An Investigation on the Relationship Between Human Resources Strategies Towards Employee Innovation

Ahmad Nizam Mohd Yusof
Universiti Teknologi MARA, Puncak Alam, Malaysia
Siti Noraini Mohd Tobi
Universiti Teknologi MARA, Puncak Alam, Malaysia

Abstract

To present a comprehensive literature review of the relationship between human resources strategies towards employee innovation. For this research the main objective is to identify which factor of human resource strategies effect the employee innovation and also evaluate the employee performance towards employee innovation, A structure study has been made to understand the situation . Through the investigation been made in the organization the researcher will determine the main factor of strategies in the human resource towards employee innovation, Most of the feedback perceived that the employee innovation is important in the organization. By having the innovate employee the organization can be more effective and efficient in carrying their vision and mission. Also the innovation is new ways of achieving the successful of the organization. Thus, this study is to investigate and help organization to face the challenge in the borderless and competitive environment.
Key words: Job

1. Introduction

In today's complex and competitive job market, there are many factors that contribute to the employee's decision to remain with their current organization occupation. The economic climate, job satisfaction, managers, organization culture, and occupational commitment are the most famous factor that may impact employee's decision to stay or to leave (Griffeth, Hom & Gaertner, 2000; Maertz & Campion, 1998). But somehow, this study is more focus towards the human resource strategic towards employee's innovation. In modern day of human resource management practices, there is a need to align organizational goals with that of the human resource strategy to ensure that there is alignment of the people policies with that of the management objectives. This means that the HR department can no longer be viewed as an appendage of the firm but instead is a vital organ in ensuring organizational success. The aims of strategic management are to provide the organization with a sense of direction and a feeling of purpose. The day when the human resource manager was concerned with administrative duties is over and the current human resource management practices in many industries are taken as seriously as say, the marketing and production functions. The practice of human resource

management must be viewed through the prism of overall strategic goals for the organization instead of a standalone tint that takes a unit based or a micro approach. The idea here is to adopt a holistic perspective towards human resource management that ensures that there are no piecemeal strategies and the human resource management policy enmeshes itself fully with those of the organizational goals. For instance, if the training needs of the employees are simply met with perfunctory trainings on omnibus topics, the firm stands to lose not only from the time that the employees spend in training but also a loss of direction. Hence, the organization that takes its human resource management policies seriously will ensure that training is based on focused and topical methods.

In conclusion, the practice of human resource management needs to be integrated with the overall strategy to ensure effective use of people and provide better returns to the organizations in terms of ROI (Return on Investment) for every rupee or dollar spent on them. Unless the human resource management practice is designed in this way, the firms stand to lose from not utilizing people fully. And this does not bode well for the success of the organization

2. Literature Review

This study is to determine the relationship between human resources strategic towards employee's innovation. For this research, a review about the variables that including four types of human resource strategic which is recruiting, performance, training and together with benefits and compensation.

2.1. Recruitment

Recruitment refers to the process of attracting, screening and selecting qualified people for a position within an organization. Recruitment is an important management activity in securing an effective workforce. Good recruitment is about finding the right person for the job and has implications for business performance, image with customers and industry, staffing levels and profitability. Employee recruitment and employee innovation has emerged as one of the primary challenges facing employers today.

The goal of innovation is positive change, to make someone or something better. Innovation leading to increased productivity is the fundamental source of increasing wealth in an economy. It is very clear by now that sustained economic stability is extremely difficult to achieve. More so than ever before, employers need to develop and implement effective human resource strategies to find and keep the employees they need to compete in the global marketplace. Based on various theoretical and practical perspectives, it would be unrealistic to expect particular recruitment strategies to be superior to all others, regardless of contextual influences.

2.2. Training

According to Elippo, training is the act of increasing the knowledge and skill of an employer for doing a particular job. On the other hand, according to Dale Yoder, training is the process by which man power is filled for the particular jobs it is to perform. And, Beach had stated that training is the organized procedure by which people learn knowledge and skills for definite purpose.

Training is a learning process that involves the acquisition of knowledge, sharpening of skills, concepts, rules, or changing of attitudes and behaviors to enhance the performance of employees. Training is activity leading to skilled behavior. It's not what you want in life, but it is about to know how to reach it. It's not where you want to go, but it is how to get there and It is not how high you want to rise, but it is how to take off. Actually, training is about knowing where you stand, no matter how good or bad the current situation looks at that particular time and where you will be after the same point of time. Furthermore, training is about the acquisition of knowledge, skills, and abilities through professional development (Katerina K. Sarri, Ioannis L. Bakouros, Eugenia Petridou, 2010).

