

## LABAQUA: Where people is the engine of innovation

### What does this case study demonstrate?

This case study exemplifies a company trying to overcome the current economic crisis with a strong emphasis on both innovation and internationalisation efforts that are sustained by the development of Workplace Innovation (WPI) practices.

**Workplace innovation elements:** Learning and reflection, job autonomy and reduction of organisational walls, supporting employee initiative and participation, workplace partnerships.

### Context

LABAQUA is a company leader in the provision of solutions in the areas of technical analytical and environmental services for water utilities, industry and government. Thus, as far as the first domain is concerned, the company provides analytical services in different fields such as integral water cycle, solids and wastes, air quality or industrial hygiene. Meanwhile, in the environmental services domain, the company is active in several fields such as environmental consultancy and monitoring, management of chemical risks, biosafety, comprehensive odour management/control, environmental modelling and, finally, marine and coastal services. The head offices of LABAQUA are located in Alicante, although the company has got delegations in different locations worldwide. LABAQUA was set up in 1991, although its origins go back to more than 40 years ago as the laboratory of Aguas de Alicante, SA.

LABAQUA is very active in R&D activities within the environmental sphere and has got the largest and most important laboratory in Spain in water-related analyses. The company currently employs around 270 people, half of them being university graduates and doctors (mainly chemists, biologists and pharmacists, as well as chemical engineers). Since 2010, LABAQUA is integrated within AQUALOGY, the global brand of integrated water solutions for sustainable development and run by Aguas de Barcelona, SA (AGBAR), currently integrated into the French SUEZ ENVIRONMENT group. In fact, this new situation has brought several changes to LABAQUA, including the resigning of the old manager of the company and the introduction of a new director general. Last year LABAQUA's aggregated turnover amounted to 24.7 million euros, and the company is experiencing in recent years a period of growth and expansion based (partially) on an increasing internationalisation of its activities, especially in Latin America (i.e. Chile, Brazil), Europe (i.e. UK, France), Turkey and North of Africa.

### Labagua: A company active in WPI practices

LABAQUA is very active in the development of WPI practices, especially in the last four years with the integration of the company in AQUALOGY and the appointment of a new CEO. In this regard, the most important WPI practices currently implemented by LABAQUA are explained next.

**Strong competence development policy.** LABAQUA has got an annually updated training plan that defines courses and training opportunities offered to all the employees, either in general or in very specific technical skills/competencies. Also, the company has developed a so-called "Performance Management System", intended to identify concrete individuals with high growth potential that are subsequently supported by an ad-hoc career plan and/or special training/competence activities.

**Emphasis on the health and well-being of employees.** Thus, firstly, LABAQUA has got a very well developed and well defined system for preventing work-related risks, including training activities, regular risk-related meetings where all employees participate, a very complete warning signal system and strictly

defined protocols in case an accident takes place. Also, LABAQUA has got different risk-prevention quality certifications (i.e. OHSAS 18001). Secondly, LABAQUA has developed a flexitime approach in relation to working time, by which employees have a certain level of flexibility in their in/exist times, according to their personal preferences. The company has got also a special summer timetable (from June to September, from 8h00 to 15h00), as well as the possibility to finish Friday work at 15h00 all year long, both elements are highly appreciated by employees. Finally, and following the company's gender equality plan, LABAQUA is committed to increase the presence of women in the top/intermediate positions in the company (the presence of women in the remaining position layers is balanced), where some positive results have been already achieved, especially as far as intermediate leading positions are concerned.

**Presence of social dialogue practices with employees and the employee representation body.** In this regard, LABAQUA organises twice a year a general meeting with employees where the CEO presents the main results of the company achieved so far, as well as the main strategy elements that have been defined for the company for next year/time period. These meetings also favour interaction between top managers and employees. Also, the company is engaged in a social dialogue process with employee representatives in different employee-related issues (i.e. salaries, timetable, working times, better communication of company changes derived from the integration of LABAQUA in AQUALOGY).

**Strong support for employee initiative and participation.** Several activities are carried out in this domain. To start with, LABAQUA has got a project called "Call for Ideas", where individuals or groups of individuals can propose yearly new ideas related to the business and intended to produce an economic return. The best ideas are selected for further development and support by the Suez Environment group (for instance, recently LABAQUA personnel were involved in the development of a device specialised in the detection of pre-selected priority substances, being co-funded by European Commission's funding). Also, the company has got a so-called "domain management process", where concrete highly experienced employees are responsible for identifying main future market/competence trends in different pre-defined knowledge domain/subdomains, so that the company can lead their future activities (R&D, investments, training activities) in these knowledge domains. Finally, approximately 1/3 of the employees (basically top and intermediate managers as well as some key personnel) have a variable payment system, intended to reinforce their involvement.

**Support for self-managing teams and reduction of organizational walls.** The company is organised around self-managed working teams, who have internal freedom to organise themselves (provided that the main guidelines and production goals are satisfied). Linked to this point, LABAQUA is reducing hierarchical levels within the organisation, which in turn facilitates the dialogue and the trust between members and a relatively easier access to top/intermediate managers.

## So who benefits?

From the management perspective, a high involvement in WPI practices enables the creation of a working-friendly environment where employees feel fully supported and encouraged to develop their own potential and their own ideas for the benefit of the company, favouring therefore the innovation, profitability and sustainability capabilities of the company in the medium/long run.

Meanwhile, and from the perspective of employees, the company is perceived as a good place to work, characterised by good and healthy working atmosphere, good working conditions, important learning opportunities and job security. Indeed, employees seem to be very engaged with their job and with LABAQUA.

## Prognosis

Future prospects for LABAQUA are positive and promising. In this regard, the important internationalisation process of the company, initiated in recent years and to be fostered in the near future, is likely to open new business opportunities for the company that will have to be backed up by WPI practices adapted to the new circumstances.