

The Role of HR in Nurturing Organizational Innovation

Peran SDM dalam Memupuk Inovasi Organisasi

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ABSTRACT

This research aims to investigate the role of Human Resources (HR) in supporting organizational innovation. Through systematic literature analysis, this research explores factors such as organizational culture, recruitment and selection processes, training and development, rewards and recognition, teamwork and collaboration, policies of flexibility and openness, communication and knowledge sharing, and the role of leaders in encouraging innovation. The findings of this research indicate that the integration of HR functions into an organization's innovation strategy, along with the implementation of innovation-oriented HR policies, can increase the overall level of organizational innovation. Although this research is faced with limitations in the range of literature selected, the research implications provide important insights for HR practitioners and organizational leaders in strengthening the innovative capacity of their organizations.

Keywords: *Human Resources, organizational innovation, organizational culture, recruitment process, training and development, rewards and recognition, teamwork, flexibility policies, organizational communication, leadership*

ABSTRAK

Penelitian ini bertujuan untuk menyelidiki peran Sumber Daya Manusia (SDM) dalam mendukung inovasi organisasi. Melalui analisis literatur yang sistematis, penelitian ini mengeksplorasi faktor-faktor seperti budaya organisasi, proses perekrutan dan seleksi, pelatihan dan pengembangan, reward dan pengakuan, kerja tim dan kolaborasi, kebijakan fleksibilitas dan keterbukaan, komunikasi dan berbagi pengetahuan, serta peran pemimpin dalam mendorong inovasi. Temuan penelitian ini menunjukkan bahwa integrasi fungsi SDM ke dalam strategi inovasi organisasi, bersama dengan implementasi kebijakan SDM yang berorientasi pada inovasi, dapat meningkatkan tingkat inovasi organisasi secara keseluruhan. Meskipun penelitian ini dihadapkan pada keterbatasan dalam jangkauan literatur yang dipilih, namun implikasi penelitiannya memberikan wawasan penting bagi praktisi SDM dan pemimpin organisasi dalam memperkuat kapasitas inovatif organisasi mereka.

Kata kunci: *Sumber Daya Manusia, inovasi organisasi, budaya organisasi, proses perekrutan, pelatihan dan pengembangan, reward dan pengakuan, kerja tim, kebijakan fleksibilitas, komunikasi organisasi, kepemimpinan.*

Introduction

Innovation has become the key to the long-term growth and success of an organization amidst increasingly fierce global competition. Organizations that are able to generate new ideas and implement them effectively often become leaders in their industry. In this context, the Human Resources (HR) function has a crucial role in forming and supporting a culture of innovation within the organization. However, although the importance of innovation is widely

recognized, not much research has specifically highlighted the role played by HR departments in fostering organizational innovation.

The general aim of this research is to explore and analyze the role played by HR in facilitating and encouraging organizational innovation. The specific objectives of this research include: (1) To understand how HR practices contribute to a culture of innovation within organizations. (2) To evaluate effective HR strategies and policies in supporting organizational innovation.

Organizational innovation refers to the introduction of new ideas, processes, products, or services within an organization. It involves the implementation of new methods or practices that improve the efficiency, effectiveness, or competitiveness of the organization. Organizational innovation can take many forms, including technological innovation, process innovation, product innovation, and business model innovation. It is often driven by a desire to stay ahead of competitors, respond to changing customer needs, or take advantage of new market opportunities. Successful organizational innovation requires a supportive culture, a willingness to take risks, and a commitment to continuous improvement (Taylor, 2020).

