

HR: 6 steps to leverage intrapreneurship for innovation and talent engagement



In today's hyper-competitive job market, retaining top talent has become one of the biggest challenges for Human Resource (HR) professionals. High-potential employees are seeking competitive salaries but also opportunities for growth, innovation, and impact within their organizations. According to a <u>recent survey</u>, nearly one in three employees plans to leave their current job within the next 12 months, with the majority citing limited career advancement as a key reason.

At the same time, in today's fast-evolving business landscape, innovation is no longer just a competitive advantage – it's a necessity for survival. <u>84% of executives say innovation is critical to their growth strategy</u>, yet many struggle to foster it consistently within their organizations.

This is where intrapreneurship – a system that encourages employees to think and act like entrepreneurs – comes into play. However, what is less known is that corporate intrapreneurship programs can be an excellent motor for developing and retaining talent while simultaneously delivering tangible corporate innovations.

<u>Our study</u> about managers' motives for joining an intrapreneurial program highlights how HR can meet their corporate goals by supporting these programs. It also suggests that intrapreneurship program managers would be well-advised to partner closely with their HR function.

Let's explore how HR can improve talent development and retention while boosting corporate innovation.

Benefits for HR partnering with intrapreneurship programs

Intrapreneurship programs are proving to be powerful tools for talent development, enabling employees to build valuable new skills. In fact, 80% of the participants in our research reported acquiring new competencies, such as leadership, team building, creativity, networking, and agile approaches. In an era where business environments are rapidly evolving, these programs act as engines of growth, equipping employees with the skills they need to stay relevant and succeed.

Another key benefit of intrapreneurship is the autonomy it provides. Over half of the participants enjoyed the freedom to work independently on their projects, which is crucial for <u>building intrinsic motivation and</u>, <u>in turn, leads to employee engagement</u>.

A sense of purpose is also fostered through intrapreneurship. 66% of the intrapreneurs reported feeling their work was valuable to the company. Additionally, the sense of meaning was even stronger when their projects aligned with their personal social or environmental values. This alignment between personal and corporate values can be a <u>powerful driver of employee engagement and satisfaction</u>.

Intrapreneurship doesn't just develop skills; it also opens up new career opportunities. 65% of participants reported that the experience helped them identify their next internal career move, making intrapreneurship a lever for talent retention.

Moreover, intrapreneurship helps strengthen personal networks within the organization. Over half of the participants said the experience allowed them to build connections across different departments, <u>creating a more agile and change-capable organization</u>. These networks can be vital in driving transformation and innovation across the company.

Finally, intrapreneurship has a significant impact on how employees perceive their organization. Threequarters of participants reported that the program improved their view of the company and increased their loyalty. This positive shift in perception signals a greater willingness to stay, making intrapreneurship a powerful tool for enhancing talent retention.

This partnership between intrapreneurs and HR offers a way to provide personalized development and evolution opportunities so that individuals reach their full potential. At the same time, it allows HR to become more strategically relevant, earning a place in top management decision-making.

And it's not only HR that benefits. Intrapreneurial program managers and their sponsors also benefit. Research shows that the <u>financial results from intrapreneurship programs can take time to come through</u>, maybe up to three years. However, the HR benefits from these projects are realized immediately, meaning that program managers can quickly point to these successes while waiting for financial results.

Six steps for human resources managers to partner with intrapreneurs

Here is some practical advice and tips to ensure that HR can contribute to and benefit from intrapreneurship programs:

1. Find out about existing intrapreneurship programs and take an interest

The first step is to find the intrapreneurs within your company. Are there already intrapreneurship programs underway? Perhaps ad-hoc intrapreneurial taskforces are underway to develop innovation projects, or there are regular collective creation sessions (i.e., hackathons) to develop solutions to business

problems or internal or external incubators or accelerators. How can you assist and support these existing initiatives? For example, <u>Safran's "We Love Intrapreneurs" program</u> has two sponsors: the DSTI Strategy, Technical Research and Innovation Department, and the Group Human Resources Department.

2. If there are no programs, consider partnering with senior sponsors to create one

There may be no readily recognizable programs, but perhaps a strong appetite to start one. How can you partner with senior sponsors to launch a program? For example, Sodexo's community of intrapreneurs was born out of an HR initiative to develop team motivation, commitment, and initiative. If you are unsure which intrapreneurship program meets your company's innovation needs and level of intrapreneurship maturity, you can find out more details <u>here</u>.

3. Devise systems for recognizing and rewarding intrapreneurs

Intrapreneurs can frequently become disillusioned with their innovation activities if they are not recognized for the efforts they put into their projects. This can make for difficult conversations during yearly performance reviews. Take advantage of your new role to integrate intrapreneurship programs into their annual objectives, even if this means ad hoc revisions during the year.

Or how about devising internal or external recognition systems? For instance, it's important that the skills and competencies that intrapreneurs gain during their projects are formally recognized. For example, the role of FDJ's HR professionals has been essential in certifying the skills of their intrapreneurs so that these skills can be considered when transitioning back into the mainstream business.

4. Support intrapreneurs with training and skill development

Talking about recognizing the skills and competencies that intrapreneurs gain through projects. Intrapreneurs will be stretched to their limits during their projects. How can you support their learning journey? HR can be central to accelerating skill acquisition through intrapreneurship training programs. For example, at Michelin, HR organizes skill acquisition programs for the <u>Michelin Innovation Lab</u>.

Did you know that a corporate talent development program can become an exciting intrapreneurship program in itself? For example, at LVMH, the <u>"DARE" program</u> launched in 2017 was initially conceived as a high-potential training program and already includes over 15,000 people across the Group.

Remember to actively participate in any jury judging project pitches within these programs. This is the ideal opportunity to learn more about development needs.

5. Put in place robust processes for internal transition following intrapreneurial experiences

With these first steps in place, it becomes much easier for HR to build more robust talent pipelines, enabling intrapreneurs to identify their next internal career pathways.

6. Organize community-sharing sessions to embark on the next cohort of intrapreneurs

Finally, HR can play a critical role in spreading the intrapreneurial spirit within the company. First, it can leverage the alumni from intrapreneurship programs to form a sharing community to encourage and stimulate intrapreneurship and disseminate a culture of innovation. Second, it can re-purpose elements of intrapreneurial skill-building programs within other development programs. For example, modules from Safran's "We Love Intrapreneurs" program were reused within a new program called "HR Embark," which aimed to encourage HR talent to become change catalysts.

In summary, partnering with intrapreneurship program managers is an opportunity that HR can't afford to miss. Not only will you achieve your corporate goals, but you will also accelerate corporate innovation and performance.