



BENCHMARKING OF DIFFERENT R&D APPROACHES IN DIFFERENT WORKPLACE CONTEXTS

DIALOGICAL DEVELOPMENT METHODS

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Labour and innovation: Work-oriented innovations – a key to better employment, cohesion and competitiveness in a knowledge-intensive society

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1 Introduction

This report forms the first part of the final report of task 6.4 of the WORK-IN-NET project. Task 6.4, entitled as *Benchmarking of Different R&D Approaches in Different Workplace Contexts*, belongs to strategic activities within the project and constitutes the second completed activity within the project's benchmarking line of action. The first benchmarking report¹, which was published in July 2005 by the Finnish Workplace Development Programme TYKES, centred on benchmarking the activities of the programme and institution level by utilizing a conceptual framework originally developed by professor Frieder Naschold of the Berlin Science Centre².

In task 6.4, the focus is on the project level. Originally, the purpose was carry out a comparative evaluation on the strengths and weaknesses of different R&D approaches applied in different branches and workplace contexts in projects funded by the participants of WORK-IN-NET. The intention was, according to the original project plan, to select comparable company cases for analysis in two different types of branches. Based on discussions with the project participants in winter 2005/2006, a decision was made, however, to revise the original project plan and follow a different kind of logic in organizing the two two-day workshops included in the original plan.

The first workshop, arranged 15-16 June 2006 in Helsinki, focused on *dialogical development methods* and was carried out using the idea of *reflexive benchmarking* as in the case of the first benchmarking exercise (see above). At this workshop, five different developmental approaches developed and experienced in activities of the different participants of WORK-IN-NET were presented, discussed and conceptualised by making use of a framework developed by professor Keijo Räsänen of the Helsinki School of Economics and Business Administration.³ Two of the approaches were provided by the two Finnish member organizations (TYKES programme and Finnish Work Environment Fund), two by the Norwegian member (Research Council of Norway/Value Creation 2010 programme) and one by the Emilia-Romagnian member (Institute for Labour Foundation).

The second workshop, arranged 28-29 August in Helsinki, entitled as *Achieving Organizational Innovation through ICT*, was arranged by deploying a less structured procedure with the help of four cases. A separate report on this theme and results achieved at this workshop forms the second part of the final report of task 6.4.

¹ Alasoini, T., Ramstad, E., Hanhike, T. & Lahtonen, M. (2005). European Programmes on Work and Labour Innovation – a Benchmarking Approach. Coordinated Action WORK-IN-NET supported within the Sixth Research Framework Programme of the European Commission. Finnish Workplace Development Programme. Helsinki.

² Naschold, F. (1994). The Politics and Economics of Workplace Development. A Review of National Programmes. In: Kauppinen, T. & Lahtonen, M. (eds) National Action Research Programmes in the 1990s. Labour Policy Studies 86. Ministry of Labour. Helsinki. pp. 109-155.

³ Räsänen, K. (forthcoming). Developmental Approaches. Research-Supported Development Work as 'Practical Activity' (in Finnish). Will be published as an article in a book on Research-Supported Workplace Development in Finland, edited by the TYKES programme, in winter 2006/07.

In the following, we, first, describe the implementation of the first workshop and the different methods that were used to collect data on the selected developmental approaches (Chapter 2). Thereafter, we shortly present the different approaches and summarize their major features by means of the framework for comparison (Chapter 3). In the end, we provide a summary and conclusions based on the main findings of the benchmarking exercise (Chapter 4).

2 Purpose and Implementation of the Benchmarking Exercise

2.1 Background

As part of its strategic activities (phase 2, work package 6), the WORK-IN-NET project carried out a benchmarking exercise to examine in comparative perspective methodologically different developmental approaches used in different workplace contexts (task 6.4). With a view to deepening the knowledge achieved with the help of the previous tasks and paving the way for the next phase (joint activities) in WORK-IN-NET, it was considered to be of crucial importance to expand the mutual exchange of information between the participants from the programme (or institution) level (as in the case of the previous benchmarking exercise) to the level of project activities of the participants. The methodological starting point of the benchmarking exercise was the idea of reflexive benchmarking, i.e. benchmarking which makes use of the diversity of the players with a view to learning from differences rather than trying to make comparisons between strictly comparable players.⁴ As reflexive benchmarking strongly leans on dialogue, the success of this method is highly dependent on the motivation of the players which in turn is dependent on their ability to find functional equivalencies in their activities.

Dialogical development methods were chosen as the object for comparison, because that was a theme which seemed to unite many of the methods that were originally proposed for benchmarking by the participants. *Dialogue* bears a close resemblance to another key concept in the WORK-IN-NET project, namely that of *participation/involvement*. Dialogue can be considered an instrument of creating participation/involvement, but, in addition to that, it can be considered in itself also a medium or forum of participation/involvement.⁵ All in all, to choose dialogical development methods of different kinds for benchmarking seemed to be well in line with the overall objectives and value basis of the WORK-IN-NET project, too.