2.3. Benefits and Compensations

Compensation is the employer's feedback for an employee's work. It simply is the monetary value you would give to your four employees in return of their services. Employee benefits as a whole have no direct affect on employee performance, however, inadequate benefits do contribute to low

satisfaction level and increase absenteeism and turnover in employees (DeCenzo and Robbins; 2007). In order to give benefits for the employees, The University has implemented a new pay and grading structure that applies to all staff based on the application of Institution wide job evaluation in support of equal pay for work of equal value. This provides a solid foundation for the development of new reward, recognition and progression policies. The development of these structures was in support of the implementation of the national Framework Agreement. National grading structures no longer exist, with individual institutions having developed their own grading structures in support of their strategic objectives. This is for ensuring pay competitiveness within a limited pay budget, is likely to be increasingly challenging over the period of this strategy. By ensuring transparency, fairness and equality of opportunity across the Institution in the application of reward and recognition policies requires the development of our leadership and management capability, mainstreaming our Equality and Diversity Strategy within reward and progression policies and regular audit through equal pay reviews.

3. Methodology

The purpose of this chapter is to give detailed descriptions of the steps that were taken to perform the research project. This includes the research design, sampling frame, population, sampling technique, sample size, unit of analysis, data collection procedure, instrument, validity of instrument, and plan for data analysis.

3.1. Research Design

This research will investigate the relationship between human resource strategic and employee's innovation. Research design is a plan aimed to guide the researcher in the choice of methods and procedures for gathering analyzing and interpreting data. Research design is a methods and structures of an investigation chosen by the researchers to conduct data collection and analysis (Salkind, 2009). The research design for this study is non-experimental research, which is the descriptive research design. According to Salkind (2009), Descriptive research, also known as statistical research, describes data and characteristics about the population or phenomenon being studied. In this study, the researchers will depict and describe in concise the leadership style that influence employees' job satisfaction.

3.2. Population

According to Salkind (2009), a population is a group of individuals that comprise the same characteristics a group of potential participants to whom the researcher wants to generalize the result of the study to the entire group of people, events or things of interest that the researcher wishes to investigate. The population of this research is the staff from several organizations which are from the government and also private sector. The total number of these populations is 100 respondents. Since the number of population is unknown, probability sampling method is considered for this research.

3.3. Sampling Technique

The targeted population for this study is staff in several organizations located in Hulu Selangor. Therefore, the nature of our sampling is probability sampling. Probability sampling is the type of sampling used when the likelihood of selecting any one member of the population is known. Hence, this research is focuses on stratified random sampling technique in order to complete the data collection. The reason of using this stratified random technique is simply because the population is heterogeneous and contains several different groups, and some of them are related to this topic of study.

3.4. Sample Size

A study of a sample rather than the entire population was sometimes likely to produces more reliable result (Sekaran, 2007). The factors affecting decisions on sample size are the extent of precision desired the acceptable risk in predicting that level of precision, the amount of variability in the population itself, the cost and times constraints, and size of the population itself. In descriptive

studies, it is sufficient to obtain 10% of the population or a minimum of 30 participants (Salkind, 2003). According to Sekaran (2007), the minimum number of sample size is 30 and less than 500 was appropriate for most research. Therefore, the sample size for this study is 100 respondents and they are automatically selected for data collection. Instrument used in this research is questionnaires. The questionnaires will be given to 100 staff of those organizations.

4. Findings & Conclusion

This study developed by two research objectives and two research questions. First objective is to identify which part of Human Resource strategy does effect the employee innovation. Second objective is to evaluate the employee performance towards employee innovation. As for the research questions that had formulated in the style to facilitate the answering of the objective that related to the Human Resource strategies towards employee's innovation are first, what kind of Human Resource strategy that had been implemented to enhance the employee innovation and second, how to evaluate the employee performance towards employee innovation.

As for the correlation between innovation and recruiting, training and innovation and also together with the benefits and compensation and innovation, we found out that there must be a positive relationship would exist between two variables. Besides that, for the Independent Sample Test, there is no significant in recruiting, training and benefits and compensation between government and private sector because the P value is more than .05. By looking at the scatterdot, we had discovered that the relationship between recruiting and innovation are the most linear relationship among the other human resource strategy. Here, we can conclude that recruiting is the most important tools to encouraged and enhanced innovation in employee's innovation. So, we would like to suggest that each organization either government or private company should really understand what is innovation and they should have an alternatives way on how to make their organization become more innovative by having the recruiting human resource strategy.

References

Adams, B. S. Hospital Nurses Job Satisfaction, Individual and Organizational Characteristics. *Journal of Advance Nursing*, 2000. Pp. 536-543.

Corporate Leadership Council. Linking Employee Satisfaction with Productivity, Performance and Customer Satisfaction. *Corporate Executive Board*, 2003.

Crampton, S. M., & Hodge, J. W. Rudeness and Incivility in the Workplace. *Journal of Leadership, Accountability and Ethics*, 2008.

Creamer, et al. *Job Satisfaction of Community College Chairpersons*. Jutta Green: Virginia Polytechnic Institute and State University, 2000.

Eric, S. W. et. al. Understanding Physicians' Intentions to Withdraw from Practice: The Role of Job Satisfaction, Job Stress, Mental and Physical Health. Elsevier Science Ltd: *Journal of Health Care Management*, 2001, No. 2, pp. 243-262.

