Employee-Driven Innovation: 
An Intervention Using Action Research

Mats Holmquist and Anna Johansson

“We can bring the ideas, but we are not decision makers.”

Employee participant in this study

This article describes an intervention to design and test a method for employee-driven innovation and a model for learning among managers and development leaders. The empirical basis for the intervention focused on personal assistants in the home service within a municipality in Sweden. The intervention was carried out using action research in on a series of workshops with a group of employees, managers, development leaders. Using a “stage” and “stands” theatre metaphor, employees engaged in collective, innovative learning “on the stage” combined with observations and reflections from managers and development leaders “in the stands”. This article contributes a method that can generate creative ideas among the employees and a model that can stimulate experience-based learning through observations. The intervention also shows that action research can be used to develop and test methods and models.

Introduction

In the public sector, there is a need for new forms of innovation that tackle unmet challenges such as climate change, aging societies, and a lack of resources (Bommert, 2010). Such forms must open the process of innovation to a variety of actors, overcome borders, and remove cultural restrictions. They must have the potential to improve idea generation, selection, implementation, and diffusion.

Employee-driven innovation is a new form of innovation that has only been researched to a small extent because the focus has been on research-driven, expert-driven, technology-driven, market-driven, and user-driven innovation (Høyrup, 2010). However, employees are a very important and effective resource for innovation that is often overlooked. They have strong potential for contributing to innovative processes because they acquire significant experience-based knowledge and information in their close contacts with customers and users at work (Høyrup, 2010). Bank and Raza (2014) found that inviting employees to increase their participation and engaging them in a conversation to collectively drive innovative solutions helps an organization’s innovation process.

Among managers and development leaders, there is a demand for practical methods on how to work with bottom-up processes and engage employees in innovation. Action research can be a way to test and develop such methods. This article tells the story of a case study with that aim. The first part describes earlier research in three knowledge areas involved in the intervention: innovative employees, innovative organizations, and innovative management. The second part describes the intervention with the method design and the workshop process. The third part presents the results of the method with the three innovation teams.

In the fourth part, the employees evaluate their experiences with the innovation method and the managers and development leaders evaluate their experiences with the learning model. The fifth part discusses ethical considerations and the validity of the study. Finally, the final sixth part provides the conclusions and summarizes the key findings.

Background

Innovative employees
The environment and conditions in work life are changing, and a growing number of innovations will be
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intangible and service-oriented (Alasoini, 2012). As a result, employees’ knowledge about the wishes, expectations, and needs of users and customers, will become increasingly important. Alasoini (2012) identifies three trends that are driving this change. First, the market will change faster, requiring organizations to continuously gather information about users and customers. Second, the economy will be networked and innovations will be spread out to smaller organizations that, in the absence of R&D staff, will have to encourage their other staff to participate in the innovation process. Third, problem-solving skills and the competence to see larger opportunities will improve among employees.

Employees also benefit from participating in innovation. Well-being at work is positively affected by participating in innovation activities by stimulating employee intellect, creativity, initiative, and commitment (Alasoini, 2012). Mirvis and Googins (2018) add that this includes personal satisfaction and an enriched sense of meaning and purpose on the job. Organizational benefits include employee attraction and motivation and high degrees of workplace learning. Attracting and retaining talented employees are vital for organizations (Kesting & Ulhøi, 2010), but decisions about major innovations are still in the hands of top managers or R&D departments, and employees are typically excluded. Despite this exclusion, Kesting and Ulhøi (2010) argue that “employees have hidden abilities for innovation (Ford, 2001; Cohen et al., 1972) and that this potential can be made visible, recognized and exploited to the benefit of both the firm and its employees”. However, there has been little research on how to realize this potential.

All employees in the organization have creative skills and problem-solving abilities that are important for innovation (Tiid & Bessant, 2009). This means that their collective innovative potential is enormous. Høyrup (2010) sees employee-driven innovation as a humanistic and social approach to innovation that leverages the expertise, experience, ideas, creativity, and skills of employees. However, this participative, bottom-up process needs to be supported, recognized, and organized, and it has to be integrated with policies and top-down processes. But Wihlman, Hoppe, Wihlman, and Sandmark (2016) show that this is difficult: there are barriers to creating an innovative culture in the public sector, such as traditions, old structures, and a lack of communication.

