum (HSNPF) to identify and measure the impact of workplace partnership and human-resource management (HRM) practices in the acute hospital system in Ireland.

This was inspired by evidence emerging from other countries, including the US, Canada and the UK, that such practices impact positively on key outcomes for patients, staff and organisations alike. Furthermore, similar research in Ireland among private-sector firms, by the NCPP and others, has identified significant performance and productivity benefits arising from high levels of workplace partnership and the deployment of strategic HR practices.
The primary objective of the project is to conduct research that will inform both policy makers and practitioners in the health sector on the role and potential of workplace partnership and strategic human resource management in the delivery of concrete benefits to patients, staff and organisations in the acute hospital system in Ireland.

The project is being overseen by a steering committee made up of senior representatives of the NCPP, HSNPF, HSE, Irish Hospital Consultants’ Association, Irish Medical Organisation, Irish Nurses Organisation and other key stakeholders. Expert consultancy input is provided by UKWON and IPC, led by Professor Peter Totterdill.

It is perhaps important to clarify at this point that the project is not an attempt to construct a ‘league table’ of our hospitals, but rather an effort to identify the type of management practices that have an impact on outcomes for patients, staff and the organisation.

In February 2008, a survey questionnaire was sent to all 49 acute hospitals in the State, covering five broad areas:

- Workplace partnership
- Strategic HR management
- Direct staff involvement in service improvement
- Collaboration and teamworking
- Shared governance

A response rate of 55% was recorded when the survey phase of the project was concluded in September 2008.

In parallel with the quantitative (i.e. survey) component of the project, a qualitative exercise was launched to obtain data on key performance indicators from the hospitals surveyed. These KPIs pertained to organisational efficiency and performance, staff outcomes and patient outcomes, including staff-absenteeism rates, staff-turnover rates, hygiene standards and in-patient cancellation rates, among others.

The project team is working towards a target date for project completion of end-March 2009, with a view to publication of the final report in April-May 2009.

It is anticipated that the final report will present compelling evidence-based propositions about the nature of change and innovation in the acute hospital system in Ireland, and timely proposals for enhancing the role of local and national partnership as a strategic enabler of operational excellence, continuous quality improvement, service innovation and change management.

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Cathal O’Regan is Head of Workplace Strategy, NCPP.
Dispute Resolution and Employment Rights in the Spotlight

A ground-breaking publication examines the activities and functions of Ireland’s main dispute-resolution and employment-rights bodies

Employment Dispute Resolution and Standard Setting in the Republic of Ireland, by Professor Paul Teague of Queens University Belfast and Dr. Damian Thomas of the NCPP, includes in-depth analysis of our main dispute-resolution and employment-rights bodies, including the Labour Relations Commission, Labour Court, Labour Inspectorate and Employment Appeals Tribunal, set against a comparative examination of similar bodies in the UK, Canada and Sweden.

Sponsored by the NCPP and the Labour Relations Commission, the study demonstrates the importance of having in place an effective, flexible and integrated set of public agencies for dispute resolution and standard setting. In this regard, Ireland is in the vanguard of international best practice, and the current approach of incremental reform would appear to be the most appropriate and viable.

“Ireland is in the vanguard of international best practice, and the current approach of incremental reform would appear to be the most appropriate and viable”

Ireland has a reasonably comprehensive and robust dispute-resolution architecture, and the achievement of labour-market stability in the last two decades highlights its capacity to resolve disputes in a fair, expeditious and effective manner. The growing workload of such bodies, however, highlights the importance of having in place an appropriate policy framework for addressing workplace disputes and grievances. Recent years have also witnessed the emergence of a more expansive institutional and legal framework in relation to employment rights and standards.

A central proposition of the study is that the employment relations and labour market environment in which these agencies operate is changing rapidly due to a combination of factors, including:

- The changing composition of the workforce
- Declining union density
- The proliferation of employment rights
- The growth of non-union multinationals
- The push for public service modernisation
- The professionalisation of HRM and
- The growth of the SME sector

These changes have placed an onus on the various dispute resolution and standard setting agencies to develop their repertoire of services in order to keep pace with the dynamics of labour-market and workplace change.
The book highlights how the Equality Tribunal has successfully developed and implemented a Mediation Service as an alternative and innovative form of dispute resolution to the traditional quasi-judicial process of an equality investigation. The high approval ratings for the service across all user groups – respondents, claimants and their representatives – confirms that it is now perceived as a credible and legitimate avenue of redress for dealing with alleged claims of discrimination under the relevant equality legislation.

