

Supporting Organisation-wide Innovation Through Effective Learning and Development Practices

Many companies want to establish a culture of innovation, one that will encourage flexibility, creativity and support risk-taking. The benefit? Breakthrough products, superior customer experience and an agile response to market challenges. Innovation has been identified by many business leaders as the single most important predictor of future growth. Research indicates that over 90% of executives believe the long-term success of their organisation's strategy depends on their ability to develop new ideas.¹ Yet many companies struggle to achieve innovation-led growth.²

Why it's important for HR functions to support and drive innovation

HR is uniquely placed to enhance or hinder innovative behaviour and practices within the organisation. The most effective innovation strategies focus on people and talent management practices. Talent management encompasses the practices and processes companies have in place to manage their most important assets - their people. And this includes the area of learning and development.



Our global research

In November 2016, PageUp, in partnership with Alexander Mann Solutions, launched the inaugural Global HR Innovation Survey. The survey asked business and HR professionals to rate how well their organisation, and HR, supported a culture of innovation, and to assess the maturity of their current talent management practices. Using the 322 responses, we determined:

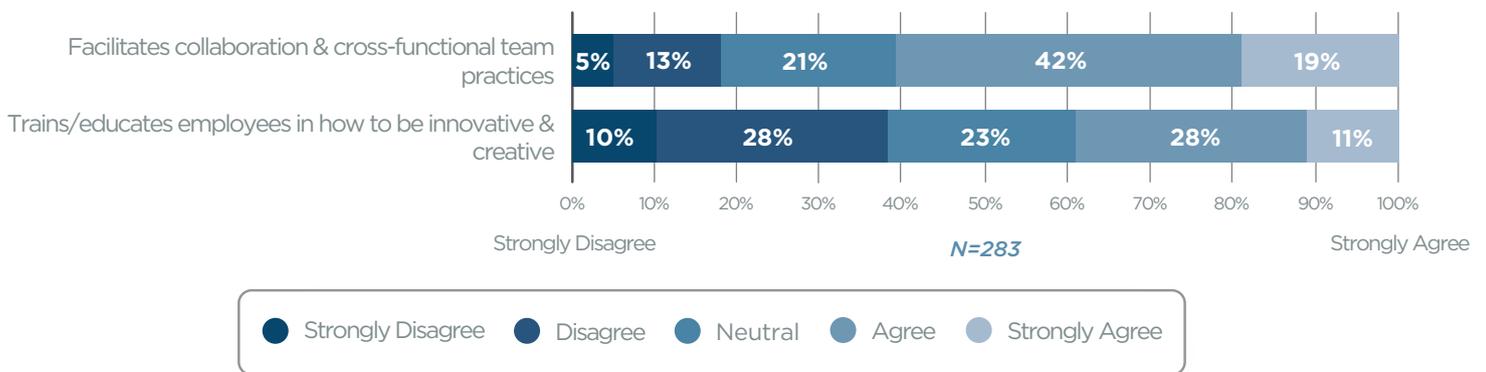
- Where companies are placed on their journey to create a culture of innovation.
- The effectiveness of current talent management practices in driving and supporting innovation.
- How prepared HR is to meet the future talent needs of the business.

HR has a role to play in driving innovation... but is not delivering

There is an increasing awareness that innovation is crucial for both short-term competitive advantage and long-term survival. Our research found that 64% of respondents believe driving innovation is a priority for their organisation in the next 12 months, but HR is more confident (80%) than its non-HR peers (67%) that it has a role to play in driving organisation-wide innovation.

The challenge for HR is to shift the perception of its value proposition. The wider business and HR agree, that HR and the learning and development function within it, have a role to play in driving enterprise-wide innovation – but they are not quite there yet. Focus and determination are required to ensure HR delivers the strategic value it inherently holds. But where are the gaps? We looked at respondents’ evaluation of how their organisation currently supports innovation and compared it to the maturity of their underlying learning and development practices.

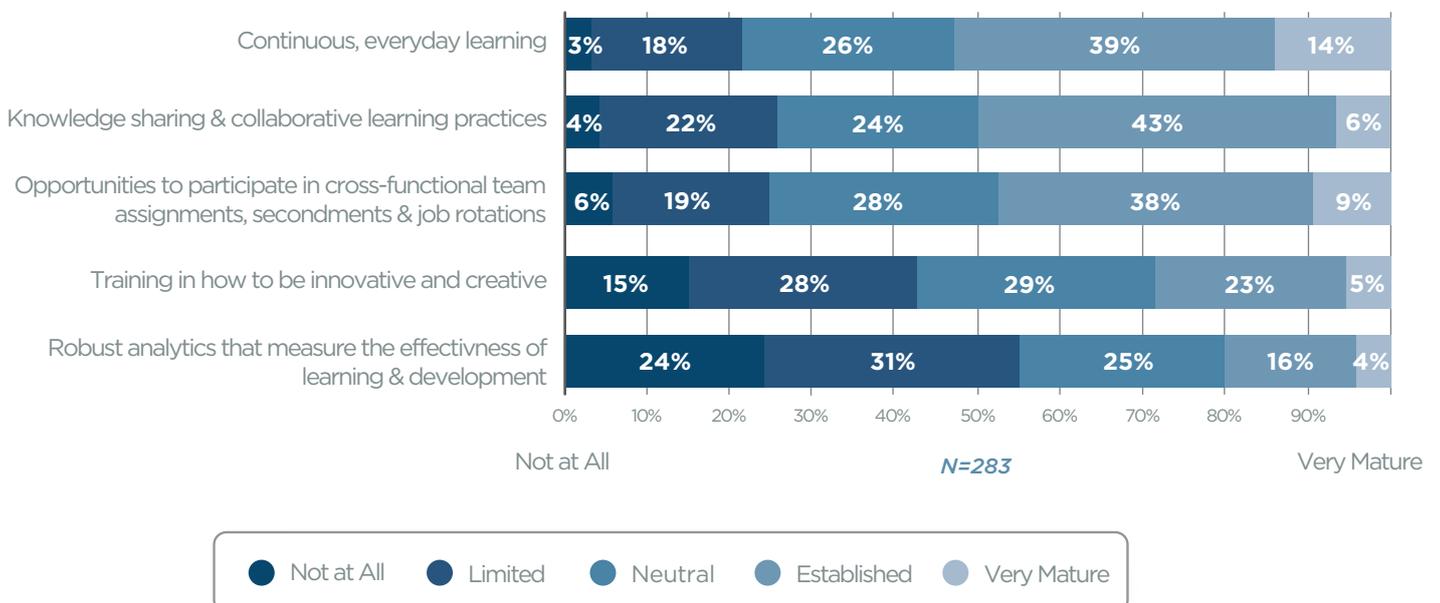
Figure 1: Respondents’ evaluation of how their company supports innovation