Innovation has become a key driver of organizational success in today's rapidly changing business environment. As such, organizations are increasingly looking to their human resources (HR) departments to play a critical role in fostering innovation. The HR function is uniquely positioned to support innovation by attracting and retaining top talent, developing a culture of creativity and risk-taking, and providing the necessary resources and support to enable innovation to flourish. Organizational innovation holds a plethora of benefits, enhancing performance, competitiveness, and adaptability. Research suggests various advantages (Rupietta, et al. 2021). Firstly, it fosters enhanced employee optimism, instilling confidence in long-term organizational change. Secondly, it improves the technological innovation process, boosting efficiency. Thirdly, it bolsters knowledge management capacity, especially with big data capabilities, fostering both incremental and radical innovation. Additionally, it cultivates an inclusive climate, leveraging diversity and knowledge for further innovation. Lastly, it strengthens entrepreneurial passion, aiding in the exploitation of opportunities for innovation. These benefits highlight the pivotal role of organizational innovation in driving growth, competitiveness, and sustainability in today's ever-evolving business landscape (Xie, et al.2021) (Li, et al. 2022) (Makino 2022).

Research indicates that several factors are integral to the role of HR in nurturing organizational innovation. Collaboration emerges as a pivotal factor, with a collaborative climate fostering innovation across the organization (Ali, et al. 2022). Additionally, the efficacy of HR technology systems plays a crucial role, with HR technology champions and an innovation-friendly HR climate enhancing the attainment of HR goals (Kim, et al.2020). Collaborative HR ecosystems involving various stakeholders can significantly contribute to innovation cultivation. Moreover, apprenticeship programs are identified as moderators, influencing the impact of organizational innovation on the technological innovation process. These findings underscore the multifaceted nature of HR's involvement in driving innovation within organizations (Kostopoulos, et al. 2021) (Khouri, et al.2024).

The role of HR in fostering organizational innovation is critical in today's rapidly changing business environment. However, there are several challenges that HR professionals face in this role. Limited attention has been given to the specific implications of HR practices in fostering innovation in small and medium-sized enterprises (SMEs), which represent a critical gap considering the unique challenges faced by SMEs in managing their human resources (Ali, et al. 2022). Collaboration is a potentially important factor in the relationship between HR practices and innovation, and establishing a collaborative climate across the whole organization can foster innovation (Kaur, et al. 2023). Collaborative HR ecosystems involving government, business, academia, and practitioners can contribute to the cultivation of innovation, but there are challenges and ethical considerations associated with these ecosystems. HR technology

systems can influence the achievement of HR goals and the satisfaction of HR services, but HR professionals must navigate the challenges of mimetic isomorphism and HRT age (Ali, et al. 2022). Finally, effective implementation of HR practices presupposes the establishment of a suitable collaborative climate, but little attention has been paid by researchers to collaboration as a potentially important factor in this relationship between HR practices and innovation[5]. This article aims to explore the challenges of HR's role in fostering organizational innovation and provide insights into potential strategies for overcoming these hurdles.

The Role of HR in Nurturing Organizational Innovation identifies several key research gaps and phenomena that warrant further investigation (Rexy, et al. 2019) (Bessant, et al. 2019) (: Firstly, there's an under-researched area concerning the relationship between human resource development (HRD) and innovation despite its critical importance for organizational competitiveness. Exploring innovative HRD practices could bridge skill gaps and enhance organizational innovation. Secondly, while there's extensive research on innovation in small and medium-sized enterprises (SMEs), there's limited attention to the specific implications of HRM practices in fostering innovation within this sector. Understanding how HRM practices can boost innovation in SMEs is crucial due to their unique challenges. Thirdly, the importance of collaboration as a factor in the relationship between HR practices and innovation hasn't received sufficient attention. Investigating collaboration's mediating role between HR practices and innovation can offer valuable insights into fostering an innovative climate. Fourthly, collaborative HR ecosystems involving government, business, academia, and practitioners are instrumental in advancing innovation, particularly at a national level. Studying their impact on national innovation, global HR standards, and economic competitiveness is vital for shaping future HR practices. Lastly, the impact of New Human Resource Management (NHRM) practices on innovation performance during crises like the COVID-19 pandemic needs exploration. Understanding how NHRM practices influence organizational innovation and innovative work behavior can offer insights into enhancing innovation performance, especially in critical sectors such as education. These identified research gaps emphasize the importance of further exploring how HR practices can effectively nurture organizational innovation across different contexts and circumstances.

