

# SUPPORTING EMPLOYEE-DRIVEN INNOVATION



**Scottish Centre for Employment Research (SCER)**

**FITwork project**  
[www.FITwork.org.uk](http://www.FITwork.org.uk)



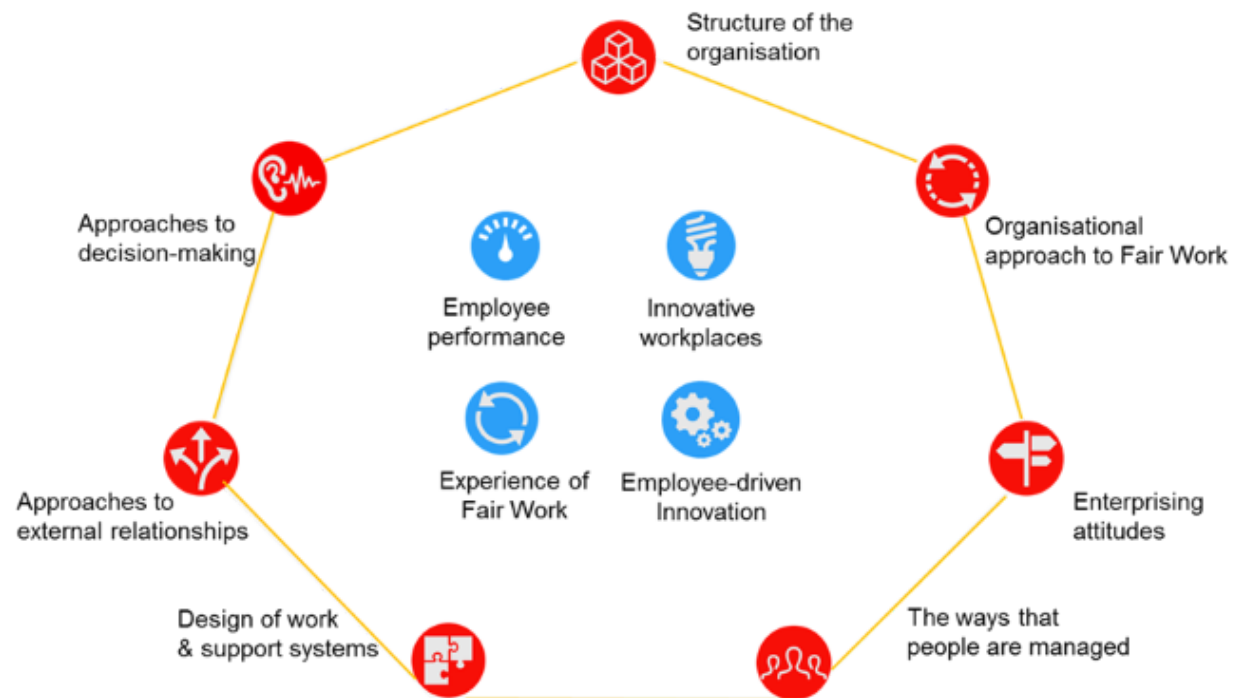
**@InnovatingWorks**

# FITwork

The Fair, Innovative and Transformative work (FITwork) project focuses on workplace practices that enhance workers' ability, provide them with the opportunities to make an effective contribution at work, and that motivate them through the provision of fair work to deliver high performance, innovation and change.

Existing research points to key organisational features and workplace practices that are associated with higher levels of innovation. These features and practices span:

- How organisations are structured
- Approaches to decision-making
- How work and internal support systems are designed
- How people are managed
- Organisational approaches to fair work
- Organisational support for enterprising behaviours
- Approaches to external connections and networks



# What do we mean by employee-driven innovation (EDI)?

Employee-driven innovation places the emphasis on the firm's own employees as an important source of innovation.

This definition expands innovation expertise beyond those employed in Research and Development (R&D) departments of a firm, to a much wider group of employees engaging with customers and clients at all levels.

Employee-driven innovation refers to the generation and implementation of significant new ideas, products and processes originating from a single employee or the joint efforts of two or more employees who are not assigned specifically to this task.



# Why is employee-driven innovation important?

Front-line employees are often at the forefront of engagement with customers, clients and task processes, giving them key insights into 'what works' and 'what doesn't' and to feasible solutions.

Inputs that come from different sources such as from employees at all levels, can increase the amount and the diversity of ideas available to the organisation.

Employee-driven innovation is a useful tool to gain competitive advantage by utilising the knowledge and creative potential of employees. In some organisations, employees drive innovation at a local level which impacts significantly on business performance.

Employee involvement in innovation can improve both the volume of ideas as well as the diversity of problems that can be solved.

# What do we know about employee-driven innovation?



There is evidence that an organisation's routines, the way it learns from past experiences, and how individuals think about taking calculated risk can all be critical for supporting enterprising attitudes among employees.

Organisations that think about, plan for, and support employees in calculated 'bounded' risk-taking and experimentation report benefits in terms of innovative work behaviours.

People make innovation, but are often the residual in innovation research and policy.

Advancing any new/innovative idea involves at least some degree of uncertainty so the extent to which an organisation is willing to take risks or try new things - and support workers in doing so - matters for innovation.

Attitudes to uncertainty, risk and enterprise impact on a business's innovative potential and how well it can respond to opportunities.



Thinking about employee driven innovation opens up new sources of ideas, knowledge and solutions..



The process of generating ideas and the process of bringing them to fruition can be highly stressful and have a level of individual risk.

# Examples of practice

In one family run personal services, a new training and development function was identified by two employees looking to continue to develop and expand their craft and to share their knowledge and expertise. Unable to find what they felt they needed in the market, they designed the relevant services themselves. This opportunity arose from employee-driven ideas, an interest in better skills utilisation and identification of a gap in the market. This innovation not only benefited the firm's own employees, but developed new business activity by opening up this function to employees from other firms.



In one large food and drinks company, employees are encouraged to go to their line manager or production manager to discuss any ideas to improve work operations. There is also a functioning and 'suggestions scheme' which is reviewed every month and tracked over time to identify trends in suggestions. Employees receive feedback on suggestions, even if they are not taken on board, and as a thanks staff receive a canteen voucher.



One technological company has implemented regular 'hack sessions' for all of its staff specifically devoted to problem-solving. Employees have one dedicated afternoon every 6 weeks during which they 'hack' a work-related issue, creatively trying new things. It provides an opportunity for employees to try new platforms, technologies, or techniques, that might be adapted by the business. The company has clear examples of employee driven business development that has, to a large extent, shaped the current and forthcoming direction of the firm. It has recently begun a series of complex projects for global humanitarian organisations, stemming from an employee's suggestion that they could respond to the 'technical challenge' facing these organisations. This has led to several new projects through direct referral and new complex work for employees.



Many companies report the benefits of involving employees and of being responsive to employees' ideas for innovation in both processes and services.