

Human Resource Management Approach towards Employee's Creativity

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ABSTRACT: Creativity research has a long history in determining the use of potential capabilities of employees by way of developing intellectual capabilities, providing positive organizational environment, involving them in challenging tasks and diversity in work culture and human resource within the companies. Most researches on creativity focussed on individual characteristics and behaviour rather than examining how the organization HRM practices have specific impact to accomplish creativity of employees in an organization. This paper presents a conceptual framework for the influence of Human Resource Management practices on employee's creativity. This is an empirical research on creativity which extracts the selective HRM practices which influence creativity typology in an organization. The researcher has reviewed the factors of HRM practices like Recruitment, Training, Performance, Participation etc. having impact on creativity. There is a need of systematic study of these specific practices on creativity on a same platform. Likewise the study of creativity have been limited mostly to the skills and abilities, on the other hand there is a need to systematize the creativity of employees by dividing it into two major domains: Employee Creative Behaviour and Organization Creative Climate. This broadens our concept on HRM practices and employee creativity and determining the factors which fosters creativity in organization.

Keywords : Creativity, HRM Practices, Creative Behaviour, Organization creative climate.

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I. INTRODUCTION :

From the era of Industrial revolution which brings maximum output and minimum cost, we have entered into an era of automation and mechanisation. Business environment is dynamic and changing rapidly. For the survival and long term sustainability of an organization, employee's creativity is vital. "Creativity is the production of novel and potentially useful ideas for solving problems, and for developing new products, services, processes, systems, work methods, etc." (e.g. Amabile, 1988)

Because creative performance of employees depends on individual characteristics such as personality traits (e.g. openness to experience), cognitive style, and creativity relevant skills, practices for enhancing employee's creativity have traditionally focused on recruitment and selection of creative talents, and on creativity training of the workforce (Scott et al., 2004).

Creativity is important to organization not only to become more responsive and efficient but also to develop competence and professionalism in the employees. It is the requirement of every corporate sector to realize the potential creativity of employees so that they will be more enthusiastic and devoted towards their work and organization. Among the corporate, IT companies are doing maximum and are in need of creative employees who explore the future opportunities in the sector. So there is a great challenge for Human Resource Managers to promote Employee's creativity which leads to Organization Innovation.

Creative capital is company's most important asset which could be converted into valuable products and services. Foundation of knowledge, mastering a way of thinking and learning a discipline provide a base for creativity. Creativity can be learned through exploring, experimenting, using imaginations, questioning, assumptions and synthesizing information.

Unleashing creativity will not only increase the likelihood of increased innovations, but will also affect well being of employees, quality of service, and increased benefits of clients receiving those services. "**Innovation** can be seen as a successful implementation of creativity and something that produces economic value, whereas creativity has to do with idea production" (Scott & Bruce, 1994)

II. REVIEW OF LITERATURE :

Creativity research has a long history in determining the use of potential capabilities of employees by way of developing intellectual capabilities, providing positive organizational environment, involving them in challenging tasks and diversity in work culture and human resource within the companies

In conceptual literature on employee's creativity, **Nina Jacob (1998)** in "Creativity in organizations" compares three creative and non creative organizations considering the aspects of organizational creativity like organization culture, top management practices, motivation of employees and creative capabilities of employees. In "Employee's creativity personal and contextual factors at work" **Oldham and Cummings (1996)** examined creativity relevant factors and concluded that participants produce creative work when they work on complex and challenging jobs, open communication and supportive supervision has wide impact on creativity. According to **Teresa M. Amabile (2013)** in "Componential Theory of creativity" suggests the four components that affect creativity - domain relevant skills, creativity relevant processes, social environment and task motivation, as components of vital importance for creative performance of an individual. **Richard Florida and Jim Goodnight (2005)** in their article "Managing for creativity" suggests intellectually challenging work, leaders and managerial support for creative performance and engaging customers as major creative change agents are three principles defined for creativity.