European Commission. *Guidance of Work-Related Stress: Spice of Life or Kiss of Death?* Luxembourg: Office for Official Publications of the European Communities, 2000.

Faragher, E. B., Cass, M., & Cooper, C. L. *The Relationship Between Job Satisfaction and Health: A Meta-Analysis*. UK: Health and Safety Executive, 2005.

Fischer, J. A. V., & Sousa-Poza, A. Does Job Satisfaction Improve the Health of Workers? New Evidence Using Panel Data and Objective Measures of Health. Bonn: *The Institute for the Study of Labor*, 2007, No. 3256.

Flap, H., & Volker, B. Goal Specific Social Capital and Job Satisfaction Effects of Different Types of Networks on Instrumental and Social Aspects of Work. *Journal of Social Networks*, 2001, No. 23, pp. 297-320.

Harmer, R. J., & Findlay, B. M. *The Effect of Workplace Relationships on Employee Job Satisfaction for 25 to 35 year olds*. Victoria: Australian Catholic University National, 2007.

Heaney, C. A., Israel, B. A., & House, J. S. Chronic Job Insecurity among Automobile Workers: Effects on Job Satisfaction and Health. *Elsevier Science Ltd*, 1994, No. 38, pp. 1431-1437.

Ilmarinen, J. *Aging workers*. Occupation Environment Media, 2001, pp. 546–552.

Kellogg, K. When Less Is More: Exploring the Relationship between Employee Workload and Innovation. Potential Center for Gender in Organizations, 2002, pp. 1-4.

Kurtus, R. *Strategies for Staying Healthy*. Retrieved October 14, 2010 from http://www.schoolforchampions.com /health/whatis.htm.

Masror, A. M., & Fakir, M. J. Level of Job Satisfaction and Intent to Leave among Malaysian Nurses. *Business Intelligence Journal*, 2009.

Melamed, S., & Fried, Y. The Interactive Effect of Chronic Exposure to Noise and Job Complexity on Changes in Blood Pressure and Job Satisfaction: A Longitudinal Study of Industrial Employees. Educational Publishing Foundation: *Journal of Occupational Health Psychology*, 2001, No. 6 (3), pp. 182-195.

Mojoyinola, J. K. Effects of Job Stress on Health, Personal and Work Behavior of Nurses in Public Hospitals in Ibadan Metropolis, Nigeria. *Journal of Ethno-Medicine*, 2008, No. 2, pp. 143-148.

Nobile, J. J. D., & McCormick, J. *Job Satisfaction and Occupational Stress in Catholic Primary Schools*. Sydney: A paper presented at the Annual Conference of the Australian Association for Research in Education, 2005.

Orisatoki, R. O., & Oguntibeju, O. O. Job Satisfaction among Selected Workers in St Lucia, West Indies. *Journal of Scientific Research and Essays*, 2010, No. 5, pp. 1436-1441.

Patrick, D. L., & Erickson, P. Health Status and Health Policy: Quality of Life in Health Care Evaluation and Resource Allocation. New York: Oxford University Press, 1993.

Paul, E. S. Job Satisfaction: Application, Assessment, Cause and Consequences. *Thousand Oaks, Calif: Sage Publications,* 2001, 57.

Rehman, H. *Occupational Stress and a Functional Area of an Organization*. Pakistan: Foundation University Islamabad, 2008.

Rout, U., Cooper, C. L., & Rout, A. J. K. Job Stress among British General Practitioners: Predictors of Job Dissatisfaction and Mental Ill-Health. *Journal of Stress Medicine*, 1996, No.12, pp.155-166.

Sappich, B. & Gaber, W. Correlation between Job Satisfaction and a Company Measure to Improve Health at Fraport AG. Fraport: Frankfurt Airport Services Worldwide, 2002.

Schyns, B., & Croon, M. A. A Model of Task Demands, Social Structure, and Leader-Member Exchange and Their Relationship to Job Satisfaction. *International Journal of Human Resource Management*, 2006, No. 17, pp. 602-615.

Stroul, B. A. Models of Community Support Services: Approaches to Helping Persons with Long-Term Mental Illness. Boston: Center for Psychiatric Rehabilitation, 1986.

Torge´n, M., & Kilbom, A. Physical Work Load Between 1970 and 1993 - Did It Change? *Journal Work Environment Health*, 2000, pp. 161-168.

Vendramin, P. et al. *Flexible Work Practices and Communication Technologies*. Brussels: Final Report to the European Commission, 2000.

Watson, D., & Pennebaker, J. W. Health Complaints, Stress and Distress: Exploring the Central Role of Negative Affectivity. *Psychological Review,* 1989, No. 96(2), pp. 234-254.

World Health Organization. WHOQOL Measuring Quality of Life: Introducing the WHOQOL Instruments. Retrieved October 14, 2009 from, http//www.who.int/msa/mnh/mhp/ql.htm.