Why creativity and innovation is important to company commerce essay

Given the fact that organisations are faced with the challenges of effectively carrying out their business within a competitive environment, there is an increase effort by organisations to improve on their product or service. The CE of company A is committed to running an organisation that is effective, competitive and can survive the challenges in the business world. In achieving competitive advantage and firms survival the CE wants to drive creativity through innovation hence an environment that can achieve this objective is created (Gina 2010). A situation where staff is encouraged to be naturally creative in other to generate new idea that can keep the company ahead of its competitors (Baruch & Zien 1997). Today the growth and development as well as economic value and strategic edge an organisation has over others is dependent on the ability of its staff innovativeness and how they become innovative is dependent on the program of management.

However, the onion lies on the organisation on how they can increase the cognitive process of their employees to achieve organisation effectiveness, competitiveness and survival (Caffyn & Gallagher 2001) and knowledge is at the centre of business survival and competitiveness (Weisberg 1999) as it is said to be those skills in employees that organisations can develop to achieve their objective. According to Barny (1999) firms can invest in their employees in other to achieve competitive advantage in a business environment that is challenging, hence the CE has put in place the knowledge and control factor to ensure that he achieves this goal. Knowledge is key to achieving competitive advantage and survival, it can be gotten through several means like learning and it is a base for developing expertise, skills, capabilities and innovation, with it a business is expected to

grow and subdue challenges(Rastogi 2000). Hence the lives of a business today depend on the creativity or intelligence of the employees. Secondly how the organisation control method is another factor that influences the creativity of the employee, that is to say how the employee's creative process is measured and managed is one factor that will give the organisation competitive edge over its competitors and could also serve as survival strategy, which indicates that employees creativity ensures a significant contribution to firms innovation, survival and effectiveness (Amabile 1996).

How creativity was stimulated, supported and sustained at company A

It is a well know fact that employee's ideas are the bed rock for organisations effective running as well as survival. At company A in other to position the company for the best the CE put together a creativity and innovation club to give encourage the development of new ideas. The CE stimulated, supported and sustained this by using two methods 1 techniques of structured problem solving for the stimulation of idea. 2 he created an environment where people can socialize and individuals can interact which could be seen as the social and organisation factor. In stimulating Ideas Company a used a brainstorming session where the club heads starts the session by stating the challenges on ground and employees come up with random ideas in relation to solving that problem. The introduction of this system created the environment where employees come up with fantastic ideas to challenges, this is very easy and effective (Gina 2010). Also the CE identified that individuals may be creative but that social and environmental

factors plays significant role in creativity and innovation (Amabile & Gryskiewicz 1989). The CE understand the importance of group creativity hence he introduces the creative club. According (Montuori & Purser 1995) the ability for employees to be creative depends on their social interactions and influence rather than individual thinking. The CE having understood that for employees to be creative they must create a social, informational and economic environment which was done through the introduction of the clubs, staff involvement with formal and informal ways of reviewing performance and bonus scheme. The introduction of a new pay and performance system was another way of sustaining creativity in the organisation as it encouraged employees to be more creative on the job. The CE of company A has shown in various ways the importance of employees socialization in relation to the continuous development of ideas and reviewing environmental conditions which is key to stimulating supporting and sustain of creativity (west 1995). The CE has also come to terms with the fact that employees are more creative when the conditions in the environment are changed rather than trying to make individuals think creatively (Csikszentmihalyi 1996).

The significance of the CE'S appointment

The success of every organisation to a large extent depends on its leader. Over the years leadership has come to play a very significant role in the existence of an organisation and it will not be out of place to say that the success of any organisation reflects the kind of leadership that is operational in the organisation. At company A the coming of the CE was timely and significant as he was able to bring in visionary leadership one that inspired the employees to strive towards a collective purpose and pursuit toward the

goals of the organisation (Bass 1985). The CE was a charismatic leader as he was able to manage and regulate the emotions of his employees instead of relying on rational processes to motivate its employees (Simon, Moss, and Damian & Ritossa 2007). The arrival of the CE was a major breakthrough in much sense with the provision of a transformational leader, one that allows the employees to be innovative by airing out their views or idea without any form of humiliation. Also he inspired the employees by empazing the significance of their work which brought about a sense of collective responsibility that imposed confidence in what they do ((Martin & Epitropaki 2001).

