

Research on the Internal Mechanism and Practical Path of Enterprise Talent Policy Innovation from the Perspective of Human Capital Governance

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ABSTRACT

In the context of the knowledge economy, talent is the most important asset of enterprises. In this situation, traditional methods of managing talent are difficult to fully utilize the advantages of human capital. How to effectively innovate talent policies in enterprises is a problem from management to governance. Therefore, this article will analyze the relevant issues of talent policy innovation in enterprises from the perspective of human capital governance. This study indicates that human capital governance emphasizes the property rights attributes, incentive compatibility, risk sharing, and value co creation of human capital as the logical starting point for talent policy innovation. Based on this, enterprise talent policy innovation plays the role of three internal mechanisms: the equity allocation mechanism of property rights incentives, the collaborative empowerment mechanism of value co creation, and the psychological contract mechanism of relationship contracts. Specifically, in practice, enterprises should take top-level design, institutional design, cultural construction, and technological support as the methodological basis for effectively carrying out talent policy innovation, and develop a series of talent policy innovation plans based on this. The article has enlightening significance for grasping the basic principles of innovation in enterprise talent policies and has reference value for enterprises to improve their talent management mechanisms.

KEYWORDS

Human Capital Governance; Innovation in Talent Policies; Internal Mechanism; Practical Path; Value Co-creation.

1. INTRODUCTION

With the development of the digital economy and the continuous changes in industrial structure, enterprises are paying more and more attention to the competition of core human capital. The traditional talent management methods focus on control and one-way incentives, which are inadequate in the rapidly changing market environment and the value pursuit of the new generation of employees. More and more companies are willing to invest heavily in formulating talent strategies, resulting in problems such as inadequate policy implementation, weakened policy incentives, and serious loss of high-end talents. How to break the inertia of thinking and find suitable talent policy innovation models is an urgent problem that needs to be solved in academia and industry. The proposal of the concept of human capital governance has brought new ideas to solve the above-mentioned difficulties. Unlike traditional human resource management, human capital governance focuses on defining the property rights relationship of human capital, improving incentive mechanisms, sharing risks and responsibilities, and synergizing value creation. It emphasizes treating talent as a capital subject that coexists and grows with the enterprise. Looking at employee policy innovation in enterprises from this perspective is beneficial for exploring the value concepts behind

policy formulation, that is, how to use policies to mobilize people's enthusiasm and creativity, and meet the needs of enterprises while exerting their own value. In summary, this article focuses on the perspective of human capital governance and explores how to innovate enterprise talent policies, proposing countermeasures and suggestions, in order to provide some reference for enterprises to improve talent governance and promote talent policy innovation.

2. HUMAN CAPITAL GOVERNANCE: THE LOGICAL STARTING POINT AND CORE DEMANDS OF ENTERPRISE TALENT POLICY INNOVATION

2.1. From Management to Governance: The Transformation of Talent Management Paradigm

Firstly, grasping the logical starting point of innovation in enterprise talent policies is to understand the transition from enterprise management to corporate governance[1]. Enterprise management is mainly based on the concept of control in human resource management, using people as a tool for organizations to achieve their goals, which has shown obvious shortcomings in the knowledge economy era; Corporate governance, on the other hand, means a process of qualitative change, where governance involves multi-party participation, fair distribution of power and responsibility, and dynamic development among each other. At the talent level, human capital governance regards talents as capital individuals with their own property rights and free will, and considers how to balance the distribution of power and obligations between organizations and talents[2]. Moving from management to governance means that enterprises need to re-examine the status of talents and transform them from users to value co creators. This also means that companies are beginning to realize the importance of talent. The ownership of human capital belongs to individuals, and companies only have the right to use it. How to make talents willing to invest their intelligence, emotions, and social capital into the company is an important factor in determining whether a company has innovative vitality. From a governance perspective, emphasizing property rights, incentive compatibility among stakeholders, and long-term cooperation can provide new ideas and theoretical basis for talent policies of enterprises[3].

