

Linkage of HPHRP to the Innovation: A Study on Telecommunication Sector

*K. R. Jain
**Nimisha Verma

ABSTRACT

This study has been conducted to assess the linkage of High-Performance Human Resource Practices (HPHRP) to the innovation in the selected companies of telecommunication sector. HPHRP is an independent construct that comprises four variables, Extensive Training (ET), Performance Management (PM), Performance Appraisal (PA), and Competency Development (CD) however, innovation is a dependent construct that further comprises two variables. The variables of innovation adopted for this research study are Technical Innovation (TI) and Non- Technical Innovation (NTI). A survey method was utilized to collect the primary data. A questionnaire was circulated to the 155 telecommunication employees in Uttarakhand state in India. Multiple regression analysis techniques have been adopted to analyze the data. This research is quantitative in nature.

Purpose of research- The research has been conducted to assess the linkage between HPHRP and innovation.

Major Results- The study has revealed that extensive training, performance management, performance appraisal, and competency development lead to technical and non-technical innovation in telecommunication sector of India.

Implications- The research study suggests that apart from the four HPHRP adopted for this study, research can be done on other variables of HPHRP. The study can also be conducted in different other sectors. The inferences from the study apply to the Human Resource Department in the telecommunication sector and the research scholars.

Key Words: High-Performance Human Resource Practices, Innovation, Telecommunication, and Organization.

1. Introduction

Competition in the telecommunication sector globally has evolved with the dynamic and flexible business practices in the last two decades. A skilled and motivated workforce became the need of the hour to sustain in the market which can be flexible enough to meet the upcoming challenges. Continuous improvement in the performance of the organization and industry has become crucial nowadays. The performance of any organization depends on its innovative and creative human resources. The telecommunication sector has emerged with the extreme dynamic change in the past two decades with technological up-gradation as well. Modern organizations formulate the strategies for the entire organization through creativity and planned future growth aspects. It makes innovation a vital aspect to look upon and to adapt to the changing trends. An organization

focuses on innovation when it enables learning, development, and application of the required knowledge (Jyoti J. G., 2011). Creativity and performance with efficiency are mainly taken care of in workforce management. The innovative capabilities of an employee can be enhanced if they are equipped with proper training, information sharing, and group cohesion. A positive attitude among employees and loyalty towards the organization can be the outcome of extensive training to the employees to achieve future targets. Human Resource Management (HRM) is widely known for assisting managers and employees of the organization towards organizational behavior and simultaneously developing the workforce towards competency, commitment, flexibility, and adaptability with the changing business trends. High-Performance Human Resource Practices (HPHRP) are those practices that are rational in nature and development over the traditionally followed Human

*Associate Professor, D.A.V. (P.G.) College, Dehradun, India

**Research Scholar, D.A.V. (P.G.) College, Dehradun, India

Resource (HR) practices. HR practices that are equipped with training are likely to have a better outcome in terms of innovation (Benson, 2004). With the gradual developments in the telecom sector, it emerged with the innovation such as increase bandwidth, restructuring of the organization, mergers, and acquisitions (Berkhout, 2007). HPHR practices enhance creativity among employees when undertaken with proper incentives, rewards, and recognition to employees (Gupta, 1993). It enables the employees to build better competency to survive and thrive in the market. The beginning of financial reforms came up with the improvements and expansion of telecommunication due to the contributions of private undertakings as a government of India had allowed the equity stake in telecommunication, before which there was only state ownership of government (Debnath, 2008). In the Indian transitional economy HR practices that are highly effective are the major contributors to the success of the organization (Dhar, 2015). Telecommunication is a sector of high competition due to rapid technological advancements and market completion worldwide (Cooke, 2012). This sector incorporates fast technological innovation at market and business processes level adding to its strengths to keep pace with the changing telecommunication trends. Employees of innovative organizations are expected to be flexible enough to take risks. They should be strong enough to introduce innovativeness so that the profit of the business can increase. Top-level managers and executives are expected to be undergone with manpower planning and control (Gupta, 1993). Performance management which is one of the competent variables of HPHRP allows employees to participate in the management-related decisions in the organization which induces innovativeness among the employees. Proper communication of the information, sharing of ideas allow creativity and innovation in the organization which brings flexibility to remain unaffected by the competition rather than focus on their strengths and opportunities to cope up and emerge as a strong business venture (Roffe, 1999). HR practices lead to competitive advantage through innovation as it deals with idea evaluation and implementation by the human capital (Farr, 2008). Thus, it helps to improve the competency and performance of the firm (Zheng, 2006).

