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PART 1: Building a Culture of Innovation & Future Work Practices

2. Examine the current practices in culture and work among the tech companies.

2.1 Evolution of Work Practices in the Tech Industry (2019–2026)

The culture and work practices in modern tech organisations have witnessed tremendous change between 2019 and 2026 due to digitalisation, COVID-19, and changing employee expectations. Though tech organisations have long been synonymous with innovation and flexibility in work practices, current trends suggest that challenges in engaging and retaining employees have emerged in recent times.

One of the most important trends in modern tech organisations is a flexible and hybrid work culture. It has been observed that since 2020, most tech organisations have started embracing a remote and hybrid work culture as the norm. This is in line with earlier trends and predictions made by Mercer in 2019 in its Global Talent Trends report, which suggested that due to changing demands and requirements from employees, organisations were moving more and more towards flexible and adaptive work cultures (HRD, 2019). In this regard, 82% of employees were reportedly eager to work in more flexible and adaptive work cultures, such as contractual or remote working. In 2025, a hybrid work culture has become a norm in tech organisations due to changing employee demands and requirements for more autonomy and flexibility in work culture and work-life balance (CIPD, 2025).

2.2 Employee Engagement and Retention Challenges

A major problem facing the current tech-based workplace culture is the low levels of engagement. The levels of engagement among employees around the world have been low and constant. For instance, in the period between 2024 and 2025, the number of employees who were engaged at work stood at merely 21-23% (Allington, 2025). This implies that out of five employees, four are either disengaged or completely disengaged. The implications of this are significant since the global economy lost around \$438 billion in terms of productivity due to disengagement in 2024 (Gallup, 2021). For tech companies, engagement is critical since they are the primary drivers of innovation and creativity.

Another problem facing the current tech-based workplace culture is the issue of high employee turnover. The tech industry has witnessed the “Great Resignation” in the period between 2021 and 2023. In the year 2025, the industry has also witnessed the “job hugging” trend, whereby employees are stuck in their current jobs due to the economy but are not satisfied. Research suggests that the chances of having a higher turnover of around 43% are associated with disengaged employees (Pavlovic, 2025). On the other hand, the chances of having a turnover of as low as 59% are associated with high levels of engagement (Pappas, 2024).

2.3 Employee Wellbeing, Leadership, and Performance Management

Another notable feature of the current tech work culture is the increasing significance of employee well-being and burnout management. Research studies have shown that software development employees are more prone to burnout because of the high pressure of delivering more and more innovative products. Another significant finding based on statistics collected in the year 2025 is that “47% of employees report that stress caused by work has an impact on their mental health; however, just 13% feel comfortable discussing this with their manager (coporate marsh, 2025).”

The significance of the role played by the leaders and management has also been highlighted as an important feature of the current tech work culture. Studies have shown that “70% of team engagement is driven by the manager; however, manager engagement has declined in the past few years.” This has resulted in a situation where the managers are not engaged enough, and this has led to the disengagement of the entire team (Jackson and Walker, 2025). Another notable feature of the current tech work culture is the changing performance management system. It has been observed that “only 75% or fewer perceive performance evaluations as fair.”

2.4 Technology, Skills Development, and Emerging Workplace Trends

However, technology itself is also changing the culture of the workplace with the integration of AI and people analytics in the human resource function. AI is increasingly being used in the hiring function, performance monitoring, and engagement analysis. For example, “51% of employees feel like they are constantly being monitored at work, and this creates a stressful environment and decreases productivity. (Lerner, 2023)” Academic studies also focus more on the importance of transparency and ethical usage of AI for the trust and well-being of the employees .

The second trend observed is the move toward constant learning and skill development. With the changing landscape of technology, tech companies are also investing in skill development for their employees to stay competitive. For example, “unmet expectations around career development are one of the primary drivers of disengagement among the workforce. Specifically, this is affecting the younger workforce; 44% of employees aged 18-34 are considering leaving the company because of the lack of development opportunities (Cypher learning, 2024)”.

Lastly, the tech work culture is also being shaped by the concept of employee voice, inclusion, and activism. Recent research has shown an increase in labor organisation and activism among tech employees. This is because of the growing concerns that tech employees have regarding their job security and working conditions (Ghani, and Malik, 2023). This is a move away from the individualistic tech culture and towards a more socially aware culture.

2.5 Summary

Overall, current practices in tech company culture show a complex picture. On one hand, flexibility, innovation, and digitalization are still strengths in tech company culture. On the other hand, challenges in engagement, well-being, leadership, and performance management are still significant concerns in tech company culture. It is evident that tech companies that have a high probability of success are those that have a holistic approach to managing their human capital by incorporating flexible working, leadership, feedback, well-being, and development into their strategy. If this is not done, issues such as disengagement and poor performance will continue to be a problem in tech company culture.