Since 1991, the Labour Relations Commission has gradually developed an effective, flexible and integrated conflict-management system premised on a broad range of activities, services and programmes. In this context the development of a new Workplace Mediation Service (WMS) was a highly innovative initiative as it brings the LRC into new terrain in that it is firmly focused on resolving disputes involving individuals and small groups. Following a successful pilot phase the WMS is now being fully integrated into the core suite of dispute resolution activities offered by the Commission.

In both instances, mediation is considered to generate a number of benefits, including:

- Lower costs
- Win-win situations
- Creative solutions
- A sense of empowerment
- Improved relationships, and
- Increased speed and efficiency

The reform of the public dispute resolution systems in other states has also tended to be strongly incremental in character. In Canada, the government has taken the lead in developing a new strategy on dispute resolution. For example, it passed the Public Service Labour Relations Act in 2005, which obliged all federal departments and agencies to establish an informal conflict management system. The purpose of this system is to introduce new approaches for the prevention and resolution of workplace disputes but in a way that builds upon established employment relations procedures such as collective bargaining. Indeed, a strong theme of the Canadian approach has been their emphasis on using alternative dispute resolution (ADR) to complement and enhance existing practices. The Canadian case study also demonstrates that ADR principles and practices can assist in resolving rights-based disputes such as unfair dismissal cases.

This study demonstrates the importance of having in place an effective, flexible and integrated set of public agencies for dispute resolution and standard setting. In this regard Ireland is in the vanguard of international best practice and the current approach of incremental reform would appear to be the most appropriate and viable. Interestingly, since this research was undertaken, one of the agencies studied, the Labour Inspectorate, has been reconfigured and expanded as part of the new National Employment Rights Authority (NERA).

“This study demonstrates the importance of having in place an effective, flexible and integrated set of public agencies for dispute resolution and standard setting.”
Notwithstanding progress made to date, the sheer pace of change in our labour market allied to the ongoing dynamics of workplace change necessitates the need for further reform and this study suggests a number of proposals that could inform this process.

The Irish dispute-resolution and employment-rights bodies must continue to improve their performance by learning from other jurisdictions and also through increased collaboration between each other in terms of sharing information, expertise and practical knowledge.

Significantly, the drift towards a more legalistic industrial relations system in Ireland, premised on individual employment rights, actually reaffirms the need to develop complementary approaches to dispute resolution. Indeed, ADR techniques such as mediation represent a credible and effective way of addressing alleged infringements of individual employment rights.

Although this research recognises that further reform will be challenging, it suggests that Ireland, in addressing these issues, can draw on a number of deep rooted characteristics of its existing dispute resolution system.

Firstly, there is actually a long standing tradition of adopting innovative approaches to dispute resolution as evidenced by the establishment of the Rights Commissioners Service some forty years ago, as a third party non-adversarial problem-solving approach to resolving individual and/or small-scale IR disputes.

Secondly, the emphasis within Social Partnership on both problem-solving deliberation and the importance of adopting a partnership-style approach to employment relations provides a supportive environment in which to explore new ways of resolving and avoiding disputes and ensuring compliance with employment standards.

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Employment Dispute Resolution and Standard Setting in the Republic of Ireland (2008) is published by Oak Tree Press, priced at €25.00. Copies are available to order at www.oaktreepress.com, on Tel: (021) 431 3855 or Email: info@oaktreepress.com
Minister of State for Innovation Jimmy Devins TD was the guest of honour at the NCPP’s 2008 Masterclass at the Royal Hospital in Kilmainham last September. Over 150 delegates from across the private and public sectors attended the event, which was designed to examine the conditions that are necessary to involve and engage employees in the management of change and innovation in Irish companies.

Led for the second successive year by Professor Peter Totterdill, joint chief executive of the UK Work Organisation Network (UKWON), the Masterclass was designed around three broad themes:

- Building a vision: how to bring your people with you
- Having the confidence to be creative
- Making change sustainable: preventing innovation decay

Professor Michael West, Executive Dean, Aston Business School, delivered the keynote address, *Surfing the Wages of Change: Essentials for the Innovative Organisation*. This and other presentations made on the day can be downloaded from the Events page on www.nccp.ie.

