

INNOVATIVE HUMAN RESOURCES PRACTICES ON AN ORGANIZATIONAL LEVEL

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Abstract: *In the current economic, social and political context characterized through instability, competitiveness and volatility, the future development of any organization is based on a single factor that generates durable competitive advantages, and that is innovation. Sustainability of any business means rehabilitation and continuous repositioning to be able to answer any market demands. In this context, innovation can no longer be limited to just new technologies, it must be extended to new forms of organization, new practices, which in turn generate new performance standards in order to withstand the challenges of the internal and external environment. The human resource has an essential role in this innovative process through its creative capacity in generating, promoting and implementing change. And so, at an organizational level, human resource management should increasingly focus on those innovative human resource practices that focus on attracting, motivating and developing employee skills to raise their creative potential and implicitly their performance.*

Key Words: *innovation; human resource; change; durable competitive advantages.*

JEL Classification: *O15.*

1. Introduction

For a long period of time the human resources issue at an organizational level has been considered complementary, where most of the organizations were profit orientated, based on a solvable demand. Afterwards, as the social purpose of organizations began to take contour, the fields of activity of the human resources and the concerns in the field became more developed, placing the employee in the forefront, his role and place in the organization.

Today, in a society based on knowledge, innovation is the way to efficiency and efficacy on all levels and domains, process in which the human resource has an essential role to play.

Stimulating innovation, the creation of a good framework for this complex process has to be a permanent concern at the top management in any organization.

Thus, the innovative organization has some essential characteristics:

- flexibility, adaptability to market demands;
- high technical and technological level and implicitly the possibility to quickly adapt to the new;
- creative human resource, innovative, strongly motivated and implicated;
- productive and financial force.

As a result of the creativity of the human mind, innovation is materialized in translating ideas into new products and services at an organizational level. As a result, the innovative process relies on a systematic development of human resources that primarily targets training and qualification processes.

Efficiency and performance of every employee is based on skills, knowledge, experience, but also a quick rate of adaptability for technical, technological, financial, managerial changes generated by a dynamic business environment. In this context, there is a growing awareness of true *culture of innovation* at an organizational level, viewed as a source of sustainable competitive advantage.

2. Innovative human resource practices at an organizational level

In a process of continuous changes, in a competitive, dynamic and aggressive business environment, innovation in human resource activities becomes a necessity for all types of organizations. Development of innovative practices at the level of human resource management is the primary method used to connect policies, processes and practices of human resources on one hand and organizational results on the other.

Innovative human resource practices are defined as a change to the old ones, change that determinates novelty and improvement. In a more complex approach, innovative human resource practices represent ideas, programs, practices, or systems that are related to the human resource function, new to the organization that adopts them. For this concept in the specialty literature we also find other terms such as: human resource practices that lead to high commitment, advanced human resource practices, alternative human resource practices.

At the level of human resource management, the main areas in which innovative practices can be implemented are:

- Attracting and maintaining candidates;
- Specialty training;
- Career planning and developing your potential;
- Managerial development;
- Performance evaluation;
- Rewards;
- Benefits and recognition;
- Working relationships;
- Social responsibility.

In this complex process of permanent innovation regarding the human resource we must take into account the change of generations and the so-called *generation that lives their lives online*. Once these new generations enter the labor market, they follow the financial aspects, and also the quick development of their career. This perception changes organization policy regarding human resource management towards the development of talent management policies that are based on attracting, motivating and developing those talents whose innovative capacity can be translated into practice.

Thus, in symbiosis with the market dynamics, recruitment and selection actions are based more and more on techniques specific to the current period but also on socio-cultural characteristics. Emphasis is placed on the need of creativity, on social media use in the recruitment process, utilizing the social networks towards identifying young people with high potential but also on internship programs towards for improvement and quick career development to maintain them. More and more companies are developing employer branding programs, through which they strongly promote their employer image to attract new talents.

The Characteristics of the new generations are: high level of professional training, efficient career management, easily assuming new roles therefore new unique responsibilities, they desire balance between personal and professional life, but at the same time security and stability. Expectations from organizations are focused on coordination, a dynamic and creative work environment, but also a flexible work schedule.

Regarding staff development, successful companies combine internships with personal development workshops that track the identification of personal values, creative and critical thinking, communication efficiency. More and more organizations, out of the desire for new flexible structures, but also maximum efficiency, already successfully

implemented freelancers, independent professionals and are externalizing some specialized business functions.