This article explores the role of HR in nurturing organizational innovation. We begin by examining the importance of innovation in today's business landscape and the challenges that organizations face in fostering innovation. We then discuss the specific ways in which HR can support innovation, including talent management, culture development, and resource allocation. Finally, we provide practical recommendations for HR professionals looking to enhance their organization's innovation capabilities. This research has significant relevance in expanding our understanding of the relationship between HR management and organizational innovation. The results of this research can provide valuable insights for organizational leaders and HR practitioners in developing innovation-oriented strategies.

This article will consist of five main sections: introduction, methods, results, discussion, and conclusion. The introductory section provides the background, objectives, and significance of the research. The methods section will explain the study design, inclusion and exclusion criteria, search strategy, and literature selection process. The results section will provide an overview of the literature found and the main findings. The discussion section will analyze and interpret the findings and explore the practical and theoretical implications of this research. Finally, the conclusion section will summarize the main findings and provide directions for future research in this area.

Research Methods

This research uses a systematic literature review approach to explore and analyze the role of HR in organizational innovation. This method was chosen because it allowed us to

systematically screen the relevant literature and produce a comprehensive synthesis of the topic under study.

In the literature search process, inclusion and exclusion criteria were established aimed at ensuring that only the most relevant and high-quality literature was included in the review. First, the literature should be directly related to the role of Human Resources (HR) in supporting organizational innovation, thereby ensuring an appropriate focus according to the research objectives. Second, only literature published in reputable scientific journals or academically recognized books is accepted, to ensure that the information used has high credibility and validity. Third, the included literature must be available in English, as this language is the standard of communication in global research. Finally, a publication time span limited to the last 10 years was applied to ensure that the literature used was the most up-to-date and relevant to the latest conditions and trends in the context of organizational innovation. By applying these criteria, the literature review can become more focused and provide a more valuable contribution to the understanding of the role of HR in supporting organizational innovation. Literature that does not meet these criteria will be excluded from the review.

Literature searches were carried out through academic databases such as PubMed, Web of Science, and Scopus. Keywords used include "HRM" (Human Resource Management), "organizational innovation", "HR role in innovation". The search was conducted in November 2023. After conducting the initial search, the title and abstract of each article were checked to ensure compliance with the inclusion criteria. Articles that met these criteria were then selected for thorough reading, and those that were relevant were included in the review.

Results and Discussions

After carrying out the selection process, a total of 50 articles were found that met the inclusion criteria. These articles come from various leading scientific journals in the field of management and other sources. Literature analysis shows that HR has a significant role in supporting organizational innovation. The HR function can influence a culture of innovation in various ways, including employee selection and development, designing reward systems that support innovation, and providing appropriate training to enhance employee creativity and innovative abilities.

Organizational culture

Organizational culture is the foundation that supports the attitudes, values, norms and behavior internalized by organizational members. In the context of innovation, an organizational culture that supports innovation is key in creating an environment that facilitates the emergence and development of new ideas and the implementation of creative solutions to the challenges faced. A culture of innovation strengthens an open attitude towards change, celebrates failure as learning, and empowers employees to contribute creatively to achieving organizational goals. The role of Human Resources (HR) is crucial in ensuring that organizational culture does not just become rhetoric, but also becomes a practice that is realized in daily life at all levels of the organization.

