

Creativity Management — A Key To Corporate Excellence

It was believed that creativity is the gift of God. But now experts think that though there is no exact formulae or model of creativity, yet 'creativity' can be created and augmented, and it

improving systems and procedures. It substantially contributes to improvement of the entire profit making process. Research in this functional area may aid the design and maintenance of adequate

ing clearly ventilated through the thoughts and deeds of the CEOs' (Chief Executive Officers) of different eminent companies, and chief priority is being attached to this noble activity. Many business leaders considered it as the business of businesses as they feel that the market will reward those who can cross the pinnacle and come up with something new, well before their competitors.

Creativity is a very complex process and depends to a large extent on the interplay of some variables, many of which are unknown to the business world as yet.

Of late, some studies have been made and some concepts and theories have been developed. But there is still a long way to go, as the subject is still in its embryonic stage. In this article some aspects have been discussed which require further study and deliberation for its refinement and testing of validity. It is felt that this work will be of immense help to a researcher who may be interested to carry the torch ahead by giving some insights into this phenomena or discovering new relationships among dependent and independent variables for establishing cause and effect of relationships, or to add or revise the existing stock of knowledge on the subject.

The Concept

Through daily newspapers and TV advertisements, we frequently come to know about

In this competitive age when every business entity is trying to create something new to impress the customers and the customers have wide choices, creativity management has become a matter of key importance for the survival and growth of the business. The encouragement of creative endeavours of the workers in any organisation can reap rich rewards for any firm. This article provides an overview of this new-age concept.



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can flourish through management action. To institutionalise creativity awareness and extend the advantage into a sustainable business opportunity, landscaping of creativity should be an agenda for corporate growth and should be spelt into appropriate strategies, goal congruence, policy formation and vision development of an organisation. Going by this development we can safely comment that with the traditional functions of management of planning, organising, staffing and control a new dimension has been added as innovation in today's business. Innovation is not confined to any specific activity but covers the entire arena of operations including organisation, personnel, administration, manufacturing, marketing, finance and other functional areas. It helps management to avoid wasteful, unnecessary and extravagant use of resources, enhance productivity through

authority structure, improvement in communication system, establishing better criterion for measuring results for effective control and finally to achieve the goal of the corporate efficiently, economically and effectively. The image of an organisation among customers, general public and in its own industrial and commercial fields gets very much elevated through product development, process development or value addition thereof through new creation, new innovation and new application, which are the essence of creativity management. Sky is the limit for improvement and creativity management if properly cultivated, may uplift an organisation to its utmost commanding height. In this new era of liberalisation and globalisation, creativity management has become a compulsion and not merely a voluntary choice for the success and prosperity of a corporate. This message is gradually be-

the launch of new products almost every day, to attract the consumers. Starting from automobile to cosmetics, fast food to electronics, computers to cell phones, every product of varied brands is available in the market. It has two major implications- one, catering to the needs of the consumers and thus increasing the standard of living of the people, and the other, the more important one, the availability of quality goods and services at the most competitive rates. Propelled by this technological revolution and backed by the increasing consumerism, since the inception of the new millennium, every corporate is moving towards expanding their empire by launching new products or services to increase their market share to add more and more to their bottom lines. Every company is doing whatever possible from their end to satisfy their creativity ends. In this race of growth and prosperity of the corporate world, human capi-

tal has been gradually recognised as the most powerful and valuable strategic weapon. Traditional factors of production of land, labour, capital and organisation are being replaced by knowledge, which is considered to be the key to formation of intellectual capital. People have an inherent capability for improvement and progress. A company is as good as its people. Knowledge, creativity, innovation and ideas could make or break a company. These intangible intellectual capitals are to be leveraged to improve performance and profitability to achieve sustainable growth and excellence. To achieve this, a company has to pursue a long-established strategy of innovation to encourage its people to think and come up with new products from the company's core competence. One should bear in mind that creativity not only helps in solving immediate problems but also provides requisite momentum to adapt

