This is a peer-reviewed, accepted author manuscript of the following research chapter: Findlay, P., Lindsay, C., & Roy, G. (2021). Business models, innovation and employees' experiences in the workplace: challenges for the post-Covid-19 economy. In P. McCann, & T. Vorley (Eds.), *Productivity and the Pandemic: Challenges and Insights from Covid- 19* (1 ed., pp. 132-146). Edward Elgar Publishing Ltd. https://doi.org/10.4337/9781800374607

Business models, innovation and employees' experiences in the workplace: challenges for the post-Covid-19 economy

Patricia Findlay, Colin Lindsay and Graeme Roy

INTRODUCTION

The UK's long-standing 'productivity puzzle' attracts competing explanations. One important set of explanations focuses on the characteristics of management, employment and work, and this explanation associates low relative productivity with low wage work and income inequality, particularly in low-wage sectors, and with a poor use of employee skills, insufficient training and poor management practice (Green et al. 2018). Poor management practice and low job quality can impact on job performance and firm productivity directly and indirectly through the negative consequences for work engagement and innovative behaviours.

Choices around management practices are central to how employees experience work, to how engaged they are in work, and to the creation or limitation of innovative work climates that in turn impact on the capacity to innovate, a core driver of productivity improvement. This is acknowledged in the UK Government Industrial Strategy and is a major concern of researchers exploring performance-enhancing human resources (HR) strategies (Shipton 2017) and workplace innovation practices (Findlay et al. 2016).

Evidence suggests that performance-oriented management practices (primarily performance monitoring, targets and incentives) are positively associated with employee performance and firm productivity (Bloom and Van Reenen 2007). A wider set of management practices (including selection, pay and reward and work organisation practices) has been explored in the Human Resource Management (HRM)-business performance literature that, while contested, points to an association between particular HR practices and systems, employee behaviours and business performance (Bos-Nehles et al. 2017). Yet this evidence has limitations, in part arising from concentrating on performance-oriented management practices to the exclusion of other potentially influential organisational practices and drivers, such as, for example, perceptions of security, status and fairness as well as job design practices that might drive innovation. This reflects methodological weaknesses in relying solely on management data, ignoring how contested management practices 'land' and are experienced by employees.

The literature on employee engagement (hereafter 'work engagement') does, however, address some of the latter challenges, by seeking to explore how management and workplace practices – and especially those pertaining to job demands and job quality – are experienced by people in the workplace and shape their feelings of engagement and related performance, including in relation to innovation. An emerging literature on 'workplace innovation' covers a related and proximate territory, focusing on how broader workplace practices and forms of work organisation create the context within which employees are able to – or are constrained in their efforts to – contribute to collaboration and innovation.

There is a strong reason, therefore, to seek to better understand the link between management practices, employee engagement and innovation as drivers of productivity. It is also important to understand how management practices emerge and are chosen. And understanding the dynamics between business models, choices of HR and workplace strategies, and employees' experiences in terms of engagement and innovation may be even more vital in the era of Covid-19 and its aftermath, as organisations experience significant shifts in the business models and forms of work organisation, and seek new approaches to innovation as a route to productivity growth, resilience or just survival.

These are the issues that interest us in this chapter. Following this introduction, we discuss the role of business models in shaping workplaces and the capacity of organisations to innovate. We then focus on different lenses for exploring the relationships between HR and workplace practices and employees' ability, motivation and opportunities to engage in 'innovative work behaviours' – such as the day-to-day problem-solving and innovating behaviours through which employees can help to drive organisational innovation and productivity. We then return to the issue of business models, considering the potential for (and potential impacts on innovation of) a shift towards more stakeholder-focused business models. Finally, we reflect on the impact of the Covid-19 crisis on UK workplaces and how this provides an urgent context for future research on the issues discussed in this chapter.

THE ROLE OF BUSINESS MODELS IN SHAPING WORKPLACES

Businesses are the primary actors in designing jobs, employment and workplace relationships and their choices shape workplace practices that in turn influence employee engagement (Findlay et al. 2017). It is employers who decide on recruitment and selection; remuneration and pay systems; on what contracts to offer; on how work is organised; on who gets training (and how much of it) and career development; and on who participates in decision making and workplace governance. While businesses may not control markets, and are subject to institutional constraints, they do make distinct if bounded choices, even within the same product markets (Carré and Tilly 2017). These choices are of huge significance when it comes to labour utilisation and particularly to the priority accorded to human capital investment and development, and all influence the context for work engagement.