Innovative organizations
What makes a new work routine an employee-driven innovation? Kristiansen and Bloch-Poulsen (2010) state that it must create value for the organization, facilitate the organization of work, and improve the quality of work life for the employees. However, according to those authors, these three criteria are often in conflict. Innovation from the managerial point of view tends to focus on the first criteria and so it becomes a “form of modern rationalization” (Kristiansen & Bloch-Poulsen, 2010). To make employee-driven innovation possible, Kristiansen and Bloch-Poulsen emphasize the importance of creating a constructive dialogue where everyone feels free and safe to express their opinions. The goal should not be for participants to seek consensus, but rather to encourage the expression of ideas, reservations, and criticism – thus, both negative and positive inputs.

Ireland and Hitt (1999) show that many good developmental ideas remain just ideas; they never apply in the organization and do not lead to change. This failure is more due to ineffective implementation of innovations than on the innovations per se. Lack of understanding around the innovation concept is a major hindrance to the implementation of the policies (Wihlman et al., 2016). For innovation to take place, new knowledge must translate into organizational learning and change (Brown & Duguid, 1991). To be realized, an innovative idea requires an organization with high absorptive capacity (Cohen & Levinthal, 1990).

An innovative organization should be characterized by organizational learning and an innovative climate that supports ideas and accepts risks (Claver et al., 1998). Innovation processes are social processes of human action. Innovative learning can occur when groups begin to reflect on established routines, structures, and actions in the organization (Ellström, 2001). It sparks transformational change and novel solutions that challenge existing practices. Ellström uses practice-based innovation and that means that implementing new methods, working procedures, routines, and services are based on the experience, knowledge, and skills that employees have acquired at work.

Innovative management
Smith, Ulhøi, and Kesting (2012) argue that driving innovation means both coming up with an idea and being involved in its implementation. They identify four relevant factors for employee-driven innovation: leader
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support, autonomy, collaboration, and organizational norms of exploration. Leader support is important for employees to feel safe to come up with new ideas that question existing practice and are different from management’s view. It is also crucial for motivation, implementation, and allocation of necessary resources. Autonomy in defining and prioritizing one’s own goals, in expressing social identity, and in organizing one’s own behaviour increases creativity and the possibility of introducing unexpected opportunities. Collaboration means working together and sharing information and knowledge. Group interaction and sharing ideas with others are important for creativity because they stimulate employees to make additional associations and facilitate innovative learning. Norms of exploration refer to the managerial attitude toward change and the internal climate for innovation. Most important are trust, open-mindedness, work task flexibility, and a learning climate. They will have a significant impact on employee creativity and innovative behaviour.

Organizations need specific innovative management capacity (Robertson et al., 2012), a higher-order dynamic capacity to coordinate capabilities, knowledge, and action. But employee-driven innovation is difficult to manage in practice (Birkingshaw & Duke, 2013). Everyone has ideas about job improvement, but most of them never go further, and those that do often get tied up by formal procedures and bureaucracy. Birkingshaw and Duke (2013) identify four enablers: 1) time out to give employees space for creative thoughts, 2) expansive roles to move beyond the assigned job, 3) competitions to stimulate action, and 4) open forums to give a sense of direction and foster collaboration.

If management wants to take advantage of employees’ innovative ideas, they need to release control and change to a bottom-up perspective (Jalonen & Juntunen, 2011). They have to accept the paradox of being in charge but not in control. Instead of reducing uncertainty, they should stimulate ongoing interaction processes. Innovation requires constant support. Jalonen and Juntunen (2011) identified four pro-innovation conditions in complex welfare services: 1) creating trust, 2) increasing communication responsiveness, 3) utilizing connectivity and interdependencies, and 4) pursuing diversity. Management needs to develop a process strategy characterized by a development-oriented leadership (Ellström, 2018) with an open and enabling pattern of leading and organizing development. In this strategy, many managers are looking for methods on how to stimulate employee-driven innovation. The intervention described in this article is motivated by this need.

Case Study: An Intervention Using Action Research

The case examined in this article focused on personal assistants in the home service within a municipality in Sweden. The background in this case was that the political committee in the municipality had taken a decision that the social administration should work more actively with innovation. Two development leaders were motivated, took the assignment, and contacted the local university in Halmstad for support. To this point, the case was in line with Borins’ (2002) research results, illustrating that bottom-up innovations in the public sector need support from both politicians and senior public servants to create a creative organizational climate. At the same time, a European Union project was underway to encourage a more competent and innovative welfare system, where this became one of the sub-projects. The aim was to learn new ways of working with organizational innovation that could be disseminated in social services. One researcher and the development leaders initiated and staged the action together. They decided to test two aspects: 1) an innovation method for employee-driven innovation that could explore and use employees’ ideas about social services in the future and 2) a learning model for experience-based learning through observations and reflections from managers and development leaders.