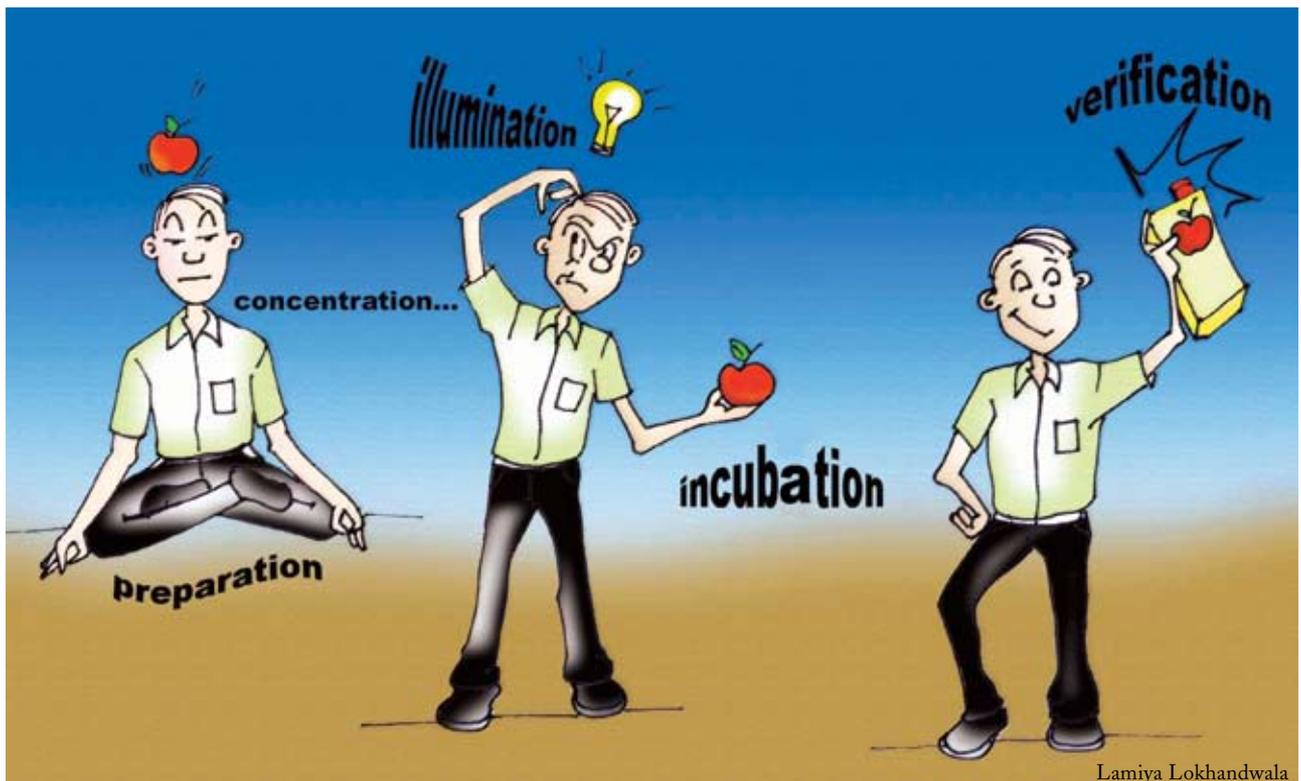
innovative and imaginative behaviour as part of the work culture, and to develop a conducive environment in the organisation.