Employers' real choices of work and employment practices are located within – and can ultimately be constrained by – their overarching business model; that is, 'the logic of the firm, the way it operates and how it creates value for its stakeholders' (Casadesus-Masanell and Ricart 2010, p. 197). Business models define how firms use resources to create and capture value, and can be differentiated in terms of their choices, consequences and contexts (Findlay et al. 2017).

Diverse business models can usefully be located on a continuum from market to organisational focused employment systems (Cobb 2016), reflecting differential reliance on internal and external criteria in structuring work and employment. Organisational systems are:

> … associated with stable employment with low turnover, extensive use of training, and the dominance of internal considerations – such as a desire for equity – on executive decision making. In such a system employers protect workers from many of the vagaries of market forces: they take a longer-term perspective on performance and favour corporate strategies that necessitate a stable, well-trained, and loyal workforce. (Cobb 2016, p. 329)

Organisational systems have many of the characteristics that foster strong work engagement. By contrast, a market-focused approach '… is characterised by flexible employment relationships with higher turnover, fewer opportunities for training, and pay and allocation decisions based on external criteria. The shorter-term orientation discourages employers from bearing market risks on behalf of their workers and encourages them to use employment practices that lower costs and increase flexibility' (Cobb 2016, p. 329).

The development of business models over the last decade have seen a significant shift from organisational to market focused approaches, notably but not solely related to the rise of platform or 'gig economy' business models. More widely, some of the characteristics of organisational systems – investment in training and the operation of defined internal labour markets – have declined significantly. While the design and implementation of business models are dynamic and contested processes in which the power resources of key stakeholders are deployed, producing a range and diversity of models in practice, many business models typically exhibit a bias towards one group of stakeholders (e.g. shareholders) over another (Lazonick and Mazzucato 2013), promoting more market-oriented systems. This enables more powerful economic actors to shape strategic and operational choices that in turn shape the experience of workers and the context of work (Findlay et al. 2017). While gig economy business models, for example, can be diverse in nature, many share important similarities in transferring economic risk to labour, increasing worker insecurity (Kalleberg 2009), reducing labour's share of value capture and exerting excessive pressure on supply chains, all of which create a challenging context for employee and work engagement that could drive higher productivity.

THE ROLE OF BUSINESS MODELS IN SHAPING INNOVATION

Business models also have consequences for business innovation. Models that focus on cost minimisation and short-term shareholder value maximisation can deter longer term investment (Lazonick and Mazzucato 2013) and can drive management approaches that also stifle ongoing organisational innovation. This undermines productivity given that firms which undertake complex innovation (both technical and organisational) gain a clear competitive advantage compared to those that undertake only technological innovation (Evangelista and Vezzani 2010). For those seeking evidence of how business models shape what happens in the workplace and how that may in turn support or constrain innovation, a number of evidence bases may provide clues as important areas of practice. Here, we describe briefly evidence from research on HR capacity and practices, workplace innovation practices, and the importance of job demands and resources (and the related concept of work engagement) as a way in to thinking about how both business models and workplaces provide the context within which employees engage in innovation.

First, in the UK, an emerging body of research has explored the relationships between *HRM practices* and innovation (e.g. Shipton 2017), specifically focusing on practices that support workers' ability, motivation and opportunity (AMO). AMO approaches have grown increasingly influential among strategic HRM researchers interested in ‘what might work’ in improving innovation performance among employees (Appelbaum et al. 2000). As the OECD (2017, p. 26) notes, this ‘well-established theory of employee performance’ [argues that] ‘increasing the innovative capacity of the workforce requires addressing employees’ ability and their motivation to innovate, and giving them the opportunity to put these abilities and motivation to work’. Employees’ discretionary behaviours (and their contribution to organisational effectiveness) are seen in the mainstream HRM literature as the key outcome of investment in employees’ abilities and skills; in material and non-material incentives that encourage participation and engagement; and in opportunities to reflect, learn and participate and to access resources and time (Purcell et al. 2003). These behaviours can be linked specifically to innovation performance, through engaging in collaborative problem-solving or proactively sharing learning and solutions across workgroups and management (Findlay et al. 2016).