Furthermore, the CE created an environment where new ideas could be generated via socialization and where learning can prevail. It was also evident that the employees were motivated both intrinsic and extrinsic as the derived pleasure or gain satisfaction in what they were doing and were also rewarded for their performance and had benefits for what they were doing (Lin 2006). According to one of the managers who made a very important statement and i quote " He was just like a breath of fresh air. After you've been hammered for five years then you realise you are free to say anything to him and he would listen to what you say". This indicated that he created a platform where employees were open and free to say anything no matter how insignificant it may be. The CE coming did not just make creativity possible but give the organisation more focus in achieving their goals and objective.

The Importance of communication to changing an organisations culture.

Communication is one concept that goes beyond making presentations, writing, coordinating and organising meetings, most individuals and organisation think that when there is clarity of information then communication is effective. In other for Communication to be effective it must take into consideration factors like organisational culture, the relationship of management to employees as well as the procedures of things in the organisation (Costley, Melgoza & Todd 1994). For instance there may be a well defined way of communicating in the organisation but if the employees think that management or a manager is not competent it will affect communication. Importantly we must understand that leadership come to bear on the culture of an organisation, which indicates that when the organisation changes its leadership it will be seen in the culture of the organisation (Alvesson, 2002 & Keyton, 2005), this means that as leadership changes it affects the culture of the organisation hence there is a need for the leader to always communicate his position to the employees this was what the CE did by stating his focus. A position that will tell the employees if the leader is people or task oriented (Neuhauser et al 2000). Continuing company A communicated its position through the CE by given a state of the union address twice every year and also create an informal session where employees can interact and explore issues within and outside the organisation, other techniques used where team briefs, communication via email etc.

The importance of replacing managers who block change

Change is a prominent charcterics of organisation and it always relate to organisations structure or management, the people or employees and technology and facility (Mullius 2007). Organisations need change for several reason but most time individuals resist change because of fear of the unknown, economic security, treat to social relationship etc (Greenberg & Baron 1999). It is important to replace senior managers who block change for several reason, firstly we must understand that a capable management is the root for sustaining the competitive advantage of an organisation (Nohria, Joyce, & Roberson 2003) and the conduct of managers in the organisation does affect the environment for change (Gilley 2005 & Howkins 2001). The responsibility for strategizing, implementing and monitoring change rest with the leaders or managers of the organisation as they act as mediators for change (Kanter, Stein, & Jick, 1992).

However in other for organisations to be competitive they must remove leaders or managers who do not support transformational change (Cohen, 1999). as Leaders or managers who do not support change acts as discouraging factor to the employees and also make the work less effective (Gill 2003). These types of managers also cause harm to the effective implementation of the organisations goals and objectives. It is important to note that the behaviour or attitude of these managers influences everything that happens within the work environment which means it could affect the creativity of the employees.

Conclusion and recommendation

We like to conclude by saying there is no better way for achieving competitive advantage and organisation effectiveness other than encouraging creative thinking. We have also establish that creativity works better in an environment where socialization and openness is encourage which indicate that isolating individual is not the best way of making employees to be creative. Also the importance of transformational and visionary leadership has been put forward as a base for supporting creativity as well as the importance of replacing managers who resist change in the organisation.

Nevertheless, our recommendation is that company A should continually stress the use of teams and work group in creating new ideas (Cohen & Bailey 1997). The reason for this is to encourage interaction, improve knowledge and increase team skill (Chen, Donahue & Klimoski 2004). Also company A should keep managing creativity by given feedbacks to individual of teams as this will influence the performance of the team and make employees to be more creative (Tierney & Farmer 2004).