Landscape of Creativity

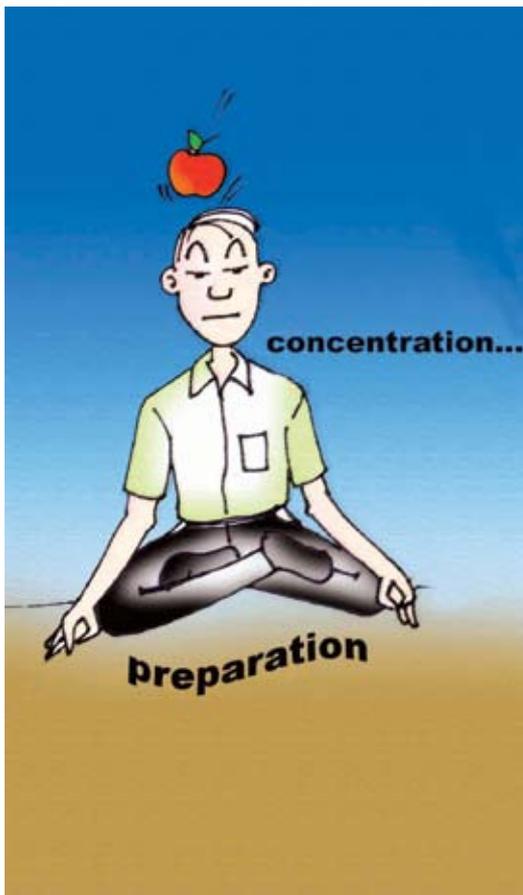
Creativity is the art of creating something new, developing a new product or process. So it is closely associated with the generation of new ideas. However, it is not confined just to that but also extends to recycling of the existing wealth of knowledge and ideas to put into new applications. But these ideas must be practical enough to put to use and possessing utility to influence the economic activity of the society.

To quote Barron & Harrington, "creativity is a socially recognised achievement in which there are novel products to which one can point as evidence such as inventions, theories buildings, published writings, painting and sculptures, films, laws, institutions, medical and surgical

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treatments and so on.” When these ideas are taken over by the corporate houses for gainful utilisation in terms of product development, process development, standardisation and optimisation of operations, value additions, cost reduction and similar other applications to achieve its objectives, it may be coined as corporate creativity. Creativity may be considered a critical determinant of success of a corporate in today’s fast changing business scenario. So institutionalisation of creativity awareness and extending its advantages to sustainable business strategies and landscaping of creativity must be an agenda for corporate growth to be built into appropriate policies, goal congruence and vision development. Creative corporates hold the view that continuously improving creative efficiencies

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translated into business edge help the company to remain competitive across its business as well as geographical segments. If implemented properly, this initiative is expected to substantially strengthen profits and profitability, Economic Value Added (EVA), Market Value Added (MVA), and brand equity adding to the value creation activities of the organisation.

Winners do not do different things, but they do things in a different manner. Achieving creativity is difficult but not impossible. A company has a set goal to which all its activities are directed with a team of people to pursue such goal. This team of people, wherever they remain in the organisational hierarchy, possesses an unending source of creativity. But these people have diverse cultures, different attitudes and still different vision and wisdom. Such diversities are to be manipulated, harmonised and harnessed to explore new ideas and approaches within the threats and opportunities it perceived. This demands the formulation of adequate policies, development of appropriate strategies supported with a positive work culture to be pursued constantly by all managers across different levels, firstly to stimulate and boost up all facts towards creative thinking of the entire workforce and secondly to clear all road blocks that hinder creativity. Everything is to be taken care of, as to how people behave, how a particular individual or team is handled by its supervisors or controlling officer, how their ideas are nourished, developed and ultimately rewarded. To foster creativity is to nurture the creative mind of people, to make creativity a

part of corporate culture and to think of its nourishment as an everyday job is to make the flower blossom on its maturity. It should be a planned approach, not a stray business.