While the AMO literature rejects a unified ‘best practice’ approach to HRM (Purcell et al. 2003), a number of large-scale empirical studies have discussed evidence of good practice in specific organisational and sectoral contexts. Shipton et al.’s (2005) large-scale survey work in manufacturing and other sectors has suggested that investments in HR capacity are associated with higher levels of innovation performance (although there is limited evidence of a causal relationship). Further research has found a significant relationship between product innovation and technical systems innovation outcomes, and well-resourced HR practices in the areas of training, induction, team management and performance management, but *not* ‘contingent reward’ schemes (Shipton et al. 2006). The argument here is that ‘linking pay to appraisal may inhibit the frank and open discussion of development needs’ and reinforce behaviours focused on ‘the achievement of specific objectives, to the detriment of other outcomes likely to promote longer-term performance, such as creativity and innovation’ (Shipton et al. 2005, p. 119).

On the other hand, Shipton et al. (2005, p. 119) point to the potentially crucial role of exploratory and experiential learning opportunities whereby through HR practices that facilitate organisational learning, ‘organisations will encourage employees to take risks, to experiment with ideas, to be flexible in their quest to discover new and different phenomena of interest’. HR practices that promote experiential learning legitimise the knowledge and value of colleagues, ensure that employees have the knowledge to develop new ideas, and encourage awareness of knowledge transfer issues, so that new ideas are implemented and shared more effectively (Shipton 2017).

A broader empirical literature has sought to explore specific elements of HR practice that may support or constrain employees’ ability and opportunity to engage in innovation. Much of this literature similarly finds evidence for the importance of HR practices that encourage and support opportunities to take a step back from business-as-usual and learn within, across and beyond teams (Sanders and Lin 2016). Lantz Friedrich et al. (2016) argue that HR strategies to support team learning for innovation through 'additional tasks' such as continuous improvement exercises need to be resourced as extra-job role activities. As Lantz Friedrich et al. (2016, p. 562) put it: 'complex tasks can be idiosyncratically interpreted, most often be solved in different ways, and stimulate the team to share and explore different perspectives, co-construct meaning, reflect on outcomes and work processes, communicate around and analyse errors, give feedback, and experiment with new and innovative ideas'.

All of this literature acknowledges significant challenges to supporting employees to innovate in the workplace. For example, Sanders and Lin (2016) find that line manager reluctance to sanction time away from business-as-usual duties can limit employee contributions to innovation. More generally, as noted above, in liberal market economies like the UK, business models and forms of work organisation that dominate in many sectors militate against 'discretionary learning' and employee autonomy in favour of approaches to work organisation that see 'work effort constrained by quantitative production norms' (OECD 2010, p. 36). Nevertheless, researchers have begun to map out issues around HR capacity and practice that may provide a valuable starting point for research on how management practices can support innovation in post-Covid-19 workplaces.

A second, quite distinctive, but related, evidence base focuses on the relationship between *job demands and resources* and employees' capacity for and commitment to innovation. Numerous studies have focused on measures that support and incentivise 'innovative work behaviour' (defined by De Spiegelaere et al. (2016, p. 518): as 'all employee behaviour directed at the generation, introduction and/or application, within a role, group or organisation, of ideas, processes, products or procedures, new to the relevant unit of adoption that supposedly significant benefit the relevant unit of adoption'). There is good reason to believe that establishing HR and workplace practices that encourage and facilitate innovative work behaviours will deliver a range of business benefits, including organisation-level innovation outcomes and other forms of improved in-role and extra-role employee performance (Kim et al. 2012). Evidence reviews suggest that there may be a relationship between a range of HR practices and innovative work behaviours, including training and development for innovation skills and measures to improve job security (see Bos-Nehles et al. 2017, for a review of evidence).