According to empirical literature on employee's creativity **Vishal Gupta in** "Development of a Causal Framework Linking High Performance HRM Practices, Positive Psychological Capital, Creative Behaviors and Performance, develops a multi-level causal framework linking high-performance work practices (HPWP), positive psychological capital, employee creative performance behaviors and creative performance." The paper specially on nature of human resource management practices, specific list of these practices and establish the linkage between HRM practices and employee's creativity. According to **Malcolm Warner** in his book "Whither Chinese HRM? Paradigms, Models and Theories, examined how HRM practices in Chinese regions relate to employee's creativity and organization innovation", findings suggest that HRM practices can be used to improve employee's creativity by selecting candidates with creative capability. Managers use award system and job design to increase employee's creativity but performance appraisal may undermine intrinsic motivation as it is used to determine amount of payment. **Min Basdur** in his work "Managing Creativity : A Japanese Model" which is a comparative research on organization creativity shows that the Employee's creativity do not directly impact economic outcomes but develop the strength of organisation through team coordination, motivation and satisfaction of employees towards their job. In the study of **Sinnappan Santhidran & Thanaseelen Rajasakran** in their work "Work Environment and Employee's Creativity in computer software and hardware companies" states that Work Environment components like organization support, Supervisor Support, Work Group Support, Autonomy, resources and challenging work affect the employee's creativity.

Based on literature survey HRM practices have been selected which increases employee's creative performance. Empirical study on the impact of human resource management practices on creativity provides a theoretical background by listing those practices which influences creativity.

2.1 Recruitment and Selection :

Talented people in the organization are crucial for the development of organization and creating the conditions needed for creativity. This can be achieved through careful recruitment and selection of appropriate candidate. "Recruitment and selection can be used to select employees who are more likely to be creative or who have higher innate creative ability". (Guest, 1997; Shalley & Gilson, 2004).

2.2 Rewards :

Recognition in the form of rewards can be either extrinsic or intrinsic. Increase in pay, shares and bonuses are all the way of extrinsic rewards, on the other hand intrinsic rewards comes from motivation and satisfaction of an individual. According to Lee & Miller (1999), "In order to sustain competitiveness, learning behaviours have to be rewarded, particularly when individual creative performance has been improved."

2.3 Training :

Training is the process of imparting specific skills, abilities and knowledge to employees. It aims at altering the behaviour of employees. It aims at altering behaviour of employee towards the attainment of organization's goals. The theoretical studies establishing the relationship between training and organizational effectiveness researchers have found that "Training should be congruent with firm strategy and work processes in order to achieve organizational effectiveness" (Valle, Martin, Romero & Dolan, 2000).

2.4 Teamwork

“Teamwork can be associated with specific projects, with varying contents and degrees of innovativeness”. (Amabile et al. 1996). Team work facilitates the interpersonal relation between individual and intrapersonal relation with organization, with each individual having different knowledge base, skills, attitudes and behaviour.

2.5 Participation

“Participation forms the core of a HRM system in an organization that enables non-managerial employees to participate in substantive decisions. Empowerment, as a HRM practice, has found strong support in the literature and has been included in the set of high performance practices by various researchers in western context” (Godard, 2001).

2.6 Performance Management

Performance management is required to assess the performance of an individual on the well defined benchmark. Basic characteristic of Performance management is that it is not confined to the past performance alone but also determine the potential of employee for future performance. It reduces employee turnover (Tan & Nasurdin, 2011) enhances employee engagement (Fernandez & Pitts, 2011)) and leads to develop the attitude and behaviour towards the creative thinking

2.7 Job design

It involves the conscious efforts to organize tasks, duties and responsibilities into a unit of work to achieve certain objectives. There are different approaches by which freedom to work, autonomy can be provided to employees. These are Job Rotation, Job Engineering, Job Enlargement, Job Enrichment which influences the socio technical dimension in organization. (K. Ashwathapa, 2010).