Organizations that are able to instill and encourage a culture that supports innovation will have a higher level of innovation compared to organizations that do not prioritize this aspect. It is based on the understanding that an organizational culture that emphasizes values such as creativity, experimentation, and acceptance of risk will inspire and motivate employees to think beyond existing boundaries, create new solutions, and face challenges in innovative ways. In a culture that supports innovation, mistakes are viewed as opportunities to learn and grow, rather than as a deadly stigma, thereby encouraging productive risk-taking and the exploration of new ideas. Therefore, this hypothesis highlights the importance of an

organizational culture that supports innovation as a foundation for creating a work environment that triggers creativity and progress in achieving organizational goals.

Based on the findings of this study, it is evident that organizational culture, knowledge sharing, and organizational innovation play pivotal roles in enhancing competitive advantage within business operations. Organizational culture processes are particularly influential in driving product and process innovation, particularly in the context of small businesses, thereby contributing significantly to overall economic growth. Additionally, the study underscores the positive impact of organizational culture and marketing innovation on the performance of banks, with marketing performance emerging as a partial mediator in this relationship (Harel, et al. 2020) (Aboramadan, et al. 2019).

Hypothesis 1: Organizations that have a culture that supports innovation, where values, norms, and behaviors that encourage creativity and experimentation are valued and instilled, will demonstrate higher levels of innovation than organizations whose culture does not support innovation.

Recruitment and Selection Process

The employee recruitment and selection process is a crucial initial stage in building work strength that supports innovation in the organization. In this context, the role of Human Resources (HR) is very important in ensuring that this process not only prioritizes concrete job needs, but is also able to identify individuals who have high innovative potential. This involves a careful assessment of your capabilities, creativity and desire to contribute to building a culture of innovation.

There is a positive relationship between the employee recruitment and selection process which prioritizes individuals who have innovative, creative abilities and the desire to contribute to building a culture of innovation with the level of organizational innovation. This is based on the understanding that individuals selected through a selection process that considers innovative aspects tend to have a greater impact on the organization's ability to generate new ideas and implement necessary changes.

By prioritizing the recruitment and selection of employees who have innovative talents, organizations can optimize their workforce to create an environment that facilitates the emergence of new ideas and generates innovation. Therefore, this hypothesis highlights the importance of a careful employee selection process in building a strong foundation for a culture of innovation within the organization.

Based on the findings of this study, consistent with research conducted previously, it is evident that the recruitment and selection process strongly impacts the selection of the right candidate with desired skills, knowledge, and ability, leading to cost effectiveness and organizational growth. Fair, valid, and reliable recruitment and selection processes have been found to improve businesses by aiding decision-making and identifying employee strengths and weaknesses, ultimately contributing to organizational growth. Additionally, effective recruitment and selection processes have a significant influence on workforce quality, overall performance, and employee performance, retention, and overall organizational outcomes (Kumar, et al. 2019) (Swamy, et al, 2023).

Hypothesis 2: There is a positive relationship between the employee recruitment and selection process which prioritizes individuals who have innovative, creative abilities and the desire to contribute to building a culture of innovation with the level of organizational innovation.

Training and development

Employee training and development is an effective strategy in building individual capacity to innovate and contribute to organizational progress. Training programs specifically designed to improve employees' innovative abilities, such as training in problem solving, design

thinking, and collaboration skills, are key in creating an environment that supports innovation within the organization.

Organizations that implement training and development programs that focus on improving employees' innovative abilities will demonstrate higher levels of innovation than organizations that do not. This is based on the understanding that employees who are equipped with the skills and knowledge necessary to generate new ideas and solve problems creatively will be valuable assets for organizations in creating innovation.

By implementing relevant and targeted training programs, organizations can increase employees' ability to think innovatively, collaborate effectively, and produce creative solutions to the challenges they face. Therefore, this hypothesis highlights the importance of investing in the development of employees' innovative skills as a strategy to increase the overall level of organizational innovation.