Creative Personality

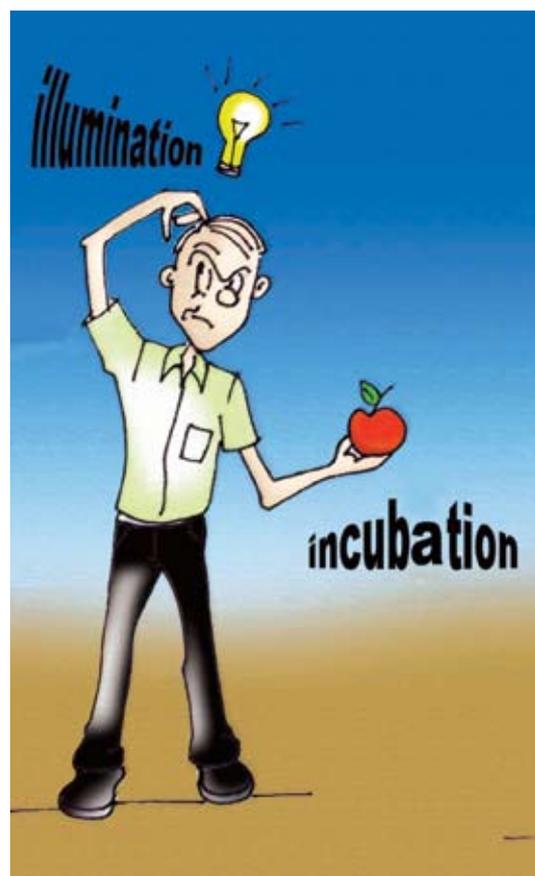
Is there any specific characteristic to be possessed by a person to be creative or is there any settled wisdom that produces creativity in a person? The answer to these vital questions would not possibly be in the affirmative. Corporate creativity is a very complex process and depends to a large extent on the inter play of three inter-dependent variables—organisational characteristics, group characteristics and individual characteristics. How the organisation behaves, its attitude and encouragement, its perceptions and values towards creativity determine the organisational characteristics. Group characteristics are determined by the collective behaviour of the people included in the group. Individual characteristics are the functions of several variables, which influence the thinking process, attitude towards work and integrity. Corporate creativity is the outcome of the totality of these three factors that operate within a company but do not follow any rigid formulae. A tension free relaxed frame of body and mind is the first prerequisite to enable a person to think logically, behave rationally and decide correctly the way a problem is to be solved or a new idea to be developed. Common sense also is very vital and if applied properly to analyse a problem with reference to the conditions and circumstances that have created the problem, some idea, not thought earlier, might click which

could solve the problem. Intelligence is described as the mother of creativity but it is just not true that the more intelligent person is necessarily the more creative one. Age and sex rarely influence creativity. But curiosity, initiative and experience are the three basic qualities of a creative individual. They are creative thinkers and exhibit creative job skills. Qualitative experience is more important than its quantitative part. These basic qualities influence a person to challenge the existing one and search for a new solution for its betterment.

The important group characteristics which foster creativity within a group include clarity of mission and vision of the group, composition of the group, work environment faced by the group, its problem solving approach and the extent of brain storming and synaptic practices put into use. Every creative work should start with a clear mission and vision to be shared by all group members so that there is no ambiguity as to the objective to be pursued and the degree of flexibility permitted. Regarding group composition there is no clear-cut demarcation between homogeneous and heterogeneous composition. For cohesiveness etc., homogeneity pays, but in the majority of cases, diversity adds more value to the creative process. There should be an optimum balance between homogeneity and heterogeneity that supports open interaction, diverse viewpoints and playful surroundings to facilitate group creativity. Work environment should be free of tension for a target-oriented performance but there should be a challenging role that fosters creativity. The group should

attempt to solve a problem with an analytical mind with conceptual, experimental, logical and value driven approach. It has been noted that a structural problem solving approach with supportive supervision enhances creativity. In a brain storming session, all group members are induced to think about some thing at the same time either to solve a problem or to generate a new idea. In this process, different people come up with different ideas and some kind of choice is made which is considered to be the best for implementation in terms of its utility and practicality. Another way to stimulate creativity within a group is synaptic that assists to generate a variety of ideas. In this connection it will be appropriate to quote, Barron which reads as follows: -“Synaptic in operation depends, heavily on two mechanisms: making the strange familiar and making the familiar strange. The first of these is a search for similarity, so that when confronted with a new problem, we ask ourselves whether it is an old problem. Seeing even partial resemblance may lead to the application of familiar methods in solving the new problem. Making the familiar strange is a way of shedding preconceptions and perpetual habits. Innocence of vision, a certain naivety and ingeniousness characterize the creative individual. If the qualities can be cultivated, the novelty of invention and problem solution should be increased”.