The innovation method was to assemble a working group of eight personal assistants, their unit manager, and two action researchers. This group represented the actors “on stage” and they participated in three workshops with collective, innovative learning (Dixon, 1999; Ellström, 2001) over a period of six months. The “stage” was physically a table surrounded by chairs.

The learning model extended the metaphor to assemble a group of around ten unit managers and development leaders as observers “in the stands”. This group observed the innovation process to learn the method. Those in the stands experienced what happened on stage and made reflections on the method together with the action researchers after each workshop. The “stands” was physically an arc of tables with chairs on the side of the “stage”. The design used a theatre metaphor to support organizational learning with a “stage” and “stands” that was inspired by the fishbowl method (Kane, 1995), which is a small-group teaching technique in which a number of persons are engaged in a discussion while observers form a circle around them.
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The workshops were directed, facilitated, and documented by action researchers from Halmstad University. They took an active part in the practical workshops and conducted theoretical analyses (Gustavsen, 2001). The intention of using action research was to combine traditional scientific values as subject-specific, theoretical, and general knowledge with a creative, innovative, and development-oriented ambition requiring flexibility, proximity, and mutual relationships with the participants (Bennich et al., 2016).

The method was based on a development approach inspired by the search conference (van Beinum, 1998), where the formative and democratic dialogue (Gustavsen & Engelstad, 1986) between employees and researchers about the future and opportunities to construct it was a tool to create relevant ideas. The democratic dialogue broke down the border between the researcher and the researched and followed explicit rules: everyone on stage should be active, no one is allowed to dominate, all opinions are allowed, and different opinions are an asset and must be respected regardless of who expresses them. Together the actors searched for innovative ideas with reciprocal respect for the employees’ practical knowledge and the researchers’ theoretical knowledge. Ample documentation between the workshops contributed to the systematic learning process.

One aim with the intervention was to increase employee participation in the organization, and the development leaders wanted to engage a unit with lower status in the organization (and in the public’s eye). The unit manager was positive and chose one of his work groups that seldom met and had a low creative climate. This presented its own challenge, but participating in a process like this could be a chance for a new start for the workgroup. Of course, this process also raised some ethical considerations. For example, it could be hard for an employee to tell their manager that they do not want to participate, especially if their colleagues want to. The action researchers therefore placed great emphasis on creating and maintaining the democratic dialogue during the entire process, but did not notice any problems in the group. On the contrary, it was a very open and creative climate during the workshops, which surprised the unit manager.

The workshop process
At the first workshop, the employees mapped their view of trends they could see in social services and how this could affect their future work. This was first done in one big group with all participants from the stage, and then in smaller groups where each group continued working with possible development areas based on the trends they had discussed. Each development area was then discussed among the participants on stage. The joint discussion led to a decision to focus on three development areas. The stage group was then divided into three groups, where each group worked to develop more concrete ideas based on one of the development areas. At this point, it was important that the focus for the work was on vision and dreams about the future, not about problems and negative aspects with the daily work of today. At the end of the first workshop, the participants were given a mission to think of more concrete ideas to be continued with during the second workshop.

At the second workshop, the process continued with ideas about the future and ended with concrete development proposals. Each idea was discussed with questions such as: How could this be achieved? What should we do to get there? The questions led to several concrete proposals, and the participants voted on which proposal they wanted to continue work with. Each participant had three votes, including the unit manager. The unit manager also had a casting voice and the opportunity to decide if a proposal with few votes should be continued. This first voting round helped the participants to prioritize the proposals they had worked with. Some of the proposals did not receive enough votes this time and were saved for another time or forum. A second voting round was conducted where each participant had one vote each. They now voted for which one of the remaining proposals they wanted to work with until the third workshop. Based on how the participants had voted, they were divided into innovation teams. Each team was led by an innovation coach (the unit manager or a development leader). Each team’s task for the third workshop was to work with their proposal and design an action plan that could be put into practice as soon as possible.

At the third workshop, the innovation teams presented their action plans, and the next step for each plan was discussed. At the end of the workshop, an evaluation was held, first one with the participants from the stage and then one with the participants from the stands (including the unit manager from the stage). The method and the result of the process were discussed.