Recommended Cultural and Structural Initiatives to Embed Innovation at Aether Innovations

In order to solve the issues of flat growth, high turnover, and low customer satisfaction at Aether Innovations, it is imperative that innovation is integrated into the organisational culture and structure. In fact, it has been found that organisations with strong innovation cultures have the potential to increase their revenues by as much as 30% (McKinsey, 2023). Hence, it is imperative that integrated human capital practices based on the theory of HRM, particularly the Ability, Motivation, Opportunity (AMO) model and High-Performance Work Systems (HPWS), are adopted in the organisation in order to improve the overall performance and engagement of the employees at Aether Innovations.

2. Building an Innovation-Driven Culture

2.1 Psychological Safety and Employee Voice

First and foremost, it is imperative that the organisational culture is changed in a way that the employees feel a sense of psychological safety and share their ideas without the fear of failure. In fact, it has been found in Project Aristotle, a project undertaken by Google and reaffirmed in numerous studies until 2024, that psychological safety is the most important factor in a high-performing team. In fact, it has also been found that organisations with strong employee voice mechanisms have the potential to increase their profitability by as much as 23% and their productivity by 18% (Gallup, 2024).

From the human resource management perspective, this discussion fits in with the AMO framework in that innovation is increased through motivation (M) and opportunities (O). Aether should develop idea-sharing forums and opportunities for innovation.

2.2 Innovation Sprints and Agile Work Practices

Innovation sprints, or short-term approaches to solving problems or conducting experiments, have the potential to greatly increase creativity. Agile approaches have been widely adopted in technology companies and have been shown to increase team productivity by 20-30% McKinsey (2022). Innovation sprints will increase rapid prototyping, collaboration, and learning. This is in support of high-performance work systems (HPWS), which include flexible work design, continuous improvement, and employee involvement. A direct impact for Aether is the ability to increase customer satisfaction through quarterly innovation sprints focused on customer pain points.

3. Structural Initiatives to Enable Innovation

3.1 Cross-Functional Teams

Another important structural intervention is the building of cross-functional teams that include people from the fields of engineering, marketing, and customer support. Based on empirical evidence presented by Deloitte in 2023, it is clear that the success rate of innovations can be increased by as much as 25% through cross-functional teams (Ahmad, Boit, and Aakula, 2023).

This strategy helps in the effective sharing of knowledge and overcomes the challenges of organisational silos, which are common in growing technology firms. This strategy is also in line with social capital theory, which asserts that diverse networks can lead to better results in terms of solving problems and innovation. From the human resource management (HRM) perspective, the establishment of cross-functional teams is a strategy for adding value to the “Opportunity” factor of the AMO (ability, motivation, opportunity) theory of human resource management (Jansson, and Persson, 2020).

3.2 Intrapreneurship Programs

Intrapreneurship, where employees behave as entrepreneurs, is another crucial strategy for an enterprise. This strategy is also adopted by firms such as Google and 3M, where innovations such as Gmail originated.

Recent studies carried out by the World Economic Forum (2024) have shown that if organizations support intrapreneurship, their employee engagement levels increase by up to 30% more, while their innovation output is improved. A formal intrapreneurship program can be developed through the allocation of 10-15% of employees’ time towards the development of new ideas (Neessen *et al.*, 2019). This is supported by Self-Determination Theory, which states that autonomy, competence, and meaning are critical factors in self-motivation. Thus, Aether can potentially increase its employee retention levels by giving them a sense of ownership.

4. Leadership and Capability Development

4.1 Innovation-Oriented Leadership

Leadership is a crucial factor in innovation integration within organizations. According to Gallup (2023), the engagement level in teams is attributed to the management at 70%. Therefore, it is imperative that managers move from a control-based management style to a transformational style that encourages innovation and creative thinking.

Training programs must be designed to cover coaching skills, innovation management, and inclusive management (Olsson *et al.*, 2025). This will be instrumental in developing high-performance work systems in which organizational leadership acts as a driver in aligning employee behavior with organizational goals.

4.2 Continuous Learning and Skill Development

Innovation requires a continuous process of upskilling within organizations. LinkedIn's Workplace Learning Report (2024) has identified that 94% of employees are more likely to remain with an organization if there is an opportunity to develop through learning. In addition, a lack of career development opportunities is a significant reason for turnover in organizations, especially in the technology industry.

Aether must design learning paths that are tailored to individuals and include digital learning and skill development in innovation management techniques such as design thinking and data analysis. This will be instrumental in developing the "Ability" (A) component within the AMO model, in which workers have the required abilities to innovate within the organization.

6. Conclusion

To integrate innovation within Aether Innovations, there is a need to change organizational culture and structure, especially because these have been found to boost innovation, engagement, and performance. For instance, psychological safety, innovation sprints, cross-functional teams, and intrapreneurship have all been found to boost innovation. These practices are based on human resource management theories such as the AMO model, high-performance work systems (HPWS), and Self-Determination Theory. These practices guarantee that employees are provided with the ability, motivation, and opportunity to innovate. As such, by integrating people practices with business strategy, Aether Innovations can achieve the dual benefits of enhanced employee satisfaction, customer satisfaction, and business growth.

