

From the Editor

By Karen V. Beaman

In his new book, *Innovation Nation: How America Is Losing Its Innovation Edge, Why It Matters, and What We Can Do to Get It Back*, John Kao defines innovation as “the ability of individuals, companies, and entire nations to continuously create their desired future. Innovation depends on harvesting knowledge from a range of disciplines besides science and technology, among them design, social science, and the arts. And it is exemplified by more than just products; services, experiences, and processes can be innovative as well. The work of entrepreneurs, scientists, and software geeks alike contributes to innovation. It is also about the middlemen who know how to realize value from ideas. Innovation flows from shifts in mind-set that can generate new business models, recognize new opportunities, and weave innovations throughout the fabric of society. It is about new ways of doing and seeing things as much as it is about the breakthrough idea.”

This issue of *IHRIM Journal* is devoted to innovation in HR. Our authors bring us several viewpoints, but all are describing how HR professionals must find new ways of “doing and seeing things” to assist their company’s growth and success.

In our first article, “The New Business Operating Environment” by Brian Sommer, the mantra is change and change rapidly. Business today isn’t the business of just a few years ago. In today’s world, you have no choice but to innovate and adapt. The new business environment is anything but constant. To call it “dynamic” is an understatement. This change velocity is being propelled by widespread global innovation. This wave of creativity is being fueled by hundreds of millions of inventors, engineers, researchers and more. Low cost computers can be found everywhere today. Just 40 years ago, computers were only available in developed Western countries and then only to the very largest firms. Now, anyone with access to a laptop, the Internet, and some programming skill can design new products. The new operating environment will favor people who innovate, are flexible, continuously upgrade their skill set/intellectual assets, and add value well beyond their pay.

In “New Florence, New Renaissance: Using Technology to Dramatically Innovate HR,” author Vinnie Mirchandani tells us that HR needs to look beyond technology to create and foster innovation. Technology vendors are promising next generation technology, but for the most part, they just make your payroll processing and HR administration technically contemporary. Or, they offer some new wrinkles on outsourcing and call it some new, “high-falutin” term like “Total HR Outsourcing.”

Human Resources should look wider – much wider. Take basic technology building blocks and use them creatively. Think outside the traditional recruit/retain/compensate/administer boxes. And, don’t just wait for “cooked meals” from the vendor community. Chaotic times call for unconven-

tional thinking. A new generation of HR solutions is being developed by HR vendors. But, most of them risk paving the old cow paths. Human Resources needs to be far more demanding in its expectations. A plethora of social networking, mobility, analytical, and other technologies are emerging to help understand employees better and to make them more productive and prideful of the work they do. The *magic* framework can be a useful guideline for thinking about breakthrough HR improvements, not just adapting a more contemporary payroll processing solution.

Our next article, “Innovate or Die! – How HR Can Spur Innovation in Organizations” by Dr. John Sullivan, the author writes that although almost everyone says they want innovation, the fact is that most innovations have been resisted. Columbus found few supporters in 1491, and within corporate organizations new ideas are frequently resisted by insecure individuals and silo builders. So even though the Holy Grail for any business is building a competitive advantage through innovation, only the naïve think it’s easy. If you are attempting to go the next step and to build a true “culture of innovation,” it’s critical that you identify the critical success factors for such an effort before you begin. Those critical factors include building a convincing business case and developing processes to hire, develop, and reward innovators and to convince every employee and manager that every glass is half full. Although this is clearly a difficult effort, no one is better situated to run it than the HR function.

“HR Can Do Business! Delivering the Right Workforce” by Dr. Carl C. Hoffmann and Kathleen P. Hoffmann argue that HR can and must play a significant role in the corporation, even while shrinking in size and budget. To accomplish this, HR must think and act in fundamentally different ways. It must become more analytical, more capable of delivering services indirectly through technology, but, most importantly, it must develop a new paradigm. That paradigm draws on the principles of supply chain management and the operation of market economics to ensure a high performing workforce. Human Resources can no longer think of operating in silos, of solving disconnected recruitment, compensation, training and employee relations problems. These separate functions are not strategic; they are tactical realizations of strategy. These traditionally isolated areas add no value to the company unless they are designed to work in concert to deliver the needed workers to the company at the right time and cost and provide managers the tools to motivate those workers.

We hope you enjoy the issue.

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