Based on the findings of this study, it is evident that organizational learning is positively associated with dynamic capabilities, serving as significant predictors of innovation performance within organizations. The engagement in organizational learning activities alongside the cultivation of an innovation culture plays a pivotal role in fostering both product and process innovation, with the moderating influence of innovation culture being particularly significant in this relationship. Moreover, the research highlights the substantial positive effect of organizational learning on the service innovation of public libraries, underscoring the importance of knowledge acquisition and application in driving innovation within this sector (Farzaneh, et al. 2020) (Ghasemzadeh, et al. 2019) (Zhou, et al. 2022).

Hypothesis 3: Organizations that implement training and development programs designed to enhance employees' innovative abilities, including training in problem solving, design thinking, and collaboration skills, will demonstrate higher levels of innovation than organizations that do not.

Rewards and Recognition

A well-designed reward and recognition system is one effective way to encourage and strengthen innovative behavior in an organization. Rewards, bonuses, or promotions for individuals or teams who successfully generate or implement innovative ideas not only provide recognition for their contributions, but also provide a strong incentive to encourage other members of the organization to engage in innovation efforts.

Reward and recognition systems designed to encourage innovative behavior, such as providing awards, bonuses, or promotions to individuals or teams who successfully generate or implement innovative ideas, will contribute to increasing the level of organizational innovation. This is based on the understanding that incentives related to innovation can stimulate employees' intrinsic and extrinsic motivation, thereby increasing their participation in innovative activities.

By implementing the right reward system, organizations can create a culture that supports innovation and encourages employees to think outside existing boundaries. In addition, recognition of innovative contributions can also increase employees' sense of belonging and loyalty to the organization, thereby helping to create a collaborative and productive work environment. Therefore, this hypothesis highlights the importance of designing appropriate reward and recognition systems to reward and encourage innovative behavior as a strategy to increase the overall level of organizational innovation.

Based on the findings of this study, it is evident that perceived rewards play a crucial role in driving radical innovation through the facilitation of knowledge acquisition and sharing processes within organizations. Furthermore, within the context of small and medium-sized enterprises (SMEs), rewards such as internal promotion opportunities and monetary bonuses are identified as significant factors positively influencing innovation performance. Additionally, the research underscores the importance of rewards and recognition mechanisms in fueling a

collaborative culture, energizing team members, and nurturing innovation by enhancing pride, peer recognition, and self-confidence among employees (Thneibat, et al. 2021) (Kankisingi, et al. 2022) (Kuczmarski, et al. 2019).

Hypothesis 4: Reward and recognition systems designed to encourage innovative behavior, such as providing awards, bonuses, or promotions to individuals or teams who successfully generate or implement innovative ideas, will contribute to increasing the level of organizational innovation.

Teamwork and Collaboration

Teamwork and interdepartmental collaboration have an important role in supporting organizational innovation. When individuals from different departments work together, they bring a variety of knowledge, experience, and views that can enrich the innovation process. Human Resources (HR) has the responsibility to promote teamwork and collaboration as part of an organization's innovation strategy.

Organizations that encourage teamwork and interdepartmental collaboration as part of their innovation strategy will demonstrate higher levels of innovation than organizations that encourage less teamwork and collaboration. This is based on the understanding that teamwork and interdepartmental collaboration can create synergy between individuals with different backgrounds, facilitating the exchange of ideas and integration of different knowledge to produce innovative solutions.

By promoting effective teamwork and interdepartmental collaboration, organizations can leverage diverse expertise and perspectives to address complex challenges and identify new opportunities. In addition, strong teamwork can also increase employees' sense of involvement and commitment to organizational goals, thereby creating a work environment that supports and facilitates innovation. Therefore, this hypothesis emphasizes the importance of teamwork and collaboration as factors contributing to an organization's overall level of innovation, as well as emphasizing the role of HR in promoting a collaborative work culture and supporting innovation.