Effectiveness of an individual’s creativity and group’s creativity ultimately depend on the organisational creativity characteristics as all the employees as individuals or groups work for the company and as such their working and



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performance is finally shaped by the expectation and desire of the company they worked for. So the organisational characteristics are the critical determinants of corporate creativity. Creative characteristics of an organisation are embodied in its work culture, workforce, organisational design and policies, the resources it commands and other related issues. Corporate culture implies the way of running and managing a business, its selection of mission and possession of vision, its sharing of values and norms and the attitude it carries. Clear mission and vision, well-shared norms and values, transparency in policies and decision making promote creativity. Innovative workforce supported by proper training and development enhances performance, awareness, quicker decision making and finally contributes to the

creative process. Straightforward organisation structure rather than traditional control type organisation structure better encourages employees to develop their insight and imagination towards creative endeavour. The organisational policies should be supportive of empowerment, innovation, experiment, risk taking and finally, appreciation and reward for creative performance. Lastly, to be creative, the organisation must possess adequate resources to bear the risk of uncertainty in both ways, firstly, when a loss occurs due to failure of an experiment and secondly, commercialisation of an experiment when it succeeds before going to the market.

The Process of Creativity

There are no set rules or laid down procedure for the process of creativity, so no rigid formula or model could be prescribed for this noble art. But on the basis of different studies undertaken by different scholars from time to time and the working experiences of managers in their field of work in different industries, some generalisation can be arrived at as a guide to action, which can be further, experimented with through further studies and research. According to this generalisation, the process of creativity can be thought of as unfolding in a series of five stages - preparation, concentration, incubation, illumination and verification. (Glassman 1989, Kanbanoff and Rossitess, 1994). We shall discuss each of the above stages briefly; -

Preparation: The falling of an apple from a tree led to the famous invention of the laws of gravitation by Newton. Apples fall every day, but how many of us observe it se-

riously as to why it happens, when it happens, and come to certain conclusions leading to some scientific invention/discoveries? We have to observe things deeply, think over them, review them again and again till we are fully satisfied since creativity involves remote associations between unconnected events, ideas, information stored in memory or in a physical object. We should observe as to how things happen, learn the basics behind it and then associate it in our thinking process to satisfy our curiosity in inventing some thing new for a novel application. For this we have to prepare ourselves enough to learn, gain adequate experience, develop keen interest and initiate proper action so that the end result may give birth to some new ideas for original application or recycling thereof to certain other fields for its improvement. How a particular aspect would be related to some other aspects to generate a new idea can hardly be forecast before hand. It requires enough ideas on the subject to judge the cause and effect relationship and to extend it to the development of new ideas. So this preparatory knowledge may be considered as the mother of creation. Corporate houses of today must assign top most priority to prepare people for creative work as their major business. The importance of this preparation is being increasingly recognised all around especially because of the growing need for creation and development of differentiated products and services or to deliver goods and services at reduced costs for enhancing margin or to meet successive competition from peer groups. This organisational goal can only be

achieved through preparation of people for creative work so that they can use their knowledge, experience, wealth of data, intuition etc. to generate the best ideas which could be capitalised by the enterprise to its best advantage.

Concentration: Concentration represents the investigation of the problem or object under reference from all angles after the ascertainment of the framework in which it is to be dealt with to develop an alternative course of action or probable solutions to the problem so that the best workable one may be selected for further necessary action. If this stage could be incorporated in the quality improvement process, the creativity among employees might be stimulated. This practice is found to be in operation in Japanese companies where encouragement is provided to the employees to offer their suggestions for improvement in the suggestion boxes kept at work places, and the suggestions accepted by the management are handsomely rewarded.