2.2 Aims

The aims of the first workshop of task 6.4 were defined as follows:

- to improve the awareness and knowledge of the WORK-IN-NET partners and other participants of the workshop on methodologically different dialogical developmental approaches (incl. methods, models, tools and solutions) used in different workplace contexts
- to give rise to new ideas concerning the further development of these approaches
- to enrich the database of the WORK-IN-NET project with a view to planning activities in phase 3 and 4
- to raise good practices to further discussion for European, national and regional policy makers

⁴ Schienstock, G. (2004). From Path Dependency to Path Creation. A New Challenge to the Systems of Innovation Approach. In: Schienstock, G. (ed) Embracing the Knowledge Society. The Dynamic Transformation of the Finnish Innovation System. Edward Elgar. Cheltenham – Northampton, MA. pp. 3-27.

⁵ Pålshaugen, Ø. (2006). Dilemmas of Action Research – an Introduction. International Journal of Action Research 2:2, pp. 149-162.

2.3 Implementation of the Benchmarking Exercise

Five of all the approaches suggested by the members of WORK-IN-NET were finally chosen for benchmarking at the first workshop. The organizers asked all the contact persons of the approaches (researchers/consultants) that they would send in advance written material on the approach in question, enriched with an example of its practical application in the course of a development project. The contact persons were also requested to invite a practitioner who would provide further information for the workshop on the approach as a means of dialogical development. The researchers/consultants in question were asked to structure their presentation at the workshop so that it would focus on the following list of questions originally developed by Räsänen in his analysis of different developmental approaches:

1. *Who* develops, for whom and with whom?: Who act in the role of expert? Who is the 'client'? Who participate in development work?
2. *How* is development work being carried out?: What are the basic concepts and principles of development work? Through what kind of phases does development work proceed? What kinds of (conceptual and other) developmental tools are used in these different phases? How do the different parties to the development process participate?
3. *What* is being developed?: What (or who) is the object of development work? How is the object being conceptualised and knowledge produced on the object? What kind of changes in the object are being aimed at?
4. *Why* is development being carried out in a certain way and in a certain direction?: Why is just this kind of development work important or justified? Why does this line of change represent progress? What kind of (or whose) values does the development method represent and promote?

Each of the five approaches was given 90 minutes for presentation and discussion. The intention was to divide this time as follows:

- In approximately 25-30 minutes the researcher/consultant tells about the approach so that at least the generic questions concerning 'who develops, for whom and with whom?', 'how is development work being carried out?', 'what is being developed?' and 'why is development being carried out in a certain way and in a certain direction?' would be examined.
- In approximately 25-30 minutes the practitioner tells how the approach was used as part of a concrete development project to illustrate some of the issues taken up by the researcher/consultant.
- 30-40 minutes is left for discussion in which the other participants can raise questions concerning the approach and in which similarities and dissimilarities of the approaches can be taken up.

In practice, this procedure was followed reasonably well. In three cases of five, there was a presentation both by the researcher/consultant and practitioner, in one of the cases the approach was presented by two researchers, and in one of them the presentation was given by the expert alone (in the last case, there occurred an unfortunate last-minute cancellation by the

practitioner). Table 1 contains a summary of the presenters of the five approaches.⁶ Altogether 27 persons, representing six countries (Finland, Germany, Ireland, Italy, Norway and Sweden) and eight member organizations of the WORK-IN-NET project, participated in the workshop.

Table 1. Presenters of the Five Approaches.

Approach	Presenter	Organization
Work Conference (Finnish Version)	Professor Satu Kalliola	University of Tampere
	Service Director of Day Care Riitta Hannelius	City of Tampere
Search Conference (IpL Version)	Dr. Volker Telljohann	Institute for Labour Foundation IpL
Enterprise Development Conference	Research Director Tor Tønnessen	International Research Institute of Stavanger IRIS
	Project Manager Olaf Hernes	Hardanger Industry Network
On-the-Job Learning through Dialogue	Senior Research Scientist Lisbeth Øyum	SINTEF Foundation for Scientific and Industrial Research at the Norwegian Institute of Technology
	Research Manager Tore Nilssen	
Change Laboratory	Professor Jaakko Virkkunen	University of Helsinki
	Traffic Service Manager Jyri Mustonen	Finnish Road Administration Uusimaa Region

⁶ The two Norwegian cases belong to the Value Creation (VC) 2010 programme (2001-10) and the presentations was preceded by an introduction to the historical background and the overall context of VC 2010 by professor Bjørn Gustavsen of the Work Research Institute and Senior Advisor Anne Marit Skulberg of the Research Council of Norway.

3 The Different Developmental Approaches in Comparison

3.1 Work Conference (Finnish Version)

A work conference is a democratic discussion forum, which involves representatives of all stakeholder groups and hierarchical levels of an organization to evaluate the past and the present and to make plans for the future. Work conference belongs to the large family of methods now commonly used in Scandinavian-style participatory action research. Characteristic of the method is that the criteria of *democratic dialogue* are followed at the conferences. The 13 criteria contain, among others, that it must be genuinely possible for all concerned to participate, that all participants are equal, that work experience is the basis for participation, that each participant must accept that other participants can have better arguments, and that the dialogue must continuously produce agreements which can provide platforms for practical action.⁷ Many of the criteria, if followed in a systematic manner, may signify a clear break with traditional practices prevailing at workplaces. For example, in the case of the Day Care Services of the City of Tampere that was used as an example of the Work Conference method in practice, the personnel felt that “for the first time the upper management was listening to us”.