Based on the findings of this study, it is evident that teamwork competence serves as a significant predictor of innovation behaviors, particularly among university students, with the effect being moderated by factors such as teamwork engagement and team building. Additionally, collaborating closely in pairs positively influences collaborative sensemaking within larger team settings, leading to an accelerated rate of perception and understanding of innovative ideas. Furthermore, the research highlights the interconnectedness of organizational culture and teamwork with various aspects such as knowledge management, patient safety culture, knowledge exchange, interprofessional collaboration, and innovation, underscoring the importance of fostering a collaborative and supportive environment within organizations to enhance innovation and knowledge sharing initiatives (Beteta, et al. 2022) (Bellis, et al. 2020) (Huamán, et al. 2023).

Hypothesis 5: Organizations that promote teamwork and interdepartmental collaboration as part of their innovation strategy will demonstrate higher levels of innovation than organizations that encourage less teamwork and collaboration.

Flexibility and Openness Policy

Flexibility and openness policies in organizations have great potential to encourage innovation and creativity among employees. When employees feel that they have the freedom to experiment, take risks, and try new things without fear of punishment or negative judgment, they tend to be more motivated to think beyond existing boundaries and propose new solutions to problems facing the organization.

Organizational policies that support flexibility and openness, which provide space for employees to experiment and take risks without fear of punishment or negative evaluation, will

be positively related to the level of organizational innovation. This is based on the understanding that a work environment that promotes flexibility and openness will allow new ideas to emerge more easily and facilitate the testing and implementation of those ideas. By having policies that support flexibility and openness, organizations can create an atmosphere that supports experimentation and innovation. Employees will feel more comfortable sharing new ideas and trying different approaches to achieving organizational goals. Apart from that, this policy can also reduce tensions and obstacles that may arise in the innovation process, thereby accelerating the pace of organizational progress. Therefore, this hypothesis emphasizes the importance of flexibility and openness policies as factors that have the potential to increase organizational innovation levels, as well as highlighting the important role of HR in creating a work environment that supports and facilitates innovation.

Based on the findings of this study, it is observed that organizational agility contributes to enhanced performance specifically in radical innovation endeavors, whereas flexibility exhibits a positive impact on both radical and incremental innovation performance, particularly within certain situational contexts. Furthermore, organizational flexibility is identified as a partial mediator in the relationship between project portfolio performance and innovation, with environmental dynamism and absorptive capability serving as moderating factors in this relationship. Additionally, flexibility-oriented Human Resource Management (HRM) systems are found to influence intellectual capital within organizations, subsequently mediating the relationship between flexibility-oriented HRM practices and firm innovativeness (Lakshman, et. al. 2020) (Saeed, et al. 2020) (Puriwat, et al. 2021).

Hypothesis 6:Organizational policies that support flexibility and openness, which allow employees to experiment, take risks, and try new things without fear of punishment or negative judgment, will relate to the level of organizational innovation.

Communication and Knowledge Sharing

Open and transparent communication throughout the organization is a key element in supporting the innovation process. When communication takes place effectively between all levels and departments, employees feel more motivated to share their ideas, knowledge and experiences. This creates an environment where new ideas can flourish, and collaboration between individuals and teams can occur naturally.

Open and transparent communication throughout the organization, which facilitates the exchange of ideas and knowledge necessary to produce innovation, will be positively correlated with the level of organizational innovation. In this context, open communication creates channels that allow new ideas and knowledge to flow smoothly among organizational members. By having effective communication channels, organizations can accelerate the innovation process by facilitating the productive exchange of ideas and creative collaboration. Employees feel more motivated to participate in the innovation process when they feel supported to share their ideas without fear of criticism or unnecessary obstacles. Therefore, this hypothesis emphasizes the importance of open and transparent communication as a factor contributing to the overall level of organizational innovation, as well as emphasizing the role of HR in facilitating a supportive work environment and promoting effective communication among all members of the organization.

