

Abstract

Certain Human Resource Management (HRM) practices stimulate the innovation culture, which is required to safeguard the competitive advantage of a business enterprise, thus contributing to its survival and potential expansion. The primary purpose of this study is to determine the degree of correlation between HRM practices and innovation culture, identify the HRM practices that most impact the innovation culture, and the degree of the impact of each HRM practice on the innovation culture.

Data for this study are obtained from Bank of Palestine (BOP); triangulation mixed method is used in this study, by bringing together quantitative and qualitative analysis, in order to get three viewpoints upon the factors being studied through surveys, an interview, and a focus group. A professional and neutral moderator facilitated the focus group, while the researcher carried out the interview to allow her to validate results from the focus group.

On the basis of the results of this study, it is concluded that there is a correlation between HRM practices and innovation culture. Practices that most impact innovation culture are staffing, Human Resource Development (HRD), and participation and communication. The HRM practice that provides the highest impact on innovation culture is HRD. The data also supports the view that all the studied HRM practices, which include staffing, HRD, compensation, safety and health, employee and labor relation, and communication and participation should be

implemented in a holistic system and not in isolation, in order to best stimulate innovation culture.

Lastly, this study provided recommendations that serve as a road map for enhancing the current HRM practices at BOP in order to reach the required innovation culture.