The Work Conference method was originally developed in the 1980s and it was made well-known by the Swedish LOM programme (1985-90).⁸ It was imported to the circle of Finnish action researchers quickly through different channels (e.g. Work Research Centre of the University of Tampere, Research Unit of the Ministry of Labour, Finnish Employers’ Management Development Institute, Educational Centre of the Finnish Metalworkers’ Union) almost at the same time. The method has been so far most widely used in the Finnish municipal sector where the first projects were carried out between 1991 and 1993 as part of a Municipal Quality Project that was funded by the Finnish Work Environment Fund. The encouraging experiences of the project led to the creation of a wider and still-existing Quality Network, which now gathers together researchers, consultants and practitioners from universities, labour market organizations and workplaces. At the same time, the methodology used by the researchers and consultants has expanded and new forms on how to utilize work conferences in support of development processes have been taken on board.⁹

In many of the Finnish variations of the method, the researchers and consultants in question have taken a more active role in the process of change than in the original LOM approach. The intention of the advocates of democratic dialogue and the Work Conference method was that they would establish themselves as methods that could be used both at the level of a single organization and that of a development cluster (a number of organizations with common developmental problems). A general trend in the Finnish use of work conferences is that they are utilized mainly as development methods in the context of one organization.

⁷ Gustavsen, B. (1992). *Dialogue and Development. Theory of Communication, Action Research and the Restructuring of Working Life.* Van Gorcum – Swedish Center for Working Life. Assen/Maastricht – Stockholm.

⁸ The concept that originally was used was a ‘dialogue conference’, but in Finland the concept of ‘work conference’ is now more widely used.

⁹ Kalliola, S., Nakari, R. & Pesonen, I. (2005). *Learning and Innovation in Finnish Public Sector Organizations.* Paper presented at the 4th International Conference on Researching Work and Learning, Sydney, 11-14 December 2005 (www.oval.uts.edu.au). Will be later published as an article in the *Journal of Workplace Learning*.

Table 2. Work Conference (Finnish Version).

<p>1. WHO DEVELOPS FOR WHOM AND WITH WHOM?</p>	<ul style="list-style-type: none"> • Wide range of people involve in development work, which can be a part of an action research intervention or an established practice within the framework of the development structure of the organization. • Top management, supervisors and employees of all occupational and hierarchical levels are the subjects of development. Users of services, the organization and the employees are beneficiaries. Action researchers act as partners who facilitate the process.
<p>2. HOW IS DEVELOPMENT WORK BEING CARRIED OUT?</p>	<ul style="list-style-type: none"> • In democratic discussion forums, ranging from small groups and plenary sessions. All participants will have a say and they are treated as equals and work experience forms the basis for participation, according to the principles of democratic dialogue. • An action research cycle: diagnosis, interventions, evaluation, a new intervention, a new evaluation → diagnosis and continuous evaluation. • A flexible mix of different research and development methods.
<p>3. WHAT IS BEING DEVELOPED?</p>	<ul style="list-style-type: none"> • Solving existing problems. • Action plans are made for the future by evaluating the past and the present. • Quality of working life. • Productivity and service quality. • Ability to implement changes in the organization or workplace.
<p>4. WHY IS DEVELOPMENT BEING CARRIED OUT IN A CERTAIN WAY AND IN A CERTAIN DIRECTION?</p>	<ul style="list-style-type: none"> • It offers an opportunity to learn for a broad group of players. • Deep commitment to the values of direct participation and workplace democracy. • Democratic dialogue has gained the position of an essential, programmatic element. • Practical results and continuous positive feedback from the participants motivate both the researchers and project-funding agencies.

Based on the principles of democratic dialogue both management, supervisors and employees of all occupational and hierarchical levels can be characterized as the subjects of development ('who develops'). Development activity is directed to helping improve the quality of services to the benefit of the users of services as well to helping improve productivity to the benefit of the organization and the quality of working life to the benefit of the employees ('for whom').

Action researchers, together with possible other groups, participate in the processes of change as partners ('with whom').

During the course of the action research cycle, different research methods can be flexibly used. Work conferences can be conceptualised as one-off methods for solving practical problems, or permanent development structures that survive even after the intervention in which the researchers were involved ends (as in the case of the Day Care Services of the City of Tampere). The principles of democratic dialogue reflect the high emphasis laid on the value of direct participation by employees and that of workplace democracy. The case of the City of Tampere clearly showed that the dialogical methods used in the project had opened up new possibilities for influence for the 'flow-line' people (e.g. kindergarten teachers, nursery nurses, cleaning personnel, etc.) and led to improvements in cooperation between the different units and groups of employees. In the City of Tampere, work conferences were also used as a method to help implement a new system of bonus-based pay. According to professor Satu Kalliola, the Work Conference method, owing to its malleable character, will probably survive in the Finnish municipal sector as an important development method even in the context of New Public Management.