2. Literature Review

(Anderson N. P., 2014) found that at the fundamental level of the success of the organization innovation plays a crucial role. It involves people, groups, and organizations as a whole. The dynamic environment of the business requires reinvention techniques. (Walsworth, 2007) stated in their paper that innovation in the organizations is likely

to be introduced by training when efficiently provided to the employees. They examined those intentions with which the departments of the organizations that accept HR practices worldwide are more likely to be the innovators of the improved products and services.

(Dahie, 2017) stated in their paper that managing the workforce of the organization is a coherent practice where the highly valued human assets are taken care of as it is encompassed by individuals, groups and the whole system that contributes towards the innovative and qualitative organization. Personnel contributes to the best of their ability in the organization for better productivity. The objective of managing the pool of manpower is to ensure the smooth functioning of human resources of the organization to achieve the organizational goals.

(Beugelsdijk, 2008) found that few HR practices help to organize innovation in a relatively better manner where managers can increase the output of the firm. Providing training to the employees has significant results in his studies with innovation. HR practices, when merged with learning, give the positive outcome which emerged as an innovation.

3. Research Gap

The telecommunication sector is one of the largest and rapidly growing sectors in India for the past two decades which has been contributing to the Indian economy in several ways, one of which is a contribution towards the gross domestic product of the economy. Human capital when spoken with the perspective of innovation and creativity plays a crucial role in the development of the organization. In this paper, the problem of the telecommunication sector has been studied with the purpose to assess the linkage between the HPHRP and innovation in terms of technical and non-technical innovation in the state of Uttarakhand, India. This study has not been undertaken previously by anybody to date. The Research Framework has been reflected in Figure 1.

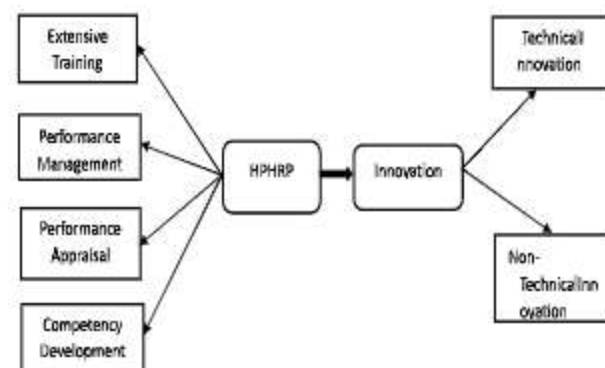


Figure 1: Research Framework

4. Objectives And Hypothesis

The objective of the study is:

To assess the linkage between HPHRP and Innovation

Hypothesis of the study:

H1: There is a significant impact of HPHRP on Innovation.