But perhaps a particularly rich emerging evidence base – and important area for future research – focuses on Job-Demands-Resources (JDR) theory. Since the early 2000s JDR theory has been used to build an evidence base suggesting that employee wellbeing and elements of performance in the workplace are likely to be impacted significantly by job design, specifically the balance between job demands (aspects of work that place demands on employees and can lead to physical and mental strain or burnout, such role ambiguity; role conflict; time pressures; emotional dissonance; excessive workload; and stressful job content) and job resources (aspects of work that mitigate demands, such as autonomy and control; task variety; development opportunities; feedback; and support from peers and managers) (Demerouti et al. 2001; for recent reviews see Bakker and Demerouti 2017; Lesener et al. 2019). JDR theorists hypothesise a relationship between how job demands and resources balance out in specific workplace contexts, and employee wellbeing (in the form of protection against psychological burnout) and performance, including (for some studies) innovative work behaviours. The mediating factor is employees' work engagement. Work engagement has been defined as 'a positive, fulfilling, work-related state of mind that is characterised by vigour, dedication, and absorption' (Schaufeli and Bakker 2004, p. 295). There is a growing evidence base pointing to a relationship between different elements of JDR, higher levels of work engagement, and the innovative work behaviours sought by many organisations hoping to improve their productivity performance (Kwom and Kim 2020). JDR and work engagement researchers again tend to be careful to present findings in context, and make no claims as to there being 'one best way' of promoting engagement and innovative work behaviours. But there may be considerable value in continuing efforts to explore how designing jobs with high levels of autonomy, peer and supervisor support and opportunities to learn, can impact on employees' feelings of engagement and their performance, including in relation to innovation.

Finally, management practices associated with *workplace innovation* can help to develop resource-rich jobs and innovative work climates associated with higher work engagement and innovative work behaviours that impact positively on productivity. Findlay et al. (2016) identify seven areas of workplace practice and design that are linked to productivity enhancing outcomes including employee-driven innovation (where there is evidence of employees being empowered to voice, lead and implement new ideas and ways of working), and discretionary behaviours supporting innovation (where employees help each other to resolve problems and identify better ways of working). These practices relate to (1) how organisations are structured and implications for communication and cross-fertilisation of ideas (Damanpour 1991); (2) how people are managed and implications for innovative behaviours and performance (Shipton 2017); (3) approaches to decision making and implications for participation and voice (Beugelsdijk 2008); (4) approaches to external networks and engagement; (5) how work and internal support systems are designed to support autonomy, skill variety and feedback (Demerouti et al. 2001); (6) organisational support for enterprising behaviours and risk taking (Janssen 2003) and (7) organisational approaches to high job quality that promote discretionary and innovative behaviour. These authors have presented evidence that these workplace structures, processes and practices appear to complement job resources to support positive behaviours and potentially improved innovation outcomes and organisational performance.

Yet some of the practices associated with workplace innovation are not pervasive in the UK. Indeed, in many firms, these types of practices are not adopted or prevalent across the workforce, reflecting employers' choices of HRM practices in line with prevailing business model constraints. For example, in relation to the level of employee autonomy over task order, work methods and the pace of work, the UK ranks only just above the EU27 average; the use of problem solving groups has fallen; fewer than half of employees believe that management responded to employee suggestions; and only 34 per cent of employees report being allowed to influence decisions. Fewer UK employees (25 per cent) report they have the scope to learn and problem-solve compared to an EU average of 39 per cent (CIPD 2018). While this pattern may reflect existing business model constraints, there is considerable latitude for employers to make choices that can support or constrain people's ability to access high quality work and participate and innovate in the workplace (Carré and Tilly 2017). The choices that employers make are especially importance at times of significant change. As Kleinknecht (2015) has noted in relation to structural economic and political changes in the UK and elsewhere in the 1980s, the 'hire and fire' response of some employers' led to a decline in firm-specific training; increasing transaction costs consequent on higher turnover; weak management that fostered risk-averse behaviours, and declining tacit organisational knowledge to the detriment of 'creative accumulation' approaches on which innovation is based. He argues that employer choices to offer 'good insider protection' and accept 'high wage cost pressures' might have triggered '… quick diffusion of labour saving technology … exploiting more fully the potential of the IT revolution … (supporting) the Schumpeterian process of 'creative destruction' in which innovative market leaders see off technological laggards competitively' (Kleinecht 2015, p. 6).

THE POTENTIAL OF MUTUAL-GAINS APPROACHES IN DRIVING ENGAGEMENT, INNOVATION AND PRODUCTIVITY

How, then, might employers make – and be supported to make – different choices? An emerging body of work on mutual gains workplace innovation (Findlay et al. 2017) has advanced understanding of how business models and workplace practices provide the context for innovative work behaviours that can positively impact both employee experience and firm performance. This work draws on Kochan and Osterman's (1994) analysis of mutual gains approaches that can generate competitive advantage and thus deliver value and gains for multiple stakeholders, including employees, that in turn draws on the body of work on stakeholder theory.

