# Building Innovation Capacity

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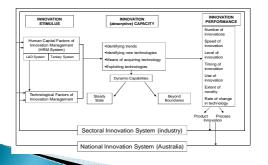
# Why this project?

- ▶ Cutler Review 2008
- Global Financial Crisis
- Australia too trade dependent on key industries
- Need to diversify

### **Innovation Studies**

- "Innovation can be defined as the creative application of knowledge to increase the set of techniques and products commercially available in the economy." (Courvisanos, 2007)
- Focus on technological factors
- Human capital factors only in last 15 years.
- Links to tertiary system and L&D not explored

## Macro framework



# **Key Studies in HRM**

- Strategic HRM innovation enhanced through "soft" HRM (1980s)
- Lau and NGO (2004). Developmental culture
- Laurssen and Foss (2003). Danish DISKO project.
- HR Bundles devolved responsibility and training-based bundles. Linked to overall innovation performance

### Learning and Development

- Move to nationally recognised training
- Impact of a learning culture (Smith and Oczkowski)
- Absorptive capacity (Vinding, 2006).
- L&D lead integration of HR systems

# **Research Questions**

- What is the role of human capital formation through enterprise-based HRM and L&D practices in developing innovative capacity?
- What part does enterprise engagement with the tertiary system, both VET and higher education, play in the formation of human capital and the development of innovative capacity?
- What guidelines can be developed that can be used by managers in enterprises to promote innovative capacity through better human capital formation?
- What role is there for intermediary bodies, particularly Industry Skills Councils, in developing innovative capacity in their industry sectors?

### Research Method

- Expert Interviews
- ▶ Employer survey
- Nine case studies in three sectors

# Macro framework | Necontrol | Street | Special | Specia