A few months after the last workshop, the researchers met the unit manager and one of the development leaders to discuss the learning model and the innovation method and to find out what had happened with the action plans since the last workshop. The method required a development-oriented leadership with a facilitating...
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competence that practices a process strategy. In this case, it was performed by external action researchers, but the aim was to teach managers and development leaders in the organization to practice it themselves in the future.

Results

The discussions of trends and future work in the first workshop led to a focus on three development areas:

1. Attractive profession: focus on maintaining staff and managers by creating a more attractive view of the profession, both within the organization and in the broader society.

2. Career/development: find new/different tasks and better value existing competence among the personal assistants.

3. Better working conditions: create a better work climate, both social and physical.

During the second workshop, the development areas were explored further, leading to three action plans designed by innovation teams, each named after their major subject/theme: 1) Trainee team, 2) Rotation team, and 3) Flexibility team. At the third workshop, each innovation team presented their action plan for the other participants and all participants on the stage discussed the plans in terms of “Goal”, “How should it be done?”, and “Moving on”.

Trainee team

The Trainee team’s goal was to make personal assistants an attractive profession and to find ways to attract potential employees. By working on creating a better understanding of what the work really entails, it should be easier to attract potential employees with the desired attitude towards the work. This, in turn, will lead to development for the organization as well as for the care recipient. The unit manager and the employees discussed, during the whole innovation process, the substantial difficulties experienced with attracting and retaining employees. As one participant put it: “People don’t know what this work is about.”

The Trainee team had been in contact with an upper secondary school who educated its students in health and social care. The school had shown interest in cooperation with the organization because their students need practical experience during their education and this could be organized together with the personal assistants. The team pointed out three main advantages with this type of cooperation: 1) students who practice as personal assistants can be offered work during the summer and, in that way, can help solve staffing challenges that arise during the vacation period, 2) students could be offered work after their exams, and 3) it would be an opportunity for learning and experience for the ordinary employees who will work as mentors for the students.

The next step for the Trainee team was to form a smaller group with the unit manager, one or two of the employees, and a development leader (a participant “in the stands”) who could continue the work to establish a more formal cooperation with the school (and perhaps even with other educational actors in health and social care). It was decided that this should be made by creating courses for the mentors in order to give the mentors competence in pedagogy and methodology in mentorship. One other suggestion was that the personal assistant, perhaps with their care recipient, could visit the school and inform students about what the work is, what they do, and what practice opportunities are available.

Rotation team

The Rotation teams’ focus was on making it possible for the employees to test different aspects of the work. The employees worked as one unit with the same care recipient. There were very few opportunities to shift to another care recipient or to try other duties. The participants discussed that this made it difficult for personal development, and they wanted opportunities to try different aspects of the work.

The Rotation team pointed out several advantages with a rotation model: 1) it would give personal development and alternation, hopefully leading to employees finding the work more attractive and hence increase staff retention in the organization, 2) it would at the same time lead to security and continuity, because the employees could then be used in more than one position, which will reduce the use of temporary workers, 3) it would give the employees a better understanding of the complexity of being a member in a large organization, and 4) it could be used as a way to reduce sick leave, because employees who cannot do their regular work might be able to work with something or someone else.

The Rotation team concluded that there were at least four aspects that needed to be solved: 1) You can’t force rotation, it must be voluntary; 2) Employees also need...
some introduction, they can’t just switch places; 3) Someone has to pay for this extra time; and 4) The organization doesn’t have the structure (e.g., communication channels between the units) necessary to help the employees and the unit managers to contact each other. But, the team also identified several opportunities. For example, the employees have a schedule with some percentage of “floating time”, which is supposed to be used to fill gaps in the crew (e.g., when someone is sick), but it could also be used for rotation. At this moment in the process, some observers from the stands intervened to inform the Rotation team that there were plans in the organization to establish a unit who will work with staffing across the organization. With the establishment of this unit, it would become easier to find opportunities for employees who wish to rotate. The next step for the team was to present their ideas, thoughts, and plans to this new unit.

**Flexibility team**

The Flexibility team focused on employee schedules. This concrete idea started during a discussion about their work, which they described as lonely and outdistanced. They aimed for more participation and community. One way to meet this need was by becoming more involved in scheduling. Making a schedule was described as something concrete to “gather around”. And, by making everyone in the unit involved, they also hoped for more understanding about the difficulties with scheduling. For example, a scheduler cannot fulfill everyone’s wishes, but they can create understanding about necessary decisions. By creating a schedule with greater flexibility, they also wanted to generate greater continuity for the care recipient, a better working environment, and better cohesion – all that will lead to a better personal assistant.