This is the reason why the average number of suggestions per employee for improving quality and productivity is significantly higher in Japanese companies compared to typical US companies (Basadur, 1992).

Incubation: Hatching of eggs gives birth to chicks. On the same line incubation facilitates generation of different ideas developed in the process for consideration of different alternatives some of which may seem to be unusual at the first instance. These numerous ideas generated are further refined and developed before the final choice is made. It works under two ba-

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sic principles of nature: first, diverge-stretch your thinking and generate as many options as you can, and second, converge- select the best of those options to refine and put into action. Diverging and converging is in fact, the heart-beat of the creative process. (Firestein, 1996)

Illumination: A sudden flash of insight as intuition may lead to the solution of a problem that may otherwise be thought to be impossible to solve. This is called illumination. The main criterion behind this phase is its immediate action. It is just the removal of darkness instantly by a sudden flash of light. Here, intuition is the hallmark of creation. We come across several scientific inventions that have emerged out of this process.

Verification: Now we have come to the final stage of our creative process. The ideas developed or decisions taken for finding the solution of a problem need to be verified with their logical acceptability, cost-effectiveness and other fact-finding measures regarding their practicality before implementation. Once an idea selected gets passed to this phase, the idea that emerges as a creation and action towards its commercialisation is started.

The different phases of creation as enumerated above are only a generalisation to act as a guide to problem solving. There is no hard and fast rule as to its sequence. A step may be added or a step may be skipped out as the situation demands depending upon its requirements and convenience. Further, these can never be reduced into a formula or model. It is something different when put into practice and this has made

creativity so noble and valuable, be it in business or in other spheres of life.

Management of Creativity

Management of creativity is both critical and crucial for the success of a corporate. It is very sensitive and requires very careful handling so that it is created, nourished and flourished to the best advantage of the organisation. Some issues felt to be relevant in this connection have been narrated after grouping them in certain broad categories.

Managerial And Leadership

Issues: Managers are the leaders of industries. They lead their people to the ultimate destiny-success or failure. This is equally applicable to creativity management also. The style of leadership followed by the managers should encourage their sub-ordinates to contribute their best so that creativity gets supported and not killed. The behaviour of managers should be constructive enough. They should believe in demonstrating things by doing them themselves so that their subordinates can learn by watching them. Managers should be flexible, encourage risk taking and stand by their people as fact finders and not as faultfinders. Even if some member of your team commits any mistake, avoid criticism, try to appreciate his problem and counsel him as to where the mistake is, how to rectify it and recognise his honest attempt. Do not go by the axiom, the boss is always right. Different people have a different style in shaping things. Stifling those employees may lead to the destruction of creativity. On the contrary, reconciliation with such different approaches may improve the decision-making function in participative envi-

ronment conducive to creative thinking and diffident expression. Eminent writer, Gonan Ekvall also focused on the leadership style of the managers and expressed his views that 67 percent of the statistical variance accounted for on the climate for creativity in an organisation is directly attributed to the behaviour of the leader. (Ekvall, 1996).

To achieve excellence in the field of creativity, role perception of the managers occupies a very important place. The managers have to simultaneously perform three major types of roles— as architect, as network builder and as a juggler. As an architect a manager uses strategy, structure, competency and culture to build a robust organisation to get today's work and tomorrow's innovation accomplished. As a network builder and politician, a manager builds cliques and coalitions in the service of innovation and creativity. Finally, a manager as a juggler-builder integrates the tensions and contradictions inherent in organisations. (Tushman, Anderson and Co's Reilly).