Based on the findings of this study, it is evident that tacit knowledge sharing, knowledge reciprocity, relational social capital, and cognitive social capital play crucial roles in enhancing innovation capability within organizations. Furthermore, outbound knowledge sharing, individual creativity, and absorptive capacity are identified as factors that can significantly improve organizational innovation performance. Additionally, knowledge-sharing strategies implemented in distributed collaborative product development processes are found to enhance innovation across all stages of product development. An encouraging management culture is highlighted as key for facilitating transparent knowledge transfer across

cross-functional teams, thereby fostering innovation throughout the product development lifecycle (Ganguly, et al. 2019) (Zhao, et al. 2020) (Mathrani, et al. 2020).

Hypothesis 7: Open and transparent communication throughout the organization, which facilitates the exchange of ideas and knowledge necessary to produce innovation, will be positively correlated with the level of organizational innovation.

Leaders who Drive Innovation

Leaders who encourage innovation play a key role in establishing an organizational culture that supports and facilitates the innovation process. They not only lead by example in supporting innovation, but are also responsible for creating an environment where new ideas are pioneered, valued and implemented. Leaders who are effective at leading innovation not only demonstrate their support and commitment to innovation, but also provide the resources and support necessary to make it happen.

Organizations led by leaders who encourage innovation, who demonstrate support and commitment to innovation and provide the necessary resources and support, will demonstrate higher levels of innovation than organizations that do not have strong leadership support in this regard. It is based on the understanding that leaders who are active in supporting innovation will create a culture where new ideas are encouraged, creativity is rewarded, and risks are taken as part of the innovation process. By having leaders who encourage innovation, organizations can stimulate employee motivation and involvement in the innovation process. Leaders who take a proactive role in facilitating innovation can also create a work environment that is open to experimentation and learning, thereby accelerating the rate of organizational progress. Therefore, this hypothesis emphasizes the importance of having leaders who support innovation in creating a work environment that is conducive to innovation, as well as emphasizing the key role of leaders in establishing an organizational culture that supports innovation as a whole.

Based on the findings of this study, it is evident that leaders play a pivotal role in encouraging innovation within organizations. This can be achieved through various strategies such as developing the right group norms, designing strategic teams, managing interactions effectively, demonstrating support as a leader, and utilizing performance management practices effectively. Furthermore, entrepreneurial leadership exhibited by CEOs is identified as a significant driver for fostering employees' innovative behavior. This influence is mediated by mechanisms such as creative self-efficacy and passion for inventing among employees. Additionally, entrepreneurial orientation, organizational commitment, and transformational leadership are found to have positive impacts on innovation performance within Small and Medium-sized Enterprises (SMEs), highlighting the importance of leadership styles and organizational values in driving innovation initiatives (Iqbal, et al. 2021) (Bagheri, et al. 2020) (Kremer, et al. 2019).

Hypothesis 8: Organizations led by leaders who encourage innovation, who demonstrate support and commitment to innovation and provide the necessary resources and support, will demonstrate higher levels of innovation than organizations that do not have strong leadership support in this regard.

The results of the literature review show consistency in highlighting the important role of HR in forming an innovation culture in organizations. These findings are consistent with related theories and provide strong empirical evidence to support the role of HR in driving organizational innovation.

The implications of this research are very significant for HR practitioners and organizational leaders in several aspects. First, this research highlights the importance of integrating HR functions into organizational innovation strategies. This means that HR must be seen as a strategic partner in developing and implementing innovative initiatives. HR

practitioners need to be actively involved in the innovation process, from designing employee selection processes to developing training programs that support creativity and collaboration.

Apart from that, this research also emphasizes the need for innovation-oriented HR policies and practices. This includes developing policies that support flexibility, openness and teamwork across the organization. HR practitioners need to identify and adopt best practices in promoting a culture of innovation, such as using reward systems that encourage innovative behavior and creating open and transparent communication channels.