Stakeholder theories acknowledge the broader institutional context of business, recognising the range of stakeholders (beyond shareholders) who contribute resources to an organisation, bear risk and who have some influence in or over the organisation (Freeman 1984; Frooman 1999). Examples of stakeholder-focused business models show a range of positive business outcomes through lower costs of control, better information dispersal, greater access to valuable knowledge and other tacit resources, more constructive intra-firm relationships, nurturing contribution and sharing benefits (Bottenberg et al. 2017).

Stakeholder-oriented business models should, other things being equal, promote greater employee engagement and facilitate greater employee innovation. Arranging workplace design and workforce–management relations collaboratively can deliver flexible, innovative structures in which employees have increased voice, and the distribution of gains to multiple stakeholders, most importantly employees (Appelbaum et al. 2000). For organisations, potential benefits accrue through improvements in labour productivity and profitability, while for employees they arise through intrinsic rewards related to engaging in enjoyable work, controlling their own working environment and voice in decision-making processes, and extrinsic rewards arising from improved firm performance. Businesses might also benefit from improvements in business legitimacy that arise from better treatment of labour and other stakeholders, addressing concerns over declining trust in business.

There is, however, much concern in the UK in relation to the channels for, and influence of, some non-shareholder voice in UK firms. This is notable in relation to labour. Worker voice through trade unions has declined markedly UK since the late 1970s. Van Wanrooy et al. (2013) reported that formal opportunities for employees to participate in organisational decisions have remained static since 2006, and that management consultation had become shallower, with consultation to decide options decreasing while consultation only on preferred management options had increased.

Bélanger and Edwards (2007) have argued that sustainable mutual gains arrangements require supporting conditions in terms of 'beneficial constraints' (for example, where regulation or other forms of state intervention contain some market pressures, or where particular market conditions incentivise employers to support mutual gains). Such conditions may prove elusive in many UK product and labour markets without more systematic attention to the potential benefits to business performance and to labour and greater acknowledgement of the negative economic and social externalities of business models and management practices that fail to harness the engagement and innovative potential of employees. One new factor that might provide the context for a re-consideration and recalibration of business models is the Covid-19 crisis and its implications for organisations in all economies. We now turn to the implications of this unprecedented crisis for business models, what happens in workplaces and the need to drive innovation and productivity.

IMPLICATIONS FOR THE POST-COVID-19 ECONOMY

The UK experienced one of the greatest falls in economic activity amongst the G7 during the Covid-19 crisis. GDP fell 19.1 per cent over the three-month period March to May 2020. It would appear that the UK faces a prolonged period of recession and/or economic crisis. Like previous economic crises, some individual sectors and occupations will be more impacted than others. And for many individual businesses, the ability to adjust their business model to cope with the unprecedented hit to normal day-to-day economic activity has varied greatly. At the same time, the emerging evidence suggests that the new normal for many businesses – from routes to market through to supply chains and the make-up of their workforce – will look radically different.

Unpicking these trends is not straightforward and we are only now beginning to see the first signs of change. It is useful however, to highlight the most significant and to work through how they might impact upon future business models. First, the recession (and recovery) will itself have major implications for individual business models in the short to medium term. But there remains significant uncertainty about the pace and sustainability of any recovery, with setbacks likely. Even for businesses able to re-start trading, the environment that they will face will look radically different. Many are likely to face broken supply chains and higher logistical and transportation costs in the short-term. Asset values for many will have plummeted, and capital will be more expensive. This experience is likely to make many reflect upon their vulnerability to economic disruption.

Second, it goes without saying that the structure of the economy will look very different. Activity in the accommodation and food sector fell by over 70 per cent over the three-month period March to May 2020, but financial and insurance services which were able to quickly move to home working fell by only around 2 per cent. For some businesses, this radical shift is simply not possible. Small and mid-market companies who often find it harder to deal with volatility will find conditions particularly tough.

