

A MODEL OF CREATIVITY AND INNOVATION IN ORGANIZATIONS

*Mr Rama Chandra Nayak, Registrar, NIET G.Noida
Dr. Ramesh Agarwal, Director, JRE Group of Institutions, Greater Noida.*

ABSTRACT

As reported by Amabile et al. (1996:1154): "All innovation begins with creative ideas. We define innovation as the successful implementation of creative ideas within an organization. In this view, creativity by individuals and teams is a starting point for innovation; the first is a necessary but not sufficient condition for the second". As creativity is an important source of organizational innovation as well as competitive advantage (Amabile, 1988, 1996; Oldham & Cummings, 1996), organizations are increasingly seeking to foster it. Different managerial practices influence the work environment, which is one of the major factors impacting on creativity within business organizations (Couger, 1995). Therefore, managers face the challenge of creating the right context and conditions for creativity to flourish (Shalley, Gilson & Blum, 2000).

Keywords: Model, Creativity, Organizations, Uncertainty, Survival, Ideas

INTRODUCTION

In today's economy, characterized by uncertainty, risk and dynamism, creativity becomes a vital source of competitive advantage for companies. Considerable evidence suggests that creativity makes an important contribution to organizational innovation, effectiveness and survival. Therefore, encouraging creativity is a strategic choice firms have to make (Amabile, 1996). Both creativity and innovation involve the generation of novel ideas, yet the two concepts are not identical. While, according to some authors, creativity is usually associated with the generation of new ideas as an