5. Research Methodology

Management of HR plays a very significant role in the service sector as services provided by the service sector are the only means to survive in the market. In this study, all the variables of the constructs were measured on a five-point Likert scale that ranged from 1 = strongly disagree to 5

= strongly agree. An item scale from previous studies have been adopted which has been widely accepted and validated by the researchers previously to assess the hypotheses of the study (Jyoti

J. C., 2017). The questionnaire included Part A with demographic statements and Part B statements about HPHRP and Innovation. It was circulated among 155 employees of different telecommunication companies operating in the Uttarakhand region which included three private companies viz., Reliance Jio Infocomm Limited, Bharti Airtel Limited, and Vodafone India Limited, 5 districts viz., Dehradun, Haridwar, Nainital, Udham Singh Nagar, and Almora. Out of 155 questionnaires circulated only 123 were responded. An actual response rate came to 79%. The sample came up with 53% of males and 47% of females. 57% were between 20- 30 years of age. The majority of respondents belonged to the income group range from 30,000- 40,000 per month. The respondents for the survey are from three major market players of the telecom sector from private sector undertakings viz., Reliance Jio Infocomm Limited, Bharti Airtel Limited, and Vodafone Idea Limited. The valid percentage of each company found in the survey to be 34.1%, 45.5%, and 20.3% respectively.

6. Results and Discussions

The data has been analyzed through frequencies, percentages, correlation ANOVA, and Multiple Regression Analysis. Descriptive statistics have been used in the SPSS to test the normality of the data. Reliability tests have been conducted through Cronbach's Alpha to check the internal consistency of the scale which was found to be .826 which is more than 0.7 and widely accepted for the reliability of the instrument. Data analysis technique of multiple regressions has been used in this study to examine the link between the independent variable and dependent variables (Anderson J. F., 2014). The objective to use the multiple regression analysis techniques is to use variables

of the HPHRP construct on identifying its linkage with Innovation.

Table 1: Multiple Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.874	1.162		2.473	.015
1 HPHRP	.469	.031	.813	15.376	.000

Interpretation of results: With the Dependent Variable: Innovation, where $R=.813$, $R^2=.661$, and adjusted $R^2=.659$. As shown in Table 1, the significant value of HPHRP is less than 0.05 which is a positive linkage between HPHRP and Innovation. The T value lies at 1 and the VIF value is also found to be 1 as per the results of multiple regressions when dependent variable innovation tested with HPHRP. Variance Inflation Factor (VIF) Pointer of the outcome that the other independent variables have on the standard error of a regression coefficient. The variance inflation factor is directly related to the tolerance value (Anderson J. F., 2014)

Table 2: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3102.929	1	3102.929	236.433	.000
1 Residual	1587.998	121	13.124		
Total	4690.927	122			

Interpretation: ANOVA table describes that the significant value for F distribution on ANOVA table at 0.05 levels is highly significant in the results. In this ANOVA table, the dependent variable is Innovation. Independent variables are Extensive Training, Performance Management, Competency Development, and Performance Appraisal.

7. Findings and Suggestions

Traditional HR practices are not pacifying managers of today's era in telecommunication. HPHRP and Innovation have helped manpower in the telecommunication sector to be flexible and competitive. This study has found that HPHRP has significantly linked with Innovation in Telecommunication. It has helped HR to meet the dynamic business requirements for better decision-making along with the competent employees in telecommunication in Uttarakhand. It is suggested that employees should be

audited which is a part of the HR audit to comply more with the HPHRP and innovation in telecom.

8. Limitations and Future Implications

This research has been done on three major players of telecommunication private organizations. As far as future inferences of this study are concerned it can be undertaken in the other domains of different sectors and also in other parts of the country. The major limitation is that only the private sector was included in the telecommunication sector. While focusing on the creativity and innovation of the employees HPHRP plays a very significant role. Therefore, this study can be useful by the corporate to improve better work systems and performance as far as creativity and innovation are concerned.

9. Conclusions

The application of HPHRP in the telecommunication sector helps the organizations to get the proper training that develops competency among employees and therefore it forms a connection towards creativity and innovation. It has been observed that during the Covid pandemic telecommunication sector has contributed 30-35% of the GDP in the lockdown out of over 54% of the total services sector contribution (www.telecom.economicstimes.com). It leads to meet the organizational targets with high efficiency. HPHRP supports new and innovative ideas. Through innovation management flexibility in the organization can be achieved.

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