Work Environment Issues:

Work environment plays a very crucial role in the creative endeavour of people. Open, supportive and co-operative environment is conducive to free talking, sharing of knowledge, mutual trust and confidence building which in turn help creativity and innovation as people do not feel shy to express their ideas because they know that they will not be criticised even if their ideas are proved to be wrong or are otherwise not acceptable. As an extension to this conducive environment to stimulate and encourage people, suggestion schemes from employees, organisation of trade fairs, exhi-

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bitions, seminars, workshops etc. may be arranged from time to time to provide a platform so that employees can project their new ideas, from which talent can be identified and support may be extended for the development of such talent. There should not be a very tight control and the employees should not be overloaded with day-to-day work. There should be a challenging role with adequate time to observe, think and review so that existing processes may be replaced with new processes and the employees are encouraged to generate new ideas with play and fun.

Incentive And Publicity Issues: Creative ideas should be rewarded adequately. This reward or compensation system may be monetary and non-monetary type. Monetary rewards include promotion to the higher post, granting advance increments, monetary incentives etc. Under non-monetary category, medals, prizes, some form of recognition such as certificate of merit, letter of appreciation etc. are very common. Articles published in the in-house journal, some reputed science magazines, news bulletin etc. and announcements of achievement in specially organised meetings, cultural functions etc. add to the recognition of creative work. What ever the policy in vogue may be, such policies should be transparent, adequate and free from any partiality.

Training And Development Issues: Creativity starts with the recruitment process. But only recruiting knowledgeable and innovative people is not enough. Proper training and development programmes should be organised on a regular basis to update their knowledge base to cope up

with the requirements of the fast changing world. So as a policy, employees' knowledge and skills should be enhanced through continuous learning opportunities to increase their awareness, improve their performance and supplement creative capabilities. Senior managers should sponsor each creative problem-solving workshop not merely as observers but preferably as participants.

Communication Issues: An adequate and suitable system of communication should be developed and put into use throughout the whole organisation so that people can communicate with one another freely and conveniently. Creativity management and its success, depends to a large extent on the effectiveness of the communication system in vogue. How effectively employees understand one another, how far and how fast they know what is happening in the organisation, how they can respond to any act or priority, how best they can express their views and ideas and other similar issues are associated with the communication system. So it can be safely concluded that without a good communication system, many creative ideas may be nipped in the bud

Measures To Enhance Creativity

To be creative, a corporate should focus his attention towards the following suggested measures with a clear impression that these points be taken, at best, as general guidance and can never be thought of as exhaustive.

(i) Each company should formulate a clear cut research and development policy embracing both a short term as well as long

term action plan to be pursued.

- (ii) An adequate amount of resources should be earmarked for this purpose. The amount should be fixed based on certain criteria such as 2% of sales revenue, 5% of cost of production or similar such basis as the company thinks appropriate considering the nature and volume of its business.
- (iii) Conferences and seminars should be regularly organised within the company with participation of outside experts at regular intervals and employees may be nominated for participation in external seminars, workshops, trade fairs etc. where the subject matter is considered to be of interest in reference to the objectives and goals of the organisation.
- (iv) Different projects for business development should be sponsored in the existing line of activities, allied and incidental lines of business and an altogether new line of business depending upon the technological and marketing adoptability as per the SWOT (strengths, weaknesses, opportunities and threats) analysis of the company.
- (v) There should be an established and rational relationship among the academic bodies and the company's in-house research and development wing for the exchange of ideas, information, cooperation and harmonisation for the enrichment of knowledge and its application.
- (vi) There should be a challenging approach in build

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throughout the whole process so that every little possibility of generation of new ideas gets supported through recognition, monitoring and assistance to let the flower blossom its own way.

