Creativity and innovation in organizations business essay

The terms, " creativity" and " innovation" are often used interchangeably in organizations. It is important to understand the difference. Creativity is the generation of new ideas where as, Innovation is the implementations of creative ideas in order to generate value, usually through reduced operational costs, increased income or both i. e. converting the idea into a successful business.

" Akhil, you must show your creativity now." The boss threw open the challenge to Akhil on the eve of the new product launch and continued " I want some thing new from you Akhil, use your creative talents."

So, the process of being creative is known as creativity.

What is creative?

It is being innovative, imaginative and characterized by being original. In broader terms, creativity means the ability of imagination or invention or origination of anything new. Creativity is also an attitude to accept changes and newness, willingness to play with ideas and possibilities while looking for ways of improvement. Creative people tend to be hard working, improve ideas and solutions by making continue alterations and refinements in their works.

So, creativity is ability, an attitude and it is a continuous process.

It is easy to identify a creative person. A creative person will be characterizing as:

Curious

Enjoys challenges

Optimistic

Sees problems as opportunities

Sees problems interesting

Challenges assumptions

Does not give up easily, preserves & works hard

Knows there is always room for improvement

Enjoys good things

Creative people are known to have the following attitudes:

Curiosity: Creative people want to know things-all kinds of things-just to know them. By keeping your curiosity and a sense of wonder alive, you spur your mind to create new channels of thought. You find new connections and become more creative.

Confronting Challenge: Creative minds like to identify and challenge the assumptions behind ideas, proposals, problems, beliefs and statements. Many a time assumptions have been assumed unnecessarily and when challenged, often comes a new idea.

Constructive discontent: It is a positive and enthusiastic discontent reflecting the mindset " I have a better way to make that better."

Optimism: Creative people generally have a deeply held belief that most (if not all) problems can be solved. By faith at first and by experience later on, the creative thinker believes that something can always be done to eliminate or alleviate almost every problem.

The ability to suspend judgment and criticism: Many new ideas, because they are new and unfamiliar seem strange. Only later they become ' obviously' great. A creative thinker is able to suspend judgments when new ideas are arriving.

Seeing the good in the bad: Creative thinkers when faced with poor solutions do not cast them away. Instead they ask " What is good about it?' because there may be something useful even in worst ideas.

Some of the negative attitudes, which block creativity:

No. It is a problem: The reaction to problem is often bigger than the problem itself. Everything begins with the mindset. We must learn to look at problems as opportunities.

No. It can't be done: This is a total surrender. By assuming that a problem cannot be solved, we give the problem a power it did not have before.

There is nothing I can do: Some people think, well the problem may be solved by an expert but not by me because I am not smart enough! {We all know that Wright brothers were not aviation engineers but cycle mechanics}

I am not creative: Let us remember everyone is creative to some extent. All we need to do is let the suppressed creativity come back to the surface.

What will people think? Well, they are already talking about you, saying that we look funny! So, since others are going to talk about us in unflattering ways any way, we might as well relax and let our creativity and individuality flow. Remember the famous quote " Progress is made only by those who are strong enough to endure being laughed at."

Innovation

Let us now define innovation as it has been a commonly used and misused buzzword:

David Wittenberg, CEO, The Innovation Workgroup, pointed out that innovation should be measured in terms of value creation. He elaborated that human beings are economic creatures and thus, any purchase decision is driven by the fact that the value of benefit should exceed the benefit of cost. Hence, the Organizations should adhere to the formula of Value = Benefits/Price.

It is the conversion of information into valuable knowledge & ideas and subsequently into a significant benefit which may be new or improved products, processes or services. It is a means to realize the potential of invention by commercializing it which the customer is willing to pay for. A systematic Innovation Management philosophy follows through the entire process from ideation, prioritization, and execution to monitoring.

An other great definition by WhatIf, the innovation company is: Innovation = Identify x Insight x Ideas x Impact.