2.2. Core Elements under the Framework of Human Capital Governance

The human capital governance system consists of a series of fundamental factors, which serve as the theoretical basis for formulating innovative talent policies. Property rights definition refers to the institutional arrangement provided by enterprises for talents, so that they can enjoy the benefits brought by the appreciation of human capital while transferring the use value to the enterprise. The principle of incentive compatibility refers to a state in which an individual's choice of behavior that maximizes their own utility through certain institutional arrangements can lead to the achievement of the overall organizational goals[4]. Risk sharing emphasizes the establishment of an equal distribution mechanism of rights and responsibilities, where benefits are shared while risks are also shared to prevent hasty gains. Value co creation is the ultimate goal, which means that the relationship between enterprises and employees is not one of opposition, but rather a mutually reinforcing relationship of co construction, achieving a win-win situation through mutual cooperation.

2.3. The Starting Point of Governance Logic for Talent Policy Innovation

The starting point of the governance logic for the creation of the new talent policy can be summarized as the confirmation and response to the status of human capital as the main body - shifting from traditional organizational policies to governance policies at the dynamic equilibrium point of the interest game between organizations and talents. This logical starting point includes the following

two meanings: firstly, responding to the property rights needs of human capital at the policy level, ensuring the right of talents to receive rewards for their own contributions and the right to autonomy in development[5]. Secondly, policies should adapt to the uncertain environment, shift from control to empowerment, and give talents greater freedom; Again, policies should be aimed at establishing long-term cooperative relationships, creating trust and commitment between organizations and talents through contracts and relationships.

3. THE INTRINSIC MECHANISM OF TALENT POLICY INNOVATION IN ENTERPRISES FROM THE PERSPECTIVE OF HUMAN CAPITAL GOVERNANCE

The internal mechanism of talent policy innovation in enterprises from the perspective of human capital governance is mainly reflected in three aspects: ownership allocation mechanism based on property rights incentives, cooperative empowerment mechanism based on value co creation, and heart contract recognition mechanism based on relationship contracts. These three aspects respectively interpret the role path of talent policy innovation in stimulating the creativity of enterprise human capital from different perspectives[6].

3.1. Equity Allocation Mechanism based on Property Rights Incentives

The equity allocation mechanism is one of the important mechanisms in human capital governance. It is determined by the property rights attributes of human capital. Because people have ownership, in enterprises, it is difficult to mobilize the active investment of human capital if the rights of people cannot be reasonably allocated. The equity allocation mechanism includes three aspects: material rights, development rights, and discourse rights. The allocation of material rights and interests focuses on enabling talents to share value and create benefits. Traditional salary incentives are more manifested in the form of wages, bonuses, and other forms, and these short-term incentive methods are difficult to fully reflect the contribution of talents to the long-term development of enterprises. The equity allocation based on property rights incentives aims to achieve the binding of interests between talents and enterprises through means such as equity, options, project follow-up, and profit dividends. If a talent owns company shares or project shares, it means that their identity is no longer just an employee, but a member of the company's community of interests, which will encourage them to have a greater sense of responsibility and belonging[7]. For core technical talents and management backbone, material rights allocation is not only an economic return, but also an institutionalized confirmation of their value contribution.

The allocation of development rights is to consider how to give talents the opportunity and stage to develop themselves. The human capital possessed by talents is not fixed and unchanging, it increases value with learning and practice. The allocation of development rights is to ensure that talents receive development opportunities that are commensurate with their own contributions and development levels, such as tailoring development paths for them, arranging them to undertake important job training tasks, giving them opportunities to lead major projects, and so on. Only when talents feel that they can achieve long-term development within the organization, their level of effort and sense of identification with the organization will be greatly enhanced. The core of developing equity allocation is to enable talents to see their own human capital growth paths and development directions.

The allocation of discourse power involves the degree to which talent influences organizational decision-making. Traditional organizations generally adopt a top-down decision-making approach, and talent opinions and ideas cannot enter the decision-making level. The allocation of discourse power emphasizes giving talents the opportunity to speak on strategic planning, technology selection, business orientation, and other aspects, so that they are no longer passive players who simply accept policy arrangements, but also participants and even makers of policies[8]. This is not only beneficial

for improving the quality of decision-making, but also for enhancing the sense of identity and belonging of talents. The allocation of discourse rights is an extension of human capital property rights in decision-making and a respect for the status of talent as the main body.