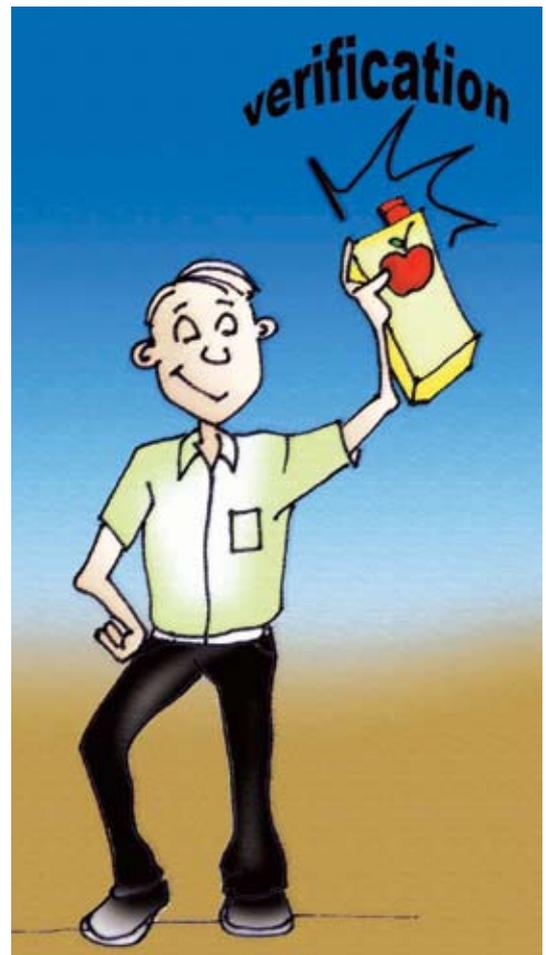
- (vii) The top management team, particularly the board level executives, should be keenly interested in creativity and this message should be communicated throughout the organisation to build a strong foundation of creative culture.
- (viii) The research and development wing of the organisation should be given its proper importance and status so that people do not feel that they are less important and as such have been kept out of the main domain of production and other important departments. Rather, they must consider themselves as privileged people whose talent has been recognised by the management and placed in such a vital department.
- (ix) A scheme may be introduced for turning creative employees to entrepreneurs and the company may initiate business deals with them. This will have a positive impact on the peer group, which will indirectly encourage them too to take active interest in such creative activity.

Conclusion

It has been gradually recognised by the business world that creativity management is becoming a critical determinant of an enterprise's value. It is an enterprise wide issue seeking total commitment from all functional areas. Total, because it encom-

passes all things and processes surrounding planning and control, production, sales and marketing, financial engineering, management and administration and other areas of a corporate domain. Creativity management aims at giving an insight into emerging issues like identifying and addressing inefficiencies across the financial value chain, creating an innovative culture in an enterprise and developing capabilities for integrating different ideas, experiments, know-hows and know-whys towards creating something new, improved and effective solution to a problem.

In the earlier days, it was believed that creativity couldn't be generated, it is a gift of God. But now the perception has changed and management experts opine that creativity can be generated, augmented and increased by an organisation to its advantage through suitable management action. Though there is neither any exact formula/recipe for creativity management, nor any established model, different scholars, based on their studies and managers on the basis of their experiences, identified certain parameters that encourage creativity. They also pointed out some facts that kill the creative endeavour of people. Based on such findings and future development in this respect, companies have to build up their strategies, formulate their policies and manage their business. It is true that managing creativity in organisations will lead to a variety of new problems and issues in the initial stage. But we have to overcome such teething troubles and establish an adequate and sound system of creativity gardening as a policy.



Management experts opine that creativity can be generated, augmented and increased by an organisation to its advantage through suitable management action.

One key lesson to be learned is that we must adopt greater people-centred perspective of knowledge. In order for this to be viable, we need constant innovation directed by individuals. People are the intellectual agents that create an act or new opportunities. It is those opportunities that will bring the corporate world forward. So creativity management is a deciding factor for tomorrow's business.

The subject is in its early stage of development and there is enough scope for in-depth studies to unfold its different facets. We need to identify the variables, unearth their interplay and march towards their activation in the form of new theories and concepts to be cultivated in an organisation to harness its potential advantages. □