3.2 Search Conference (IpL Version)

A search conference is a method which has been found to create conditions under which the multiple dimensions of complex issues can be cooperatively explored to a far higher degree than usually, by members of the many and often divergent groups concerned. The aim is to obtain new perspectives on a problem in such a way that it helps generate new options and create new possibilities for a more cohesive relationship between many who have not been able to do that previously for different reasons. The method was originally developed by Fred and Evelyn Emery in the 1970s and it has been widely used in Australia, Canada and Norway, in particular.¹⁰ Later, the Institution for Labour Foundation (IpL) in Emilia-Romagna, Italy, has re-elaborated the method and added it into its own toolbox of development methods.¹¹

A search conference focuses on the future, even up to 10-15 years ahead, with the basic assumption that there are many possible futures and the future can, to a considerable extent, be influenced by human intervention. The long time horizon is used with a view to unlocking people from their immediate short-term preoccupations. In the end, however, the discussion must return closer to the present and to the focal problem in order to permit agreeing on concrete action steps that should be taken. The membership of a search conference is usually a mix of people from different categories and organizational levels, but one of the basic rules is that they should be considered equal to each other. They are the 'owners' of what is being produced, and the researchers/consultants should play a purely facilitative role to help to manage the learning process and not to interfere in the content of the discussions. A search conference is a 'heavy-weight' method in terms of its scale and scope, i.e. the participants should be involved in the conference on a whole-time basis with a minimum time of two and half days. Depending on the size of the number of participants, a search conference can

¹⁰ Morley, D. & Trist, E. (1981). A Brief Introduction to the Emerys' "Search Conferences" (www.moderntimesworkplace.com/archives).

¹¹ Telljohann, V. (2006). Technical Notes on the Search Conference and Their Re-Elaboration by IpL. Paper presented at the Benchmarking Workshop, Helsinki, 15-16 June 2006.

proceed through its all phases in one total group or be partly split into smaller working groups.

Table 3. Search Conference (IpL Version).

1. WHO DEVELOPS FOR WHOM AND WITH WHOM?	<ul style="list-style-type: none"> • A company or a network of companies is the client. • Experts from an intermediary institution promote and disseminate participatory experiences and implement action research.
2. HOW IS DEVELOPMENT WORK BEING CARRIED OUT?	<ul style="list-style-type: none"> • Two-step approach: first diagnosis with the help of discussion groups and then the development of shared generative concept with the help of a search conference. • Pre-set number of meetings with highly structured procedures. • All the interested parties should participate, as individuals or representatives of groups, and treated as equals to each other. • Observation: the interrelation between participants and communication breakdowns. • Non-structured interviews to acquire information on informal aspects of the object. • Afterwards the leader and observer will discuss and draft a written report to the client.
3. WHAT IS BEING DEVELOPED?	<ul style="list-style-type: none"> • In discussion groups the aim is to analyse complex and changing realities. • The objective is not to describe only the formal organizational set-up. • Participative forms of work organisation and new models for participation at company and group level. ← Need for efficiency • Networking between companies with a view to improving competitiveness. • Trust-based relations.
4. WHY IS DEVELOPMENT BEING CARRIED OUT IN A CERTAIN WAY AND IN A CERTAIN DIRECTION?	<p>Added value of the method</p> <ul style="list-style-type: none"> • participatory approach rather than unilateral decisions • utilization of a broader knowledge base • acknowledgement of competences of different kinds • integration of direct and representative participation • consensus-based solutions (gains in working conditions, job satisfaction, efficiency, productivity, democracy, etc.) • development of trust-based relations

As far as eleven different phases during a search conference can be distinguished. The process starts with outlining important long-term trends that are relevant to the problems identified in the beginning, followed by mapping out what the ‘likely future’ and the ‘desirable future’ and the difference between the ‘two futures’ look like. After that, the strengths and weaknesses of the organization in question are discussed and operative projects on how to approach the ‘desirable future’ are worked out. Generally speaking, the focus with regard to the concrete results of the conference is on long-term general strategies rather than full-blown, short-term courses of action. In the IpL version of the Search Conference method, several modifications to the overall content have been made. For example, the process has been split into two parts, i.e. into a diagnosis which takes place with the help of discussion groups and into the development of shared generative concepts which forms the basis of the search conference proper. Also the future horizon is shortened to 3-5 years.

As in the case of the Finnish Work Conference method, the search conference has been mainly used for the development of public organizations. One of the main differences between the application of these two methods is the context of industrial relations in the sense that in Italy there are not institutionalized systems of participation for employees of the kind found in the Nordic countries. Deploying dialogical development methods as a means of involving employees at all hierarchical levels in Italian context was characterized ‘a tough job’ at the workshop.

In a discussion that followed Gustavsen highlighted the historical development of the Work Conference method and the Search Conference method, arguing that the more formal structure of the latter reflects the context in which this method was originally developed. According to him, at a search conference great emphasis is laid on formal procedures, because the early experiments with it were carried out in low-trust environments (e.g. coal mines), in which the first task was to start building trust from the scratch. In the Scandinavian context, instead, less formal procedures were needed at the time when the Work Conference method was developed, because trust already existed between the participants in an abstract form, and the task in this case was to build up new arenas for turning this ‘abstract trust’ into concrete joint actions.¹²

3.3 Enterprise Development Conference

In Norway, the Enterprise Development agreement of 1982 between the two main labour market organizations (NHO and LO) forms an important milestone in the process of turning the existing ‘abstract trust’ (see above) to better serve the development of enterprises. Within the framework of this agreement, numerous local joint development projects and national R&D programmes such as Enterprise Development 2000 (1994-2000) and Value Creation (VC) 2010 (2001-10) have been launched. The ongoing VC 2010 programme consists of 12 regional main projects, which now geographically cover the whole country and which have developed their own applications of dialogical development methods. The use of dialogical development methods and the idea of broad participation of employees in the course of the