3.2. Collaborative Empowerment Mechanism based on Value Co Creation

Collaborative empowerment is an institutional arrangement based on the perspective of value co creation, in which organizations and talents interact to create value together. It empowers organizations and talents from three aspects: platform empowerment, network collaboration, and fault tolerance and correction.

Platform empowerment refers to providing supportive resources for the value creation of talents. Currently, competition between enterprises is no longer limited to the competition of capabilities in a certain aspect, but rather the competition of platforms and ecosystems. Platform empowerment refers to enterprises building platforms for employees to share resources, experience, and technical support, reducing the cost and threshold for employees to carry out innovative activities. For example, by creating an internal entrepreneurial garden, open laboratories, shared databases, and so on, the third is to enable people to easily access all the resources they need and focus on creating value. A core logic of platform empowerment is to put talent on the shoulders of the organization, rather than starting from scratch.

Network collaboration focuses on how to achieve connections and collaboration among talents. The power of a single talent is limited, and a network formed by multiple talents has a synergistic effect. Network collaboration refers to breaking down departmental boundaries, hierarchical boundaries, and regional boundaries, establishing an efficient and smooth internal and external linkage network, in which talents can collaborate across sectors and specialties, achieve knowledge integration and innovation intersection[9]. Digital applications provide conditions for networked collaboration, and forms such as collaboration spaces, knowledge communities, and virtual teams are reconstructing the collaboration mode among talents.

The fault tolerance and error correction mechanism focuses on how to deal with risks and failures in innovation. Innovation itself has uncertainty and the risk of failure. If failure is not allowed, then talents will be cautious and dare not engage in breakthrough innovation activities. The focus of the fault tolerance and error correction mechanism is to create an organizational atmosphere that tolerates failure and encourages trial and error, clarify the boundary between exploratory innovation and responsible errors, and provide risk buffering for innovation activities. At the same time, the mechanism should also include reviewing and learning from failures, turning them into material for organizational knowledge accumulation rather than simply being held accountable. Behind the fault tolerance and error correction mechanism is a sense of security and support in the process of talent innovation.

3.3. Psychological Contract Mechanism based on Relationship Contract

The relationship contract mechanism and psychological contract mechanism refer to an informal relationship bond between organizations and talents, which is different from formal institutional arrangements. In this situation, trust, identification, and emotions become important factors affecting talent management.

The establishment of trust is a prerequisite for psychological contractual relationships. Under conditions full of uncertainty, no written contract can cover all terms and situations. Trust is an important force in compensating for incomplete contracts. The establishment of trust requires organizations to make unremitting efforts in terms of word and action consistency, fulfilling commitments, and fairness, so that talents can feel the reliability and predictability of the organization.

After gaining trust, people will put in more effort and tolerate setbacks in the process of organizational change.

Identity shaping emphasizes the high integration of individual mission and organizational vision. Current talents, especially the new generation of employees, are increasingly valuing meaningful and valuable work. In this context, identity building is about achieving a deep integration of personal pursuit and organizational development through the appeal of organizational mission, the alignment of values, and the traction of common goals. When talents identify with the cause that the organization is engaged in, they will be more motivated to do things, and this motivation comes from the heart.

Emotional connection refers to how to create an informal organizational support system. The human touch in work, including mutual assistance among colleagues, establishment of trust between superiors and subordinates, and harmonious relationships between different teams, plays an important role in retaining talent and stimulating employee engagement. The creation of emotional connections requires organizations to pay attention to the comprehensive needs of employees, provide humane support outside of work, and create a warm and homely work atmosphere. This soft emotional connection is crucial when employees face the choice of resignation and is an important means of retaining them.

4. PRACTICAL PATH OF ENTERPRISE TALENT POLICY INNOVATION FROM THE PERSPECTIVE OF HUMAN CAPITAL GOVERNANCE

Based on the analysis of the above internal mechanisms, enterprises can construct a systematic talent policy innovation practice path from four dimensions: top-level design, institutional optimization, cultural reshaping, and technological support.