Learning & Development - Building innovation capability

- A sustainable culture of innovation has everyone innovating. Company-wide capability requires training in innovative thinking, processes and frameworks. This area highlights HR’s biggest shortfall - only 28% of companies have established practices in place.
- Knowledge sharing and collaborative work practices were well established for half the respondents. The proportion of companies who support a cross-functional approach (61%) was greater than those with established learning and development practices. HR has the opportunity to make a greater contribution to ‘everyone innovating’ through a focus on ‘everyone learning’.

Figure 2: How respondents rated the maturity of their learning practices



Yes, we can teach innovation

Innovation is a way of thinking. Contrary to popular belief, although some individuals are naturally innovative thinkers, it is a skill-set that can be taught. Likewise, research has shown creativity can be boosted through training utilising neuroscience techniques.³ Governments and industry bodies, recognising the imperative economic need for innovation, have created development guides to help organisations foster innovation skills in the workplace.⁴

Innovation can be incremental or breakthrough. Equipping employees with the skill-set to do both is important in building innovation capability within the organisation. A variety of learning strategies can foster the development of innovation – on-the-job, collaborative and formal. Yet, this is the area in which the majority of organisations have failed to focus their effort. In fact, only 39% educate employees in how to be innovative or creative (Figure 1), and only 28% have established or mature practices to specifically equip their employees with innovation and creativity skills (Figure 2).

C'mon HR, it's time to embrace collaboration

Our results indicate 61% of organisations facilitate collaboration and cross-functional teams to support innovation (Figure 1) yet less than half had established or mature HR practices underpinning this (Figure 2). Organic or spontaneous creation of collaborative work groups is important in driving innovation. This approach, however, may be limited to discrete functions, levels or teams. This constrains or traps innovation to pockets within the business. Imagine how powerful enterprise-wide innovation could be, and the benefits driven by a structured approach to developing innovative behaviour and diversity of thought, through cross-functional team assignments, secondments and job rotations.

Research has shown that job rotation is rated as the most effective learning method to foster innovation by L&D.⁵ The reason? It drives collaboration and knowledge sharing with insights gained from employees, customers, suppliers and competitors.⁵ Mentoring has also been identified as necessary for innovation.⁴ The ability to work within other divisions of the business increases exposure to mentors and peers. Collaboration should not be limited to internal networks either. To create a sustainable culture of innovation, collaboration with external networks, suppliers and partners is needed.

HR's role in creating a learning culture that supports innovation.

- Facilitate the exchange of ideas and knowledge sharing to promote innovation by creating opportunities to participate in cross-functional team assignments, secondments and job rotations.
- Provide education in innovation and creativity. Starting with onboarding, teach employees how to generate both incremental and breakthrough ideas. Use a variety of learning strategies - on-the-job, collaborative and formal.
- Teach employees how to develop and prioritise innovative ideas, quickly seek and incorporate feedback in an iterative manner, and produce better outcomes for customers.
- Create a culture of curiosity, creativity and innovation through continuous everyday learning supported by social and collaborative knowledge sharing.
- Coach leaders and employees to overcome unconscious bias or established habits that may stifle innovation.
- Develop managers and leaders to create space and time to promote idea sharing in teams.
- Use robust analytics to measure the effectiveness of learning and development initiatives in driving company-wide innovation and creativity.

For more detailed findings and discussion of the survey results that the data and insights in this document are derived from, head to our PageUp [Resource Hub](#) and download our whitepaper, [DRIVING A CULTURE OF INNOVATION: Insights from PageUp's Global HR Innovation Study](#). In this report, we explore the challenges organisations are facing in establishing a culture of innovation and the current effectiveness of HR in driving enterprise-wide innovation. We discuss the shortfalls and provide practical advice for how HR can close the gaps across not just in learning and development, but also performance management, recruitment, and succession planning.



Interested to explore how PageUp can help you drive a culture of innovation at your organisation, through effective learning and development practices?

Chat with us now.

References

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Rebecca is the Head of Customer Insights & Market Research at PageUp and is responsible for research into customer and market insights. She has nearly 20 years of experience delivering product, thematic and strategic human capital management research and thought leadership. With a diverse background covering academia, strategic consulting and equity investment, she holds a Bachelor of Science with Honours, Master of Science, Master of Commerce (Management) and a financial industry qualification (CFA).