¹² Cf. also Nielsen, L.D. (2006). The Methods and Implication of Action Research. In: Aagaard Nielsen, K. & Svensson, L. (eds) Action and Interactive Research. Beyond Practice and Theory. Shaker Publishing. Maastricht. pp. 89-115.

process of change are probably rooted deeper in Norway than in any other country owing to this agreement.¹³

The regional project of Hordaland and Rogaland (around the cities of Bergen and Stavanger in the Western coast of Norway) is one the biggest development coalitions of VC 2010, consisting of 10 industry networks by the end of 2006. The main goals of the coalition are related to on how to improve employee participation and the capacity for continuous improvement at company level, how networking can increase learning, diffusion and cooperation between companies at local level, and how to coordinate triple helix partnerships for increased innovation on regional level. In order to respond to these goals of the three (company, local/network, regional) levels, both systematic methods for solving problems in a disciplined way and participatory methods for permitting opportunities for employee participation and learning have been utilized and created, with action researchers working in multiple roles in support of activities of the all three levels.

The case that was presented at the workshop as an example of an enterprise development (ED) conference was Titania, a manufacturer of ilmenite concentrate. The motive for launching a participatory development project in the company in 2004 was related to the fact that a considerable number of jobs were threatened. The objective of the ED conference was to ensure participation and input of all employees with the planning and start-up of a new organization development project, which was intended for building an organization for the future. This future organization was supposed to be based on the principle of broad participation and the target was to increase the annual volume of production from the current level of 650,000 tonnes to one million tonnes of prepared ilmenite concentrate. The launching conference, at which 22 groups provided as much as 672 development proposals, was only a starting point of a longer process that in total comprised seven large company-wide projects, several minor and departmental projects and other ED conferences in the different phases of the project.

An ED conference provides employees possibilities for direct participation in the planning of business strategy of a company, and the experiences achieved so far show that it is possible to get a great number of initiatives in this way. To use the idea of broad participation as a productive force, however, requires that there exist a pre-planned and structured way to ensure that the proposals are relevant to the problems and of sufficient high quality and that they will be worked out following a transparent process. In the case of Titania, for example, a sophisticated development organization was set up for the whole project.

Even though the ED conferences have helped companies achieve positive results in terms of business strategy, labour/management cooperation, knowledge base of the personnel, work environment, etc., there are at the same time clear challenges that should be overcome in order to utilize ED conferences productively. Two major challenges concern how to ensure the ownership and enthusiasm of middle managers who may see the idea of broad participation as a threat to their authority, and how to maintain the commitment of the majority of employees who do not usually have the possibility to directly participate in the follow-up activities. Even a more fundamental issue is whether broad participation really helps have all the relevant 'voices' heard and, thus, achieve better results and deepen workplace democracy, or whether broad participation is used as a managerial weapon to

¹³ Gustavsen, B., Finne, H. & Oscarsson, B. (2001). *Creating Connectedness. The Role of Social Research in Innovation Policy*. John Benjamins. Amsterdam – Philadelphia.

further reinforce the managerial legitimacy of power. This is probably an area in which the action researchers with their facilitative role and based on their skills and experience can make a difference.

Table 4. Enterprise Development Conference.

1. WHO DEVELOPS FOR WHOM AND WITH WHOM?	<ul style="list-style-type: none"> • The development coalition links the regional actors, enterprises and their networks, and the social partners. • Action researchers act in multiple roles in support of development and the enterprises in the networks are the clients.
2. HOW IS DEVELOPMENT WORK BEING CARRIED OUT?	<ul style="list-style-type: none"> • Important to construct arenas for dialogues for different partners, to create a climate for common understanding, to motivate the actors to participate in the preparation of projects and to create an understanding for the need of business development. • Supporting training programmes for employees in the different enterprises that supply the enterprises with specific development knowledge, give them common methodology and techniques and generate them a common language that can be used inside and between enterprises.
3. WHAT IS BEING DEVELOPED?	<ul style="list-style-type: none"> • Enhancements in employee participation and the capacity for continuous improvement and innovation at company level. Increasing opportunities for learning, diffusion and cooperation between companies at local level. Better coordination of triple helix partnerships for increased innovation on regional level. • Business strategies and organizations for the future. • Development organizations and other development structures for innovation and business development.
4. WHY IS DEVELOPMENT BEING CARRIED OUT IN A CERTAIN WAY AND IN A CERTAIN DIRECTION?	<ul style="list-style-type: none"> • Broad participation of employees is a means to provide new insights and boost the provision of development proposals for business development as well as issues important for employees, e.g. work environment. • Broad participation is a value in itself (ref. Enterprise Development agreement of 1982).

3.4 On-the-Job Action Learning through Dialogue

Within the framework of VC 2010, different versions or extensions of previous dialogical development methods have been created, reflecting the different local and practical

requirements found in the different projects. The differences between the methods do not necessarily manifest themselves primarily on the level of specific measures that are used, but on the level of interaction between the measures. Much of what was said about the enterprise development conferences, thus, applies to another Norwegian example of dialogical development methods, the on-the-job action learning through dialogue. This method was developed by the New Praxis group at SINTEF as part of the regional project of Southern and Northern Trøndelag (around the City of Trondheim).