This was followed by a highly engaging and interactive Forum Theatre production which served to highlight the potential of workplace innovation for competitive advantage.

The Forum Theatre comprised a range of elements which were organised to provide opportunities for real audience participation. The theatrical element comprised three set-pieces of drama each of which explored one of the three organisational challenges described above in a fictional company setting.

The key messages arising from the event can summarised as follows:

**Building a vision**

- The role of leadership is critical
- Identify champions throughout the organisation to spread the vision and to support implantation of the innovation process
- Empowerment: give power and delegate authority throughout the organisation
- Actively promote diversity and respect for difference
- Understand how personal goals align with organisational goals
Confidence to be creative
- Establish supportive environment to encourage creativity
- Re-affirm commitment
- Trust the people in your organisation
- Tackle the fear factor by encouraging and supporting employee involvement
- Information sharing, consultation, communications and visible support from leadership are vital

Making change sustainable – preventing innovation decay
- Innovation must be continuously relevant
- Innovation is everybody’s responsibility. Let people talk, prioritise and integrate ideas into continuous improvement
- Being more customer-oriented provides a natural drive towards change and innovation
- Feedback needed from all employees
- Employee ideas should not be ignored. They should either be implemented or an explanation provided if they are not appropriate
- Management recognition is essential

The Masterclass also featured revealing interviews with representatives of three Irish companies that have been approved for support under the Workplace Innovation Fund: Swift Fine Foods, Ovelle Pharmaceuticals and Richard Keenan & Company Ltd. Their experiences were explored through the medium of drama to frame questions and reflections in respect of their efforts to improve their innovation capabilities and productivity levels through partnership-based workplace innovation.

The Masterclass was also a highly interactive affair. Members of the audience were able to interview the Forum Theatre characters and to suggest changes in scenario that would have brought about different outcomes. They were also invited to consider and share their own experience with other delegates in relation to the three broad challenges referred to above. Their views were later fed back to a discussion panel which included Professor West, representatives of the three case-study companies, Enterprise Ireland and the NCPP.

Conor Leeson is Head of Communications, NCPP
The Innovative Workplace: A Practical Guide to Partnership and Performance
The NCPP will shortly publish a ‘step-by-step’ guide to improving productivity, innovation and quality of working life through workplace partnership. It will be made available both as an online resource tool on www.ncpp.ie and as a hard-copy manual. To request a copy, please e-mail info@ncpp.ie.

Print Forum case study
The Centre will also shortly publish a case-study profile of the Irish Print & Packaging Forum, a ground-breaking partnership initiative in the print and packaging sector. Established by employers and unions in 2002, the Forum applies a collaborative approach to tackling the serious challenges facing the printing industry in Ireland. The first such example of a sector-wide partnership initiative in the Irish private sector, the Forum is regarded as a model of partnership and co-operation in practice which ought to provide a template for other industrial sectors in these challenging economic times.

Forfás Productivity Guide
The NCPP has also been collaborating with Forfás, the State’s advisory body on enterprise and science, on a new guide to boosting productivity in Irish companies. Due to be published in the coming weeks, the Guide will be available for download from www.forfas.ie and www.ncpp.ie.

NCPP/NCI Workplace Learning Seminar
The NCPP joined forces with the National College of Ireland (NCI) to host a Workplace Learning seminar, called ‘How to Make Learning Work’. It took place at the NCI campus in Dublin 1 on 18th February 2009 and was attended by over 120 HR professionals, educators and employee representatives.

The keynote speaker was Professor Knud Illeris, a world-renowned authority on the value of workplace and lifelong learning. For more, please visit www.ncpp.ie.

NCPP award for DCU students
The NCPP recently recognised a team of DCU Business School (DCUBS) students for their insightful study into the future of work in Ireland. The Centre sponsors an annual prize for the best group project based on the theme ‘The Future of Work: Options, Opportunities and Issues for the Graduates of 2010-11’. The aim of the competition is to encourage students to reflect critically upon the workplace of the future and the specific prospects and challenges this holds for students upon graduation. The 2008 winning project, which was chosen from almost 50 entries involving more than 250 students, was submitted by Fiona Devitt, Fiona Aherne, Elaine Butler, Craig Grehan, Kevin Lawler, Fiona Nilan and Don Cummins. The competition is open to students taking DCU Business School’s ‘Skills for Success’ course, an elective module open to first-year business students, first-year nursing students and second-year accounting and finance students.