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## **A Study on Innovation in Human Capital**

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### **ABSTRACT**

Human capital refers to stock of 'skill and expertise' embodied in humans. Human capital is as important as physical capital for economic development. Human capital formation is the process of adding to stock of human capital overtime. Human capital can be developed through creation of skilled, trained and efficient labour force by providing better education, health care facilities, etc. Highly skilled people can create new ideas and methods of production. Thus, expenditure on education, on health and on on-job-training are key instruments of human capital formation. Expenditure on education is one of the most important way of enhancing and enlarging a productive workforce in the country.

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### **INTRODUCTION**

An educated workforce is more likely to encourage innovation within businesses. Companies are roughly 8% more likely to roll out a new process or product when they offer staff even the most basic training.

A more limited definition of innovation in the business world is a superior product or service that results in higher market share or new demand, productivity growth owing to better business operations and technology, and overall economic diversification. For competitiveness, sustainability, and a nation's long-term growth prospects, corporate innovation is crucial.

It is widely accepted that one of the essential components of innovation inputs is human capital, which is referred to as the abilities, expertise, and experience of a workforce. Human capital is a crucial component of both frontier and catch-up innovation since it increases a company's ability to acquire and create new knowledge.

In truth, businesses still require a workforce with the necessary skills and knowledge even when integrating technology and goods that are already accessible elsewhere. Increases in the stock of human capital are more successful over the long term than short-term measures like research and development tax credits and direct public investment, which may foster innovation in the short term.

Given this wide backdrop regarding the significance of human capital for innovation, we choose to investigate further using firm level data encompassing 27 emerging nations in Asia, including almost 27,000 enterprises. When evaluating innovation and its drivers, especially in the context of developing countries, data is frequently a major problem. Despite the fact that there are firm-level surveys for several developing Asian economies that provide comprehensive data on innovative activity and human capital, cross-country analysis is incredibly difficult due to differences in survey instruments, sampling techniques, and population of inference.

The World Bank Enterprise Surveys, on the other hand, cover a large number of developing Asian nations but provide slightly less thorough indices of innovation and human capital.

We use the World Bank Enterprise Surveys to examine the relationship between a firm's propensity to innovate and its human capital, which is an underappreciated but crucial firm attribute when studying innovation. Employee educational attainment, employee training, and top manager industry-specific experience are used as proxy measures. We also investigate whether employee training becomes more pertinent when businesses encounter operational challenges brought on by underqualified staff.

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## RESEARCH METHODOLOGY

**TITLE**

A Study on innovation in Human Capital

**MAIN OBJECTIVE**

To Know the innovation and modern techniques used for the formation of Human Capital.

**SPECIFIC OBJECTIVE**

To know the latest innovation in Human Capital.

To Know How to Handle the critical circumstances during low Human capital.

To know the structure and formation of Human capital.

**UNIVERSE OF THE STUDY**

The Researcher is going to take employees of various organisations as the respondents for his or her study.

**SAMPLE FRAME**

The sample unit in appropriate and justified size will be conveniently drawn from different employees Working in different organisations.

**SAMPLE SIZE**

The appropriate number of employees available for the purpose of study with consideration of sample frame.

**SAMPLING METHOD**

The researcher uses Probability Sampling that is random sampling method for the study.

**SAMPLE MEDIA**

Sample media is personally collecting data through structured close ended Questionnaire.

**TOOL FOR DATA COLLECTION**

The researcher uses both primary as well as the Secondary data sources for the information as the case may be.

**DATA PROCESSING AND ANALYSIS**

Here Researcher is going to use four steps for data processing and analysis Which are as follows

Editing

Coding

Classification

Tabulation

**FINDINGS**

Majority of the respondents (68%) are Male.

Majority of the respondents (90%) are belonging to the age group of 26-35.

Majority of the respondents (92%) are working in private organisation.

Majority of the respondents (93%) have work experience of 1-5 yrs.

Majority of the respondents (93%) have good position in company.

Majority of the respondents (98%) where organisation is supported by Human Innovation.

Majority of the respondents (95%) where there is a Major Role of Human Capital plays in Innovation.

Majority of the respondents (90%) offer to foster human resource innovation.

Majority of the respondents (100%) believes that training is the essential part for the growth

Majority of the respondents (100%) company supporting technologically oriented learning

Majority of the respondents (80%) believes specific trainer been assigned in organisation.

Majority of the respondents (80%) Company provides Training related to Innovation & New techniques.

Majority of the respondents (80%) Percentage of the company provides training in Once in a month.

Majority of the respondents (68%) Rated 10 level of effectiveness is the training implemented.

Majority of the respondents (95%) management asks for feedback after Training.

Majority of the respondents (92%) company runs program for skill development.

Majority of the respondents (82%) believes that no such program are there.

Majority of the respondents (98%) believes that management hears them.

Majority of the respondents (90%) changes that you suggested to management get implemented

Majority of the respondents (95%) believes people at their place of work has positive environment.

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Majority of the respondents (70%) strongly agrees seeing him in future at current organisation  
Majority of the respondents (75%) strongly agrees of clear understanding about company's strategic goals.  
Majority of the respondents (75%) strongly agrees of work affecting the company's overall success  
Majority of the respondents (75%) strongly agrees of expectation of goals and objectives of respondents  
Majority of the respondents (78%) strongly agrees everyone working as a Team in Organisation.  
Majority of the respondents (78%) Manager recognizes full potential and capitalizes of full strengths.  
Majority of the respondents (80%) Percentage of respondent giving best at his workplace  
Majority of the respondents (80%) of respondent believes proud to be part of his company.  
Majority of the respondents (80%) respondent always recommending his company to others.  
Majority of the respondents (83%) believes that leaders of company really know that what are they doing.  
Majority of the respondents (80%) of respondents believes in company's mission.

## REFERENCES

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