On-the-job action learning through dialogue is based on the idea of training different employees in companies to become change agents in in-house organizational change projects. The change agents are trained skills in how to involve other company actors, to organize broad participation, to communicate their message, to motivate co-workers and to acquire better abilities for self-reflection. The researchers participate in the project by helping the companies to put their change process in context and acting as coaches of the change agents in different phases of the project. At dialogical seminars, relevant theories concerning management and the organization of work are lectured and experiences of successes and failures of the intervention project are discussed, with the overall aim to boost the transfer of experience from one team/plant to another and to stimulate the conversion of tacit knowledge to explicit.

At the workshop in Helsinki, three cases in which the method of on-the-job action learning through dialogue had been used were shortly presented. The three cases concerned the implementation of team-based work structures in nine metal plants of a big corporation (Elkem), increasing and improving employees' knowledge and practice of communication and collaboration with and across teams in a mechanical tool manufacturing company (Teeness ASA), and a regional leadership training programme for plant managers and trade union representatives in the region.

The Elkem case was used as an example of using the method for the first time across different organizations. The team-leadership programme in the company aimed at increasing the knowledge of team managers (i.e. former shift supervisors) and metal workers on the new business model and team working (especially how it differed from the old shift organization) and developing new team practices across the plants. In this case, team-based organization that was supposed to support the adoption of a new business model was implemented in all the nine plants and on several levels of the corporation and improvements in productivity, quality and delivery accuracy were achieved.

All in all, the action learning method developed by the New Praxis group lends itself to flexible and versatile forms of utilization depending on the problems of the local context. The overall approach behind the method and the different techniques that are used is socio-technical system design and the idea to integrate the technical and social aspects of production into each other in a productive way. The methodology aims at sustainable changes in work practices on shop-floor level, and starts out with the principle of co-generative learning, according to which all the partners must be equally involved in generating a view of the present state of affairs and a trustworthy image of the changes needed.

Table 5. On-the-Job Action Learning through Dialogue.

<p>1. WHO DEVELOPS FOR WHOM AND WITH WHOM?</p>	<ul style="list-style-type: none"> • Action researchers act in multiple roles in support of development. • People at workplaces, i.e. workers, supervisors, middle management, top management and trade union representatives, are the clients.
<p>2. HOW IS DEVELOPMENT WORK BEING CARRIED OUT?</p>	<ul style="list-style-type: none"> • At dialogue seminars, the projects are put in context and experiences of successes and failures of the intervention project are discussed. • On-the-job action learning is used for the purpose of training employees as change agents and helping them promote processes leading to sustainable changes in work practices. • Different techniques are flexibly used for improving employees' skills as change agents, improving communication and collaboration in the organization, and proving new organizational designs.
<p>3. WHAT IS BEING DEVELOPED?</p>	<ul style="list-style-type: none"> • Projects of strategic importance for the companies within the timescale of five years. • New work practices like teams, leadership skills, social partnership, skills and patterns of communication and collaboration, and employees' abilities to act as change agents.
<p>4. WHY IS DEVELOPMENT BEING CARRIED OUT IN A CERTAIN WAY AND IN A CERTAIN DIRECTION?</p>	<ul style="list-style-type: none"> • Training change agents is a means to reinforce the development organization of the company in question and increase the possibility for achieving sustainable changes with the help of the intervention project. • Sustainable change calls for broad employee participation and ownership by the operational management. • The specific problems experienced at company level affect the selection of the techniques used and the nature of the intervention. • Broad participation is a value in itself (ref. Enterprise Development agreement of 1982).

3.5 Change Laboratory

A change laboratory is a development method that is based on cultural-historical activity theory and its application, developmental work research, which is a Finnish-origin approach developed in the 1980s. The Change Laboratory method® was developed in the Center for Activity Theory and Developmental Work Research of the University of Helsinki in the mid-1990s. The first pilot projects in two Finnish companies were funded by the TYKES programme. Later, customized variations of the original 'basic model' of the change

laboratory have been developed. The use of the Change Laboratory method has been so far most widely spread among work organizations of the health care sector, the educational sector and the private service industries of different kinds

The change laboratory starts with the idea of broad employee participation, which enables a workplace community to produce both deep transformations and continuous incremental improvement. It differs from methods such as quality circles in that development work is carried out in the actual working unit in close physical proximity to the actual work space, and in that development does not focus just on 'how' things are done (operating processes), but also on the 'what' and 'why' questions, i.e. questions concerning the object of work activity. The change laboratory is also different from many measures based on group discussions, in that the development measures are not based only on dialogue between the parties involved, but on analysis and interpretation of complex empirical material concerning actual activity, based on models.¹⁴

In a typical change laboratory, researcher-interventionists or internal developers who have got training in this method and practitioners bring information on the different dimensions of work activity and problem situations and disturbances in it into discussion. The information that is gathered by multiple means (e.g. questionnaires, interviews, videotaped work situations, customer feedback and statistics) is analysed with the help of theoretical models and against the background of visions of the future work activity in the context of historical development of the work activity. In this approach, problem situations and disturbances in the work activity are seen as important opportunities for future development.