III. CONCEPTUAL FRAMEWORK :

First of all we have developed a conceptual framework to study the relation between Human resource management practices and creativity. After undertaking the review of literature of recent studies related to employee's creativity a conceptual model has been developed. (Fig 1.1)

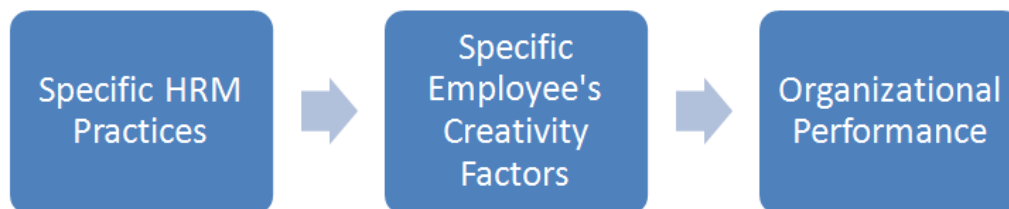


Fig 1.1 Conceptual Framework

IV. OBJECTIVES OF THE STUDY :

The central research objective of this study is to determine the Human Resource Management Practices which affect creativity of employees. Thus broaden the concept of HRM and its sub systems in relation with the Employee's creativity and business performance to contribute to the existing literature.

- To identify the specific HRM practices which impact employee's creativity in organisation.
- To determine the important factors of those specific Human Resource management which significantly impact employee's creativity

V. RESEARCH METHODOLOGY :

The primary purpose of the research is to explore the influence of specific Human Resource Management practices on employee's creativity, where employee's creativity is an outcome of human resource measures taken by organisation. The current research incorporates both qualitative as well as quantitative methods. A systematic literature review was conducted to explore the human resource management practices which are effective in enhancing employee's creativity.

In our Delphi survey eleven experts of human resource specialization from different service industries were interviewed in-depth during this phase. The purpose was to gain the understanding of the concept of creativity and to identify human resource management practices to focus upon with obtaining the finest examples of creativity and innovative practices. The interviews were personally conducted by the researcher, the

duration of which ranged from 35 minutes to 45 minutes. A summary of demographic information about the experts interviewed during the preliminary investigation is presented in Table 1.1 :

S. No.	Managerial Hierarchy	No. of expert	Years of experience in HR field	No. of Experts	Age	No.of Experts
1	Entry Level	3	Less than 1 year	2	<31	4
2	Middle Level	7	1 to 3 year	5	31-45	6
3	Top Level	1	More than 3 years	4	>45	1

Table 1.1 Summary of Demographic Profile of experts

On the basis of expert's opinion it emerged that "Creativity refers to employees' generation of novel and useful ideas concerning products, procedures, and processes at work" and identified specific human resource management practices that according to them form a major focus area for modification and improvements of a majority of organizations in terms of Employee's creativity. Of all the human resource practices impacting Employee's creativity and organizational innovation identified by the literature, three practices came out from Delphi Analysis.

The three HR Practices categories are:

- 1 Employee Participation Performance Management and Rewards
- 3 Team Work & Job Characteristics

The experts panel also provide with the examples of those human resource practices which enhances employee's creativity for each category. Tannenbaum and Dupuree-Bruno (1994) in his study of innovative HR practices had followed the same method. Review of literature resulted into identification of HRM practices influencing employee's creativity & innovation. Delphi technique was then applied to narrow down the three most significant HRM practices.

VI. RESULTS & DISCUSSIONS :

This study shows that human resource management practices enhance employee's creativity. This could help organisations to use its human capital to be creative for product and process innovation. The main contribution of researcher is that it has empirically tested the effect of the Human resource management practices on two dimensions of Employee's creativity- Employee creative behaviour and organization creative climate.

After taking overall feedback from all experts, researcher noted that of the total number of experts, 8 experts from are consensus on the HR practices of which the following perceptions were likely to affect the dimensions of Employee Creative behaviour and organization creative climate: Team work & Job Characteristics, Performance Management & Compensation, Employee's Participation.