By integrating HR functions into an organization's innovation strategy and adopting innovation-oriented HR policies and practices, organizations can create a work environment that supports creativity, collaboration and experimentation. This will help the organization to become more responsive to market and technological changes, and improve its ability to produce innovative solutions that can differentiate it from competitors. Therefore, the implications of this research underscore the importance of the strategic role of HR in driving organizational innovation and emphasize the need for transformation of HR policies and practices to facilitate the achievement of organizational innovative goals.

The main limitation of this study lies in the range of literature selected. Although careful efforts have been made to select the most relevant and high-quality articles, it is still possible that some important literature was not accessed or identified during the search process. These limitations may affect the overall representation of the knowledge available in the literature regarding the research topic. These overlooked or inaccessible articles may have significant contributions to the understanding of the relationship between HR functions and organizational innovation. Therefore, the overall picture of these relationships may not fully reflect the diversity and complexity of the existing literature. In addition, limitations in the reach of the literature may also affect the generalizability of the findings of this study. By not considering all relevant literature, there is a risk that the findings obtained may not be fully representative of all organizational contexts or may not be widely applicable across industries or organizational cultures.

Therefore, it is important to acknowledge that limitations in the scope of the literature are an inherent part of this research. Nevertheless, this research still provides valuable insights into the role of HR in supporting organizational innovation, despite these limitations.

Research Framework

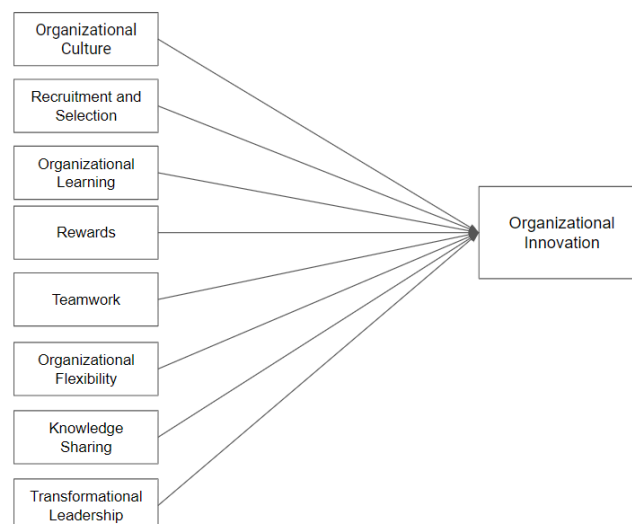


Figure 1. The Role of HR in Nurturing Organizational Innovation

Hypothesis:

1. An innovative culture increases the level of organizational innovation.
2. Recruitment and selection processes that emphasize employee innovative and creative abilities will be positively related to the level of organizational innovation.
3. Innovative training programs such as problem solving, design thinking, and collaboration will increase the level of organizational innovation.
4. Innovative reward systems such as awards, bonuses, or promotions for innovative ideas will increase the level of organizational innovation.
5. Promotion of teamwork and collaboration will increase the level of organizational innovation.
6. Organizational policies that support flexibility and openness will increase the level of organizational innovation.
7. Open and transparent communication will be positively related to the level of organizational innovation.
8. Organizations with leadership that supports innovation will have higher levels of innovation.

Conclusion

In its conclusion, this research highlights the key role of Human Resources (HR) in supporting organizational innovation. By considering factors such as an organizational culture that supports innovation, a recruitment and selection process that prioritizes innovative individuals, as well as the implementation of innovation-oriented HR policies and practices, this research shows that HR has great potential to be a catalyst in driving progress and positive change within the organization. The implications of this research emphasize the importance of integrating HR functions into organizational innovation strategies and adopting HR policies and practices that support creativity, collaboration and experimentation. Although this study faces limitations in the range of literature selected, its findings provide valuable insights for HR practitioners and organizational leaders in strengthening the innovative capacity of their organizations. Thus, this research provides a solid foundation for the next steps in promoting a culture of innovation in various types of organizations, which in turn can increase the competitiveness and survival of organizations in an era full of challenges and change.

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