Third, and looking to the longer-term, perhaps the greatest legacy of this crisis will be the acceleration to digital ways of working, including in their workforce, route to market and the use of cloud enabled technologies. Some sectors, from universities through to on-street retail, face an existential challenge to their traditional operating models (Dolton 2020).

Fourth, the switch to home working to protect jobs has ushered in a new normal for many. Recent estimates suggest that anywhere between 40 per cent to 50 per cent of total employment can be executed from home (Gottlieb et al. 2020). In the UK, Reuschke and Felstead (2020) estimate that home working in the UK has gone from 6 per cent before the pandemic to 45 per cent in the first month of lockdown. This creates opportunities, including for work–life balance, of reduced costs (both from travel and rents) and enhanced productivity. But it may also bring costs, most notably in creativity and innovation that may wane if social interaction is reduced. Studies have found that higher paid jobs are more likely to be amenable to home working (Costas-Dias et al. 2020), with implications too for diversity and wellbeing. Whatever the outcome, businesses will have to adapt to new ways of managing, training and communicating with their staff in a more virtual environment.

Finally, alongside all of these Covid-19 factors, it is important not to lose sight of complementary shifts in our economy that will shape the recovery. Some of these, such as the stark differences in productivity across UK companies, have been around for a long time. There still remains a huge potential through unlocking better management practices, workplace innovation and work engagement. Analysis by the ONS in 2018 found that a 0.1 per cent increase in businesses' effective management score was associated with a 9.6 per cent increase in productivity (ONS 2018). Others, such as the transition to net zero and rise of automation, are if anything only likely to accelerate in the years to come. Social attitudes may also change, with the experience of the pandemic perhaps leading to greater expectations around firm ethics (including sustainability). How businesses treat their workforce may also come under increased focus, and may become increasingly important for their reputation with customers as well as within the retained workforce if restructuring and redundancies become widespread.

Economic history offers many examples in which temporary shocks had persistent effects. This time will be no different. For example, new evidence from the Understanding Society Covid-19 Study (discussed in Reuschke and Felstead 2020), shows that from a survey of 5500 employees, nine out of ten (88 per cent) of employees who have worked at home during the lockdown would like to continue working at home in some capacity in the future. Of those working at home, 41 per cent reported that they were able to get as much work done in June 2020 as they were six months earlier, 29 per cent said that they got more done, while 30 per cent said that their productivity had fallen.

In short, it seems likely that as the dust settles on the biggest economic shock since the Great Depression, the 'new normal' will be a further period of significant structural change for many businesses. How does this connect with our discussion in this chapter? To some extent, the Covid-19 crisis merely throws a sharper focus on to the existing and still-relevant debates that we have addressed above, but it also perhaps represents unprecedented threats and opportunities. If we can arrive at workplace practices that support employees to innovate, then there may be significant gains in productivity performance at organisational, sectoral and national levels. These prizes were much valued pre-Covid-19 and may be of even greater relevance and value in an era where jobs, workplaces and business models are experiencing rapid and lasting processes of change.

CONCLUSIONS

Driving productivity and innovation is a key priority for policymakers and business leaders in the UK and beyond, and there is an even more urgent need to address the 'productivity puzzle' given the economic crisis engendered by Covid-19 and its aftermath. What happens in the workplace is fundamental to value creation and distribution, and so the choices made by employers and the business models that they adopt matter. Some employers' emphasis on maximising shareholder value significantly in the short-term has not been helpful in driving productivity and innovation, and has neglected to consider how the value created by workers should or could be shared with them. We know from other economies that stakeholder-oriented business models may be more effective at sharing value and engaging employees. There is a need to consider how best to support the consideration of a broader range of business models as a route to (potentially) enhancing workplace practices and job quality. However, even within existing business models, there is considerable latitude for employers to make choices that can support or constrain people's ability to perform and innovate in the workplace. Accordingly, we need to be alert to the possibility of transferring good practice from evidence bases on effective HR management, JDR and engagement strategies and workplace innovation. Finally, the Covid-19 crisis and its aftermath will throw up major challenges, but also potentially opportunities, for employers in relation to these issues. As policymakers, business leaders and other stakeholders grapple with fundamental shifts in consumer demand, the location and organisation of work, and who is employed to do what, there is an opportunity to debate how more progressive business models and workplace practices can deliver value and mutual gains for investors and businesses, leaders and employees, economy and society, and make a key contribution to innovation, productivity and national recovery.

