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Enabling a Culture of Innovation

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Innovation is the differentiating factor in today's world of business and is critical to the success of any modern-day organization. Former CEO of Jet Blue, David Neeleman once stated, "Innovation is trying to figure out a way to do something better than it has ever been before." While many persons have visions and ideas, what role does human resources and management play in not only getting these ideas and vision from employees but also channeling them into viable revenue streams for the organization. Many times, the work of innovation is thought of as the responsibility of a business development team or business unit, but human resources plays a vital role as the driving force to create a culture of innovation within the organisation.

Human resources links with innovation on two levels: the organization, i.e. building an innovative organization with a creative climate; and, by championing specific innovation activities, projects and or stages in the employment cycle such as recruitment, teamwork and career development. And certainly, there are certain organizational factors which could better support innovative ideas such as improved knowledge
system, information dissemination, identification of skills needed for innovation and integration of skills gaps into recruiting criteria. Specifically, there are three actions that HR professionals can do to foster innovation: hire for innovation, create a culture of innovation and train and reward for innovation.

Hire for Innovation
The most powerful force in business is culture. While corporate culture is not solely the responsibility of HR leaders, the people who are hired and the training and cultural imperatives placed on the business are done so through the role of HR, therefore HR leaders can have a big impact, on whether or not the organization is culturally attuned to innovation. Hiring for innovation requires that we identify persons who can 'think outside the box' and embrace uncertainty and ambiguity. Are they

inquisitive? Are they locked into one viewpoint or willing to consider others? Are they open to new ideas, new concepts? These questions have a lot to do with how people are recruited and how their skills are improved to welcome innovation. Also hiring employees from different backgrounds (academic, experience, geography, etc.) helps to improve the diversity of thought.

Create a Culture of Innovation
The ability to help create, protect and build organizational culture is a critical role for HR to play, as it is a major driver for innovation. However, management needs to support, plan for and nurture an innovation culture for innovation to be successful. An IBM Global CEO study in 2008 cited an unsupportive culture as the number one obstacle to innovation. Organizations that have a culture that supports innovation are often customer focussed, value-driven and strategic. They ensure that their operating strategies are developed through interactions with their: employees, customers, partners, vendors, suppliers and consultants. They review market trends and identify, through benchmarking, what is required to out-perform their competition.

Notable examples of companies with a culture that drive innovation are tech giants, Google and Apple. Google ensures their culture of innovation remains strong by giving their engineers time to invent. Engineers allocate 20% of their time working on projects they feel passionate about and their performance reviews consider how they spent this time. Other characteristics of Google's innovation culture include being unafraid to take calculated risks; they hire for taking risks; developing a very flat organizational structure and ensuring that all employees have easy access to facetime with senior management to present their ideas. Similarly, Apple which employs approximately 35,000 permanent employees hire, reward and recognize employees for a common desire, energy and enthusiasm to create great products. They encourage employees not to be afraid to fail. There is no punishment for failures.

Reward for Innovation
The right rewards system provides a powerful force for reinforcing commitment, directing employee professional growth, and shaping the corporate culture to be more innovative. HR departments must look at the reward mechanisms in place and ask if they are doing the right things to develop the employees and culture of the organization. This should include: compensation strategies, performance management tools, and other targeted recognition and reward programs.

To conclude, innovative services and products do not materialize from environments which continuously build barriers to innovation. They originate from an environment in which creative and flexible minds can flourish. Creating the culture to support innovative thinking and to hire, train and reward is a major undertaking and it can seem formidable to know where to begin. To begin an initiative for innovation here are some steps to take:

1. Create a steering committee made up of individuals from different positions but also representing different experiences, levels and generations.
2. Define a purpose and mandate for the steering committee (specifically to oversee the cultural change required to create an innovation environment).
3. Complete a cultural assessment to identify the current culture for innovation within your organization as compared to the 'ideal' situation, as characterized by all employees.
4. Isolate the strategies to close the gap between the current and the ideal innovation culture. These might include a kick-off event to help commemorate the development of the innovation culture.