Each part of the ? WhatIf! equation should be innovative and remarkable in its own right. If the insights are not new, remarkable, and different to all previous insights, how likely is it that the ideas that flow from them will be remarkable? If you have remarkable ideas but the delivery of them is through the same old channels using the same processes, how likely is it that these ideas will be truly remarkable?

For innovation excellence, three things must be in place:

The right CULTURE

The right PROCESSES

The right ACTION

People face a number of challenges in each area when trying to increase their innovation capability.

Cultural Challenges:

Incentives – We need to establish a strong incentive and reward system connected to our innovation indicators to promote fulfillment of our objectives.

Recognition – We need to be better at giving recognition and feedback to colleagues and to communicate success stories to inspire others.

Diversity – We need to improve the diversity (e. g. age, gender, experience, knowledge, background, style) in our teams to promote creativity and out of the box thinking.

Openness – We need to be more open for new ideas, visionary thinking, debate etc. to promote innovation and avoid " not invented here" behavior.

Commitment – We need to make sure that people are motivated and committed to engage and contribute to our innovation efforts.

Participation – We need to allow and ensure that everyone can contribute and engage in our innovation efforts.

Collaboration – We need to extend collaboration beyond the borders of our own organization internally and/or externally (e. g. customers, partners, universities) to share ideas, knowledge etc.

Risk-taking – We need to be more risk-taking and allow more experimentation in our innovation efforts.

Process related Challenges:

Systematic – We need to establish a systematic end-to-end process for innovation (including scoping, ideation, screening, decision-making, defining business cases, prototyping, business building).

Toolbox – We need to access a useful (commonly shared) innovation toolbox to drive innovation (e. g. methods, templates, good practices).

Flexibility – We need to increase the flexibility in our processes and structures to drive innovation effectively.

Portfolio – We need to effectively manage our innovation portfolio and make sure it is optimized in terms of value and effort, short- and long-term etc.

Ideation – We need to increase our ability to generate and/or attract strong ideas by using effective tools and methods (e. g. brainstorming sessions, external sourcing).

Insights – We need to strengthen our insights about markets, customers and users (e. g. systematic opportunity scanning, business intelligence, consumer research).

Roles – We need to define and establish clear roles and responsibilities for the functions supporting our innovation efforts (e. g. innovation managers, innovation coaches).

Measure – We need to follow-up and measure our innovation activities and establish a set of performance indicators (e. g. for input, process, output).

Action related Challenges:

Objective – We need to define and establish our innovation objectives and clarify the contribution to the overall business goals.

Mandate – We need to define and establish our innovation mandate with senior management, and clarify what management sponsorship and support to expect.

Speed – We need to accelerate/speed up our decision-making and handling of issues related to innovation.

Boldness – We need to be bolder and more radical in our innovation efforts and clarify what risks we can and should take.

Funds – We need to establish dedicated funds for innovation activities.

Time – We need to ensure we can dedicate enough time to effectively perform our innovation activities.

Focus – We need to define and establish the scope of our innovation efforts and decide what areas to focus on (e. g. product, service, business model, process, organization, management).

Approach – We need to define our approach to open innovation and clarify the overall models and principles to use (e. g. approach to collaborative innovation, partnerships, alliances, M&A).

How to improve creativity inside an organization

Is creativity a personality trait that is available to only a few? No. Research has shown everyone has some creativity, but it has been stifled by Freud's thinking that artistry and creativity are associated with mental illness and the scientific emphasis on materialism and analytical thinking. Partridge notes that there are 120 different, special, and measurable aspects of creative thinking which particularly distinguish humans from other species. These wide-ranging creative faculties have been, and continue to be, critical to mankind's ability to adapt to changing situations, environments, and systems. The challenge is to create an environment that will bring out the creativity of everyone and make those who have demonstrated creativity even more creative.

There are Four relevant brain wave types, out of which two are stimulating creativity as follows:

Alpha – when we are relaxed and calm.

Theta – they occur when we are relaxed, meditating and visualizing.