REFERENCES

Appelbaum, E., Bailey, T., Berg, P., & Kalleberg, A. (2000) *Manufacturing Advantage: Why High-Performance Work Systems Pay Off*, Ithaca: ILR Press.

Bakker, A.B., & Demerouti, E. (2017) Job demands–resources theory: Taking stock and looking forward. *Journal of Occupational Health Psychology*, Vol 22, No 3, 273–285.

Bélanger, J., & Edwards, P. (2007) The conditions promoting compromise in the workplace. *British Journal of Industrial Relations*, Vol 45, No 4, 713–734.

Beugelsdijk, S. (2008) Strategic human resource practices and product innovation. *Organization Studies*, Vol 29, No 4, 821–845.

Bloom, N., & Van Reenen, J. (2007). Measuring and explaining management practices across firms and countries. *The Quarterly Journal of Economics*, Vol 122, No 4, 1351–1408.

Bos-Nehles, A., Renkema, M., & Janssen, M. (2017) HRM and innovative work behaviour: A systematic literature review. *Personnel Review*, 46, 1228–1253.

Bottenberg, K., Tuschke, A., & Flickinger, M. (2017) Corporate governance between shareholder and stakeholder orientation: Lessons from Germany. *Journal of Management Inquiry*, Vol 26, No 2, 165–180.

Carré, F., & Tilly, C. (2017) *Where Bad Jobs Are Better: Retail Jobs Across Countries and Companies*, New York: Russell Sage Foundation.

Casadesus-Masanell, R., & Ricart, J.E. (2010) From strategy to business models and onto tactics. *Long Range Planning*, Vol 43, No 2–3, 195–215.

CIPD, 2018, *Over-skilled and Under-used: Investigating the Untapped Potential of UK Skills*, London: CIPD.

Cobb, J.A. (2016) How firms shape income inequality: Stakeholder power, executive decision making, and the structuring of employment relationships. *Academy of Management Review*, 41, 324–348.

Costas Dias, M., Farquharson, C., Griffith, R., Joyce, R., & Levell, P. (2020) Getting people back into work, IFS Briefing note, May 2020 https://www.ifs.org.uk/publications/14829.

Damanpour, F. (1991) Organizational innovation: A meta-analysis of effects of determinants and moderators. *Academy of Management Journal*, Vol 34, 555–590.

De Spiegelaere, S., Van Gyes, G., & Van Hootegem, G. (2016) Not all autonomy is the same. Different dimensions of job autonomy and their relation to work engagement and innovative work behavior. *Human Factors and Ergonomics in Manufacturing*, Vol 26, No 4, 515–527.

Demerouti, E., Bakker, A.B., Nachreiner, F., & Schaufeli, W.B. (2001) The job demands–resources model of burnout. *Journal of Applied Psychology*, Vol 86, 499–512.

Dolton, P. (2020) What is the impact of the crisis on UK university finances?, Economic Observatory, https://www.coronavirusandtheeconomy.com/question/what-impact-crisis-uk-university-finances.

Evangelista, R., & Vezzani, A. (2010) The economic impact of technological and organizational innovations. A firm-level analysis. *Research Policy*, Vol 39, No 10, 1253–1263.

Findlay, P., Lindsay, C., Mcquarrie, J., Pascoe-Deslauriers, R., Findlay, J., & Smart, A. (2016) Exploring the evidence: opportunities for fair, innovative and transformative work in Scotland. The FITwork Project: Research Briefing 1. Glasgow: Scottish Centre for Employment Research, University of Strathclyde.

Findlay, P., & Thompson, P. (2017) Contemporary work: Its meanings and demands. *Journal of Industrial Relations*, Vol 59, No 2, 122–138.

Findlay, Thompson P., Cooper, C., & Pascoe-Deslauriers, R. (2017) *Creating And Capturing Value at Work: Who Benefits?* London: CIPD.