Part 2: Write a reflection

Reflective Learning Journey: Developing a Culture of Innovation and Growth Mindset

1. Description

During this module, I have been able to understand the impact of HRM practices on the success of the company, the engagement of the employees, and the importance of innovation. Concepts such as high-performance work systems (HPWS), employee engagement, leadership, and learning and development (L&D) helped me understand the link between people management and business success (Ocampo *et al.*, 2025). The module also emphasized the importance of integrating different HR practices and developing a culture of innovation and improvement for modern companies such as Aether Innovations.

2. Feelings

Initially, I found some of the theoretical concepts, such as the AMO model and strategic HRM, complex and abstract. However, as I engaged with case studies and practical examples, I became more confident in applying these theories to real-world scenarios. I felt particularly interested in topics related to innovation and employee engagement, as they highlighted how organisations can unlock employee potential. This increased my motivation to reflect on my own learning and professional development (Markkanen *et al.*, 2020).

3. Evaluation

It has proven to be highly valuable in the deeper understanding of the contribution of learning and development to organisational success. Perhaps the most advantageous feature of the module is the contribution of continuous learning to innovation. Empirical evidence suggests that organisations that invest in the development of their employees have a higher engagement and retention rate, thus highlighting the importance of L&D strategies in the business world (Brassey *et al.*, 2019). However, it is apparent that my individual learning strategy has not been proactive but rather reactive. Although I have gained knowledge in theory, I have not managed to apply it in the development of skills in practice. This is an area of improvement in my personal development.

4. Analysis

Applying Gibbs' reflective cycle, I evaluate my learning in terms of the development of the growth mindset and innovation capability. The growth mindset theory, as propounded by Yeager and Dweck (2020), highlights the importance of the belief that abilities are developed through learning. This is similar to human resource management theories such as the AMO model, where learning develops ability, motivation creates engagement, and opportunity creates performance.

The module also highlighted the importance of the learning organization concept by Senge (2020), whereby learning and development are part of the organizational culture. I also understand that developing an innovation capability requires the application of similar principles in the development of my own learning journey—embracing challenges and learning from failures and seeking feedback.

The application of innovation practices such as collaboration and experimentation also highlights the importance of learning beyond the theoretical application. This is similar to the concept of experiential learning, whereby an individual learns by taking action and reflecting on the learning from the experiences.

5. Conclusion

Overall, this module provided a good foundation to understand how integrated HR activities can drive innovation and performance. At the same time, it demonstrated why continuous learning and self-development are essential to a growth mindset. I have come to understand that to develop innovation capability, not only is knowledge required, but there is also a need to take risks, learn from failures, and continually improve.

6. Action Plan

Based on the reflection, I have chosen to apply various learning and self-development techniques to develop a growth mindset and a culture of innovation:

- **Continuous Learning:** I will engage in continuous learning by pursuing online courses and reading journals and reports.
- **Practical Application:** I will apply learned theories to real-life situations by using case studies and projects to help me become a better problem solver and innovative thinker.

- **Feedback and Reflection:** I will seek feedback from others and engage in reflective learning to become a better performer.
- **Collaboration:** I will engage in group discussions and collaborative learning to become more creative and learn from others (Qureshi et al., 2023).
- **Embracing Challenges:** I will become a better learner by embracing challenges and viewing them as learning opportunities instead of challenges.

By using these strategies, I will become a continuous learner and innovative thinker. This will lead to my personal and professional development and will be instrumental in my contributions to organizations that seek to create a culture that supports innovation and high performance.

Plan to stay relevant as AI

Therefore, with artificial intelligence (AI) continuing to evolve and change the face of the workplace, especially with regard to how AI is used to automate various aspects of work, I believe that I can ensure my relevance by adopting a unique approach to learning, one that is proactive and one that takes advantage of uniquely human qualities such as critical thinking, creativity, emotional intelligence, and ethical decision-making, all of which AI is currently not fully capable of replicating.

Further, I believe that I can ensure my relevance by adopting a learning approach that is one of continuous learning, one where I am always updating not only my technical skills but also my professional skills. This would ensure that I am not only aware of how AI operates, especially with regard to how AI is used to enhance productivity, but I would also ensure that I am aware of emerging trends within the industry, thus positioning myself not only as one who is not replaced by AI, but one who is actually best placed to collaborate with AI.

I believe that I would use AI, especially with regard to how AI is used to enhance productivity, rather than using AI as a replacement for myself. This is because, with AI, I would be able to focus more on problem-solving, decision-making, and relationship-building, rather than using AI to do data analysis, content creation, and even using AI to automate various aspects of administration, all of which would ensure that I am not replaced by AI, but one who is actually best placed to collaborate with AI. However, I would ensure that I do not let AI operate independently, one where I do not use critical thinking, nor would I use AI to create content, especially content that is dependent on personal insight. Therefore, I believe that I would use

AI, especially with regard to how AI is used to enhance productivity, rather than using AI as a replacement for myself.

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