Beta – associated with concentration, logic, reasoning, alertness and critical thinking. Although they are critical to our everyday functioning, beta brainwaves inhibit creativity.

Delta – occur during sleep

Take small breaks, be aware that caffeine inhibits creativity, walk, use public transportation. This way you stimulate alpha and delta brain waves, which are beneficial to creativity.

Models of generating creativity:

Models can help you understand that creativity isn't just something that happens. Creativity can be stimulated.

The Wallas model of Creativity – four stages:

Preparation: gather information on the problem

Incubation: spend time away from the problem, do something else. The subconscious does the work at this stage.

Illumination – the new idea emerges

Verification – you check your idea

The Wallas model was criticized because it views the incubation as a black box, where we rely too much on the subconscious.

Alex Osborn 7 step model:

Orientation: understand the issue

Preparation: gather information. The team can split and each member can gather data on a different area.

Analysis: look into the data gathered and decide which one is relevant

Ideation: generate as many ideas as possible. Osborn is the one who came up with the concept of brainstorming and he suggests using it in this step. Another technique is role playing.

Incubation: get away from the project, work on some other project or catch up with other work related tasks – emails, phones, filling time sheets, etc.

Synthesis: this is where you connect information with your ideas and a solution emerges. Visual techniques like drawing can be used here.

Evaluation: check the validity of the solution. Ask for other people's opinions. Establish criterias for evaluation.

Extensive studies of creative thinking have firmly established that individuals exhibiting higher than average scores in creative thinking also exhibit higher than average scores in areas of mental emotional health course of instruction is applied imagination produce significant gains in personality

traits such as confidence, self-reliance, persuasiveness, initiative, and persuasiveness, initiative, and leadership.

There are other factors which are vital and impact creativity in organization as follows:

Organizational culture:

Organizational culture is vital to the creativity inside a organization.

The working environment has to be open to initiative. Judgmental attitudes can be damaging.

Changing the culture takes time and money.

Working Environment:

Working environment can have a great impact on creativity.

Some of the things that can have a positive impact are:

Natural lighting stimulates creativity, as it improves the employee's sense of well-being

Vibrant colors, music and art in specific areas

Well controlled temperature levels and adequate refreshments, allowing employees to feel comfortable

Open doors between departments – encourage visitors

Restaurant for all employees – allows employees to socialize and discuss ideas with different people

Hotdesking – no one has a fixed desk. Each day, desks are allocated on a first came first served basis

Breakaway areas – where people can go to escape the noise. People can use them for solitary creative working.

Skills that influence a person's creativity:

– Essential to have:

Open-mindedness- means you are receptive to new ideas and can look for them in different ways

Risk-taking – new ideas can only be found if you are willing to push against conventions

Communication skills – essential to be able to explain your ideas to others

Persistence – to be able to keep working despite temporary lack of results

Desirable to posses: technical, shaping (to shape ideas into implementable solutions) and analytical skills. Skills can be learned and acquired!

Creativity leads to innovative ideas. Many of us have some creativity and it is the organizations role to provide an environment where we dare to be creative. Innovation is essentially an " enterprise of enterprise": it is a risky

effort that must be borne by the whole organization. In order to implement innovation the whole organization has to take ownership of it .

Once innovation is in place then comes implementation. Edison is famously quoted as describing creative genius as " 2% inspiration and 98% perspiration". More often, the problem is that organizations invest in creative ideation initiatives , such as brainstorming events, idea management, ideas campaigns etc.., but fail to invest in implementing the most creative ideas that come from those initiatives. There are a chances for creative ideas to lost in bureaucracy and as well as in weighty details. This way, under situations of high uncertainty, project management is so vital. Managing the unknowable requires smart knowledge management, as well as being flexible and so on. Time is also a valuable resource and, to be innovative, speed in implementation must move along in a timely manner without compromising quality.

A last key to ensure success is marketing. In a competitive world where complete originality and genius are rare, good marketing is the innovators most important key to ensure success.