Another innovative element regarding the human resource is related to the organizational culture. More and more, the new generation is interested in a flexible work schedule, home work, medical subscriptions, gyms, rather than salary increases. The idea is to create a collaborative organizational culture that can generate innovation and, of course, leadership.

3. The impact of innovative human resources practices have on employee performances

Innovative human resources practices have a direct impact over employee performance, as well as in their career development,

Generally speaking, the performance of an organization has the following dimensions:

- *Financial performance*, given by a series of specific economic and financial indicators (cash flows, added value, return on capital/assets employed, working capital, etc.). Knowledge of financial performance of a company is of major interest, especially for the investors, both effective and potential ones, because it reflects the way the organization produces value and plus value;

- *Marketing performance*, generated by the fact that the main marketing asset is the customers, followed up by the branded capital, both being generators of value, for both the organization and the stakeholders. For these reasons, it is appreciated that evaluating and quantifying marketing performance is a strategic priority at an organizational level, under all aspects: customer relationship management, marketing efficiency, distribution chain, etc.;

- *Human resource performance*, a relatively complex dimension that vides the measurement of employee results, but also their behavior at a organizational level. Result based measurement holds the risk of being affected by teamwork results or by other factors that an employee can not control. Behaviorally speaking, human resource performance measurement involves identifying the competencies required for the effective deployment of a specific activity and defining standards that describe performance levels. The performance of human resources is evaluating both what employees have obtained, the results, but also how they managed to achieve these results;

- *Intangible performance*, difficult to evaluate and quantify, it is generated by those intangible assets (intellectual capital), that, according to the specialists in the domain, have a far higher contribution to the overall performance of the organization compared to the tangible assets;

- *Social and environmental performance*, that dimension of performance that has as main idea the fact that every organization has to evaluate their performance, not only towards the direct interested parts, with which they are in collaborative relationships, but also towards the local communities and the surrounding environment. Social performance targets the organizations impact towards the community in which they carry their activity, and the environmental performance targets the utilized resources and the impact towards the environment.

Most of the times, an organizations performance has been reduced to the financial one, placing less accent on employee performance or it has been made formal. Management primarily pursues financial performance and thus has less interest in human resource development and innovation, although both financial and operational performance are achieved *with and through people*.

Major changes from all the present areas of economic and social life tend to modify this perception at an organizational level, highlighting a series of factors that determine the types of performance previously described and that refer to employee knowledge, organizational climate, rewards, motivation. In these conditions, to evaluate the performance of an organization just from a financial point of view does not suffice anymore towards ensuring its viability and sustainability.

In the process of work organizing, innovative practices with a direct impact towards professional performance and implicitly the organizational one may concern:

- Reductions or increases in hierarchical decision-making structures, as well as involving other categories of personnel in this process;
- New responsibilities towards work processes for some categories of personnel;
- Forming new self-responsive teams, with a direct impact towards performance;
- New systems of vocational training and retraining, and, implicitly, career management at an organizational level;
- Modifications regarding communication channels, from the vertical ones to the horizontal ones etc.

The organizations performance is based on implicated employees, instructed and motivated, being the result of the performance of their own employees. The performance of every employee is measured by specific standards of every organization. In these conditions, the way objectives are set, the way tasks are approached, but also the relation system are, in the organization, just a few elements that have a direct impact towards professional performance.

Employee performance in an organization targets both the results and a necessary employee, as well as the behaviors required to the employee in order to be successful. Thus, positive perceptions of employees in regards to innovative practices from the human resource field are loyalty, affective engagement but also organizational behavior.

4. Conclusions

Innovation as a process has a strong impact on welfare. Any organizational entity in order to be viable and sustainable must be competitive on the market, competitiveness that is generated by the growth in innovation capacity by utilizing specialized human resources. The human resource has an essential role in the innovative process through its creative capacity used in generating, promoting and implementing change.

One of the premises for organizational success is given by the existence of some human resources specialized, but also by promoting some innovative practices in this domain. Today the most performant organizations are looking for highly qualified human resources that can bring significant added value at low costs, related generally to coordination and organizational integration.

The practice of innovative human resources must target objectives that support innovation and development, respectively reward policies for ingenious ideas, intellectual capital development training, but also changes in the organizational climate and the working schedule flexibility.

Promoting such practices will generate an increased level of involvement at an organizational level, of capacity and implicitly of employee performance. Thus, innovative policies of human resources lead to sustainable competitive advantages, capitalizing on superior organizational resources and, at the same time, massively investing in intellectual capital.

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