In its ideal form, the historical analysis of the work activity and the contradictions attached to it takes place discursively, through a common inquiry, leading to a cyclical process of expansive learning, i.e. learning which produces a new model for work activity and a new kind of object of activity.¹⁵ Such a cycle induced in the change laboratory starts from charting and analysing the current situation through creating, testing and implementing the new model and ends to the spreading and consolidation phase. The whole cycle typically takes from three to six months. 'Progress' in this approach is seen as a successive series of cycles of expansive learning. Within the cycles of this kind, there also exist smaller cycles of problem solving and learning.

Development of the customer feedback process in the Finnish Road Administration was used an exemplary case of the Change Laboratory method in practice at the workshop. The main reasons for starting such a project in spring 2005 included improving cost efficiency and the quality of customer service of the process and decision-making and image of the whole administration. The motive for using a new kind of method was encouraged by the fact that the previous corresponding project that was carried out in a more 'traditional' way had failed in 2004. The project that was accomplished in half a year advanced in a systematic way, phased into the major steps of the cycle of expansive learning. The employees involved in the change laboratory were pleased with the method, even though a lot of extra work was demanded from them in the form of stories of their everyday work, diaries of customer contacts and records of the received customer service phone calls. The change laboratory generated a long list of improvements on the chosen development targets, and the top

¹⁴ Engeström, Y., Virkkunen, J., Helle, M., Pihlaja, J. & Poikela, R. (1996). The Change Laboratory as a Tool for Transforming Work. *Lifelong Learning in Europe* No 2/1996, pp. 10-17.

¹⁵ Engeström, Y. (1987). *Learning by Expanding. An Activity-Theoretical Approach to Developmental Research*. Orienta-Konsultit. Helsinki.

management of the Road Administration made a decision to carry out further development of the ideas and tools that were worked out in a new major programme for the years of 2006-09 and equipped with decent financial resources.

Table 6. Change Laboratory.

<p>1. WHO DEVELOPS FOR WHOM AND WITH WHOM?</p>	<ul style="list-style-type: none"> • Who develops: A workplace community or a group of practitioners who are involved in the same activity. The subject of development is defined by the object and outcome of the activity, not by the current organizational structure. • For whom: The shareholders of the work activity, e.g. the community who is working in this activity and the clients of the activity. • With whom: Together with researcher-interventionist or internal developers, depending on the nature of the project.
<p>2. HOW IS DEVELOPMENT WORK BEING CARRIED OUT?</p>	<ul style="list-style-type: none"> • At change laboratory sessions employees together with researchers/internal developers analyse empirical data on work practices with the help of models, tools and visions. • The development project advances according to the steps of expansive learning: charting and analysing the situation, creating, testing and implementing the new model, and spreading and consolidating the model.
<p>3. WHAT IS BEING DEVELOPED?</p>	<ul style="list-style-type: none"> • Different aspects of the activity system: subject, rules, tools, workplace community and division of labour. • Activity system on the whole, with changes in the object of activity and the outcomes achieved in this way.
<p>4. WHY IS DEVELOPMENT BEING CARRIED OUT IN A CERTAIN WAY AND IN A CERTAIN DIRECTION?</p>	<ul style="list-style-type: none"> • The development of human activities does not proceed in a linear way but takes place in cycles, aggravated by contradictions within the activity system. • Completed cycles of expansive learning provide sustainable solutions and represents 'progress' in case they help the workplace community solve its problems in an expansive way. • The method is not based on special, universal values of the kind found in socio-technical system design.

4 Summary and Conclusions

4.1 Summary

Five dialogical developmental approaches were examined at the workshop using a conceptual framework built by Räsänen. The framework comprises questions of four kinds concerning the subject, client and partners of development work; the way in which development work proceeds; the object of development; and the strategic choices behind and the value basis of development work. Generally speaking, the framework helped structure the search for information on the approaches and managed to fuel discussion at the workshop. The main sources of information on the five approaches were published articles, www documents, Powerpoint slides and oral presentations of the researchers/consultants and practitioners, and the discussions that followed the presentations. In this report, we have limited the references only to a few selected sources.

In the previous completed benchmarking exercise of the WORK-IN-NET project (task 3.2), Naschold's 'best practice' model for national workplace strategies was used as a loose framework, but even in that case it was not possible to talk of benchmarking in the strict meaning of the concept. In this new benchmarking effort, there were even less opportunities for building a setting in which the approaches could have been assessed against some universal 'best practices'. Instead, the aim was to utilize a structured method in gathering comparable information on the approaches and to boost discussion in this way, but not to use this information as if the approaches were strictly comparable to each other.

Characteristic of all the approaches is that the subject of development ('who develops') is the workplace community whose work (activity) is under examination. Action researchers, researcher-interventionists, consultants and internal developers, all play a facilitating role ('with whom') which may vary greatly even within a single approach, depending on local context and the nature of the project. A search conference obviously has set more formal procedures and rules concerning how a single session should be carried out than is the case in the other approaches. It was suggested in the discussion that underneath the Search Conference method is the hidden assumption that trust between the participants should not be taken for granted, but that cooperative advance of the development process should be ensured with a high degree of formality.