Freeman, R.E (1984) *Strategic Management: A Stakeholder Approach*, Cambridge: Cambridge University Press.
Frooman, J. (1999) Stakeholder influence strategies. *Academy of Management Review*, Vol 24, No 2, 191–205.
Gottlieb, C., Grobovšek, J., & Poschke, M. (2020) Working from Home Across Countries, Covid Economics, Vetted and Real-Time Papers, CEPR, Issue 8, April.
Green, A., Sissons, P., Qamar, A., & Broughton, K (2018) *Raising Productivity In Low-Wage Sectors and Reducing Poverty*, York: Joseph Rowntree Foundation.
Janssen, O. (2003) Innovative behaviour and job involvement at the price of conflict and less satisfactory relations with co-workers. *Journal of Occupational and Organizational Psychology*, Vol 76, No 2, 347–364.
Kalleberg, A.L. (2009) Precarious work, insecure workers: Employment relations in transition. *American Sociological Review*, Vol 74, No 1, 1–22.
Kim, W. Kolb, J.A., & Kim, T. (2012) The relationship between work engagement and performance: A review of empirical literature and a proposed research agenda. *Human Resource Development Review*, Vol 12, No 3, 248–276.
Kleinknecht, A. (2015) How 'structural reforms' of labour markets harm innovation. *Social Europe*, July. https://www.socialeurope.eu/wp-content/uploads/2015/07/RE6-Kleinknecht.pdf.
Kochan, T.A., & Osterman, P. (1994) *The Mutual Gains Enterprise: Forging a Winning Partnership Among Labor, Management and Government*. Boston: Harvard Business School Press.
Kwom, K., & Kim, T. (2020) An integrative literature review of employee engagement and innovative behavior: Revisiting the JD-R model. *Human Resource Management Review*, Vol 30, No 2, 1–18.
Lantz Friedrich, A., Sjöberg, A., & Friedrich, P. (2016) Leaned teamwork fattens workplace innovation: The relationship between task complexity, team learning and team proactivity. *European Journal of Work and Organizational Psychology*, Vol 25, No 4, 561–569.
Lazonick, W., & Mazzucato, M. (2013) The risk-reward nexus in the innovation–inequality relationship: Who takes the risks? Who gets the rewards? *Industrial and Corporate Change*, Vol 22, No 4, 1093–1128.
Lesener, T., Gusy, B., & Wolter, C. (2019) The job demands-resources model: A meta-analytic review of longitudinal studies. *Work and Stress*, Vol 33, No 1, 76–103.
OECD (2010) *Innovative Workplaces*, Paris: OECD.
OECD (2017) *Fostering Innovation in the Public Sector*, Paris: OECD.
ONS (2018) Management practices and productivity in British production and services industries – initial results from the Management and Expectations Survey: 2016, https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/articles/experimentaldataonthemanagementpracticesofmanufacturingbusinessesingreatbritain/2018-04-06.
Purcell, J., Kinnie, N., Hutchinson, S., Rayton, B., & Swart, N. (2003) *Understanding the People and Performance Link: Unlocking the Black Box*, London: CIPD.
Reuschke, D., & Felstead, A. (2020) Effect of the great lockdown on homeworking in the United Kingdom, https://wiserd.ac.uk/sites/default/files/documents/The%20Effect%20of%20the%20Great%20Lockdown%20on%20Homeworking%20in%20the%20United%20Kingdom_0.pdf.
Sanders, K., & Lin, C.H.V. (2016) Human resource management and innovative behaviour: Considering interactive, informal learning activities, in Shipton, H., Budhwar,

P., Sparrow, P., and Brown, A. (eds) *Human Resource Management, Innovation and Performance*, London: Palgrave Macmillan, pp. 32–47.
Schaufeli, W.B., & Bakker, A.B. (2004) Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study, *Journal of Organizational Behavior*, Vol 25, 293–315.
Shipton, H. (2017) HRM and innovation: Looking across level. *Human Resource Management Journal*, Vol 27, No 2, 246–263.
Shipton, H., Fay, D., West, M., Patterson, M., & Birdi, K. (2005) Managing people to promote innovation. *Creativity & Innovation Management*, Vol 14, No 2, 118–128.
Shipton, H., West. M., Dawson, J., Birdi, K., & Patterson, M. (2006) HRM as a predictor of innovation. *Human Resource Management Journal*, Vol 16, No 1, 3–27.
Van Wanrooy, B., Bewley, H., Bryson, A., Forth, J., Freeth, S., Stokes, L., & Wood, S. (2013) *Employment Relations in the Shadow of Recession: Findings from the 2011 Workplace Employment Relations Study*, Basingstoke: Palgrave Macmillan.