The team had been working on a new schedule that met about 80% of all employees’ wishes. By the time of the third workshop, the schedule was not yet complete, but the participants could all see the potential in it. The team had also used research on working time and consequences for health to reduce the risks for negative health consequences due to working 24/7. They also incorporated laws, rules, and guidelines regarding scheduling in their work to create an understanding that everyone’s wishes could not be fulfilled.

Since this new schedule was partly a new way of making a schedule, it was considered as a test schedule. In case the test schedule did not work out, the team had also been working with a more traditional schedule that could act as a standby schedule. The next step was to let all employees of the unit see the new schedule and then start testing it after the summer vacation period.

**Evaluation**

In the organization’s view, the aim of the process was twofold: 1) to increase participation among the employees and 2) to develop a model for working with innovations in the organization.

**Employee experiences with the innovation method**

At the end of the third and last workshop, the participants from the stage talked about the pros and cons and possible improvements with the innovation method. Several positive aspects were raised. The process was described as an “eye opener” that it had made the group grow. The level of engagement was described as seeing “bright eyes” among the participants. Putting the employees on stage meant that they did not feel vulnerable but valuable, causing them to open up their ideas. Maybe the fact that participants were selected rather than having volunteered also added to this impression – it made them feel chosen.

The participants talked about how the innovation method had been a way for the unit to get to know each other, to develop, and to do something together. The process was described as a “slow process”, which gave them the opportunity to talk to each other in a more relaxed way and that this helped the group to find new ways and new solutions without “falling in the same pit again”. However, they accentuated the importance of following through with the action plans and the results from the process. There must be a willingness from the organization to realize the plans. One difficulty they identified with the method was the fact that the work of personal assistants needs to be done around the clock. It can be hard to find temporary workers to enable innovation processes.

The observers from the stands pointed out several positive aspects with the method, including that it promotes participation, it gives the participants an understanding of the complexity of a large organization, and it breaks down the borders between ordinary staff and managers and development leaders in the organization. They also said that the method makes the innovation process a shared responsibility: it does not come done to one single person’s work – the process is carried out by and with the participants from the group. A possibility they saw was to use the method in other situations and involve representatives that could provide family and user perspectives.
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Ultimately, the organization could not exploit the innovative results, nor could they use the innovation method as they had planned. In the reflections afterwards, the development leader blamed this outcome on a lack of time and resources for innovation. Other things were prioritized. She was frustrated that the intervention had yielded good results that they could not take advantage right away. The unit manager that had learned the method on stage was also frustrated because he did not receive support to follow up, apply, and spread his new knowledge and competence. He had to work with other acute tasks. We experienced that the organization had low absorptive capacity to complete the test and implement the good results.

Managers’ and development leaders’ experiences with the learning model
The observers from the stands said that it was a bit hard to just listen and not be involved. However, they also said that it made them realize that the specific issues that were discussed in this process, with this unit, can be found in other units or parts of the organization as well, and that the solutions developed can be used elsewhere in the organization. Several of the participants emphasized the listening aspect of their role: “[I] wish there was more time just to sit and listen.”

The listening gave them the time to reflect and the fact that they, who usually lead organizational development, now had the opportunity to listen to the ones they usually work for, gave them another perspective on how communication and information were spread (or not spread) in the organization. They talked about how interesting it was to listen and see the engagement from the employees: “It’s fun to see that it was the right decision to include the employees and that they had so much to bring to the innovation process.”

However, they also talked about the lack of communication in the organization, that the process made it clear that there are communication gaps and that information does not always reach all the way through the organization. One of the participants from the stands said that being in the stands had given her many tips on how to communicate in her daily work. One difficulty mentioned, related to the lack of communication, was that there is a risk that the innovation teams will rush ahead, not knowing about other plans in the organization.

Discussion

Ethical considerations

One difficult question is if the method can be used in organizations with a closed culture where employees are quiet about critical views on things that do not function well at work. Is there a possibility that it can be misused by managers that have the power to punish critical employees with worse jobs and hinder their careers? If that situation exists, then employee-driven innovation is not the right strategy and top-down models of innovation are more suitable. In this case, the researchers did not know anything about the people on the stage and in the stands, but they did know that management was positive and the preparing contacts with the development leader and the unit manager were positive. The researchers also knew from research and their own experience that democratic dialogue is a strong tool for building bottom-up processor. The method integrated critical with innovative perspectives, and this affected the organizational culture in a creative and constructive direction that counteracted misuse in this case.