The Finnish version of a work conference and the enterprise development conference are, more or less, offspring of the original Swedish LOM version of a work (dialogue) conference. They owe much to the tradition of communicative action research, but at the same time they also show many expansions compared to the original model for work (dialogue) conference. The expansions concern the methodology, the role of the researchers and the time- and space-related aspects of the conferences (e.g. through what phases the conference proceeds, how the participants are decomposed into smaller groups in the different phases). It is interesting to note that in Finland work conferences have been used chiefly for the development of work organizations in the municipality sector, whereas in Norway they have found their most widespread applications in industrial enterprises.

The search conference and the on-the-job action learning through dialogue share some of the features of participative design, a variant of socio-technical system design¹⁶, on conceptual level. The explicit objective of the Search Conference method, in its original form, is to give rise to a non-dominant democratic structure. Characteristic of the method developed by the New Praxis group at SINTEF is a dual strategy, in which dialogue seminars are combined with simultaneous on-the-job action learning of the staff in question with a view to creating new, socio-technically valid designs.

The change laboratory differs from the other four methods in that its main source of theoretical influence and inspiration is not to be found in action research or socio-technical system design, but in the cultural-historical activity theory. In a change laboratory session, great emphasis is laid on the use of tools and models of different kinds and the learning process that follows is conceptualised to take place as a cycle of expansive learning. It is the realization of expansive learning, rather than the fulfilment of any pre-set universal values, which represents 'progress' in this approach.

4.2 Conclusions

In this task, the aim was to move from the programme and institution level that was the focus of the previous benchmarking exercise (task 3.2) to the level of project activities of the partners. Dialogical development methods were a theme, which many of the partners found interesting when we gathered proposals of candidates for benchmarking. The presentations and discussions at the workshop helped the partners to improve their awareness and knowledge on the five methods that were presented in the context of the conceptual framework of four kinds of questions. Even though as much as five methods were presented and active discussions were held, during the course of the two-day workshop it was possible only to scratch the surface. There were many questions concerning the methods that were not possible to deal with in greater detail in such a short time, and the five methods that were surveyed form only a selected portion of dialogical development methods that are existing.

The conceptual framework used in comparison helped make some of the most visible characteristics of the methods more visible for the participants of the workshop. What was much more difficult to examine and reveal were issues of a more 'invisible' kind. These include conceptual issues, such as what are the unspoken theoretical premises of the methods or what are their attachments to theoretical discussions of the past, as well as issues of more practical nature, such as the role of the methods in the overall process of change or their interaction with other methods and measures used in development work. In retrospect, more basic information on the methods and in a more elaborate form should have been available for the participants at the workshop; this would have helped examine also issues of that kind in greater detail.

In policy terms, the presentations clearly showed that dialogical development methods help workplaces achieve good results in productivity and issues related to the quality of working life. There was also evidence that participatory ways to implement processes of change promote sustainability of the results achieved, because they lead to a more critical inquiry of the possible options available, interaction and being involved help the participants develop

¹⁶ van Eijnatten, F.M. (1993). *The Paradigm That Changed the Work Place*. Swedish Center for Working Life – van Gorcum. Stockholm – Assen.

'on line' skills and competencies that will be needed for the future, and participation supports the feeling of ownership towards the new created practices among the participants. All the five cases seem to us as new bricks on the wall of evidence in support of participatory and dialogical forms of implementing changes in workplaces.

The discussions held at the workshop unfolded that the different participants knew in advance relatively little on the methods that were presented. This shortage of knowledge partly owes to barriers of language and to the fact that for some action-oriented researchers the provision of publications may not play as an important role as for researchers with more traditional academic orientation. There also exists great differences between the countries in Europe in terms of systems of management, industrial relations, employee consultation, education, etc., which may hinder the diffusion of workable solutions and good examples from one context to another.

Many examples indicate that turning a phenomenon or an idea into a product-like artefact and mechanically disseminating it is harder, the more abstract and systemically complex the phenomenon or idea is.¹⁷ Even though it may be possible to transfer, for example, individual management techniques and tools from one context to another with little adjustment, this is not usually the case with more complex and abstract phenomenon, such as new forms of work organization, not to mention general management principles. Learning from 'strange cases' (i.e. cases taken from a very different context compared to one's own) with a high level of abstraction and complexity calls for methods of a more interactive kind than, for example, downloading 'best practice' stories from Internet data banks or reading manual and guidebooks. The most efficient, and perhaps the only, way is to arrange interactive spaces for learning in which it is possible for the participants to meet on a face-to-face bases and exchange experiences in an open atmosphere.

Learning spaces do not emerge automatically and in a market-driven way. In countries like Norway and Finland, in which the creation of learning networks has played an important role in programmes to develop workplaces, there now exist ample experiences in organizing such networks on regional, industrial or thematic bases. An increasingly important challenge, which is also included in the project plan of the WORK-IN-NET project, is how to build up learning networks, not only regionally or within individual countries, but across national borders as well. In this respect, the workshop that was arranged in Helsinki surely gave a lot to think about.

¹⁷ Wareham, J. & Gerrits, H. (1999). De-Contextualising Competence. Can Business Best Practice Be Bundled and Sold? *European Management Journal* 17:1, pp. 39-49.

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