4.1. Top Level Design: Building a Hierarchical and Classified Governance Oriented Talent Policy System

Firstly, the top-level design is to establish a hierarchical and classified governance oriented talent policy system. Talents of different levels and types have different ways of value contribution and incentive needs, and adopting a one size fits all policy is difficult to be effective.

Implement a business partnership system for core executives. Senior executives are the strategic planners and key players in the long-term development of enterprises. They should be given sufficient ownership and decision-making participation to become members who share the same fate and breathing with the enterprise. Business partners should not only be reflected in equity, but also in strategic decision-making power, voting power on important matters, and leadership of corporate culture, so that the main leaders can truly become the owners of the enterprise.

Implement a technology partner or project dividend system for key talents. Key talents are the technological backbone of enterprise innovation, and their creativity determines the core competitiveness of the enterprise[10]. Implement the technology partnership system to give technical talents the right to participate in decision-making such as technology route selection and technology research and development resource allocation, and ensure that they receive the benefits they deserve from technological progress through project revenue sharing and technology transfer rewards; This is a recognition of technical labor and a motivation to encourage continued research and development.

Set up rapid development plans and challenging task authorizations for young potential talents. Young talents are a rapidly developing group, and what they value most is opportunities for development and growth space. The company should enable young employees to quickly accumulate experience, improve their abilities, and boldly assign them challenging tasks and corresponding authorizations through arranging mentors to teach, job rotation exercises, and key project exercises.

Let him grow in practice and experience in responsibility. This practice of investing in young talents is also an important guarantee for the human capital reserve of enterprises.

4.2. Institutional Optimization: Improve Flexible Institutional Arrangements that Match Governance Mechanisms

The trend of institutional improvement is to shift from rigid regulation to flexible management. Contractual management defines rights, responsibilities, and benefits in the form of "contract+commitment" to enable talents to become equal collaborators; Differentiated incentives break the standardized model and customize personalized incentive combinations based on different talent preferences to meet specific needs; The dynamic evaluation constructs a value creation orientation mechanism that takes into account both long and short cycles and process outcomes, emphasizing the exploratory nature of the innovation process, which is very in line with the ideological connotation of value co creation.

4.3. Cultural Reshaping: Creating an Organizational Ecology that is Integrated with Governance Concepts

Policy innovation ultimately leads to the reshaping of culture. Transitioning from a hierarchical culture to a co creation culture, breaking down hierarchical barriers, encouraging open communication and collaboration, and making innovation the norm; Shift from a culture of control to a culture of trust, reduce unnecessary approvals, and provide talent with free space to express themselves on the premise of clear target boundaries; The goal of human capital governance is to shift from a culture of employment to a culture of symbiosis, starting from short-term relationships and establishing long-term relationships where both parties achieve mutual success and progress together.

4.4. Technical Support: Empowering Talent Governance with Digital Technology

Digital technology helps to achieve precision in talent management. Establish digital talent archives, gather various information, achieve comprehensive understanding of talents, and make scientific arrangements and reasonable plans based on this. Design a talent contribution and value evaluation mechanism that accurately reflects the specific situation of talent participation in projects and the intellectual achievements they provide. Based on this, carry out distribution work according to contributions and improve fairness in distribution. The use of collaborative platforms to achieve knowledge sharing and innovative cooperation, breaking through spatial and temporal constraints, and realizing personnel connections and exchanges is the source of value for organizational intelligence accumulation and creation.

5. CONCLUSION

In summary, based on the theory of human capital management, this article explores the fundamental driving force behind the reform of enterprise human resource policies, which is to respect and meet the demands of human capital interests. It discusses the human capital stimulation mechanism from three aspects: the distribution of human capital owner's equity, human capital participation in value creation, and human capital relational contracts. Based on this, four suggestions are proposed: strategic guidance, institutional improvement, conceptual transformation, and platform construction, providing reference for effective talent governance in enterprises. Subsequent research can delve into which governance model is more suitable for the development of enterprises in different situations, as well as the new development of talent governance models in the era of new technologies such as artificial intelligence.

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