Validity

Finally, there is the question of validity in this form of action research. Anderson and Herr (1999) describe five different validity criteria in action research. Democratic validity means that all parties who have a stake in the action research should be directly or indirectly involved. But it also means that actions and discussions should be highly relevant to the local participants and those concerned with the action. Outcome validity means that the participants have to fulfil a spiral process, which may lead to a reframing of the problem in a more complex way. Catalytic validity is the degree to which the process reorients the participants’ view of reality in order to change it. Process validity asks to what extent the adequacy of the process is determined. Dialogic validity is reached when the research is exposed for a critical and reflective dialogue with others who can suggest alternative interpretations of research data. Newton and Burgess (2008) add that, in action research that aims for practical improvement of practice, catalytic and outcome validity are primary to achieve the research goals. Process and democratic validity are secondary goals to ensure that the research falls within the domain.

In this case, the most important stakeholders were involved, but at different levels. The employees and the first line manager were highly involved on the stage. The development leaders, human resources support staff, and administrators were involved at a lower level in the stands. The relevance was given directly through the local employees who reflected on the same problem field but with different experiences, aspects, and perspectives. Although their manager participated and other leaders sat in the stands, the conversation climate
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was surprisingly open and straightforward. Our impression was that the employees felt safe to speak freely and even dared to be critical about the organization and the management of their work.

One explanation was the design, which gave the employees the main role and the leaders a side role as active listeners. The aim was to support employee-driven innovation, and this gave the employees a kind of collective mission that inspired and strengthened them. Another explanation was that the facilitators of the process presented and used the principles of a democratic dialogue (Gustavsen, 2001).

The action researchers were directly involved and could give relevant feedback in the ongoing knowledge-building process. They made theoretical analyses to support progress for practical action. They combined what Stjernström, Lund, and Olin (2006) call critical distance with essential closeness. The role of an action researcher is not only to analyze the situation and promote new knowledge, but also to contribute to action with those involved. The critical and reflective dialogue was only done between the participating researchers; they did not organize any seminars at the university as they could have done. The participants fulfilled a process that reoriented their perspective and led to innovative solutions that were taken further to decisions. Three workshops and innovation teams were enough to process the ideas into relevant plans, but then it stopped.

Conclusion

In this study, action research was used to develop an employee-driven innovation method and an organizational learning model that broke down the organizational hierarchy by putting the employees as main actors on the stage and the managers and development leaders as observers in the stands. This encouraged employee commitment and participation, and it provided the opportunity for them to innovate their own work. An experienced-based learning process was used in the stands, not only with respect to the method but also about the organization itself. By observing, listening, and reflecting, the managers and leaders learned about the function of the organization and the employees’ needs.

A challenge for the organization was to exploit the results from the innovation method and implement the proposals. One action plan was implemented but two remained dormant due to a lack of time and resources. It seems like the organization focused more on increasing the participation and creating possibilities for employee-driven innovation – rather than on organizational development and implanting the action plans. The employee-driven innovation method was also difficult to absorb, despite the fact that the management demanded it. One reason for this, as pointed out by the development leader and the unit manager, was that when it came down to the management, they did not prioritize the innovation process. The daily work had to be done; there were always fires to put out. This finding highlighted the problem with organizational learning and the difficulties encountered when trying to organize and lead the learning process to acquire and absorb new knowledge and transform it into competitiveness.

The organization needs to develop an absorptive capacity, an ability to utilize new ideas, assimilate, and use them to develop their business. The employees owned the process in the workshops; their visions, thoughts, and ideas led to the innovation teams. But, once the innovation teams had formulated their plans, the organization needed to have the ability and capacity to implement them. After all, the employees can bring up the ideas but they are not the decision makers. The management who initiated the process are also in charge of its outcomes.

To sum up, the key findings from this study are as follows:

- Employees have an innovation potential that can be released if they have the space, conditions, and resources required.
- Managers and development leaders can learn new methods by observing them in practice.
- Employee-driven innovation can be stimulated through action research if there is strong support from management and the dialogue is democratic.
- Innovative ideas are not enough; the organization must also have sufficient absorptive capacity to achieve innovation.

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