According to Delphi survey, the consensus degree (CD) calculated is :

$$CD = NE/N * 100 = 8/11 * 100 = 72.73\%$$

Where N = Total number of experts

NE = Number of experts have same opinion

The goal is to determine the HR practice best suited to foster employee's creativity as spelled out by criteria – Employee creative behaviour and organization creative climate.

VII. CONCLUSION :

This study contributes to existing literature by concluding that practices like Participation, Performance Management, Team work, Rewards and flexible job designs definitely provides a strong edge for organisation to work on its creative climate and utilize the creative potential of employees to get the competitive advantage in dynamic era.

Employer (Organization)

Team work & Job Characteristics:

- This study establishes the impact of Team work & Job characteristics on employee's creativity.
- Teams should consist of representatives from a wide array of specialities so that they can get new ideas and research on creative thoughts.
- Development of culture of coordinated work, which can be enhanced by managerial support, respect, and sharing of knowledge as differentiated features which can favour creative use of team compatibility and sense of work accomplishment.
- Team leaders should be supportive for new and innovative ideas.

Employee's Participation:

- It enhances decision making and thus positively relates to employee's creativity.

- The primary obstacle for an organisation to work on creative parameters is optimum utilization of its resources whether economic or human. Thus the cost-benefit of projects, low financial incentives and huge work load and targets get the accumulation of work for an employee, this excessiveness can be drawn as major drawback. People have valuable ideas, but due to excessive work load these ideas get lost.
- Organisation tries to hide the creative ideas in participative programs asserting for being volunteers from among the employees.
- Participation forms the basics of a HRM system in an organization that make the employees at all level of management to substantially involve in decision making.
- Empowerment, also strengthen HRM practice, has been included in the set of high performance practices which enable employees to work towards the accomplishment of organisation's goals as well as also helps to understand the firm's competitive position.
- Provide autonomy and opportunity to pursue own ideas.

Performance Management & rewards:

- It is a two way practice as performance management fosters creativity and creative individual perform their best in organization.
- Performance assessment should be based on subjective indicators like creativity, risk taking etc.
- Open and relaxed work atmosphere with pleasant work surrounding to improve the quality of employee's life.
- To facilitate the task for innovators, improvement in self-efficacy also leads to enhance creativity of employees and also increases the level of technological capacity, which further improves the performance of employees.
- Performance outcome also contributes towards the development and growth of the organisation and also ensures that these outcomes accelerate the ultimate understanding which drives creativity at work.
- Rewards, promotions and awards should be based on development of creative ideas.

Employees :

Team work & Job characteristics :

- Working in teams facilitates interaction between individuals with different attitudes thus facilitates the combination of such abilities, i.e. intuition with the skills for their realization
- People work on improvements for self sustainment, thus a regular enhancement of capabilities and skills by acknowledging the team characteristics is important to develop creative potential.
- Teamwork provides collaboration and help to other workmates, but it also enhances the dependency of the work employees on each other. Thus it needs a successful implementation of creative ideas developed by team members.
- Team work also enhances learning activities because exchange of experience creates a "creative dividend" in organisation.

Employee's Participation:

- Employee involvement in creative work task fosters employee's creativity in work place by demonstrating work which is original with new ideas and approaches to complex problems and thus it identify opportunities for innovative products/processes, but ideas which are feasible and less risky makes the employee to be engaged creatively.
- Solution boxes in the form of "Idea and Solution Bank" – can be an innovative instrument to propose and share creative ideas and suggestions.
- To the employees, creativity also leads to stable job, motivation with pleasant workplace surrounding which ensures a quality of life for employees.
- Employees should often come with creative solutions for the problems, searches out for new technologies, process, and product ideas.

Performance Management & rewards:

- Among the employees, recognition at work also provides support for individual projects.
- The economic rewards also generates a high level of dependency of the employee on the company, thus the potential human capital stays in organization for a longer time.
- Create self-management cell for the regular assessment of own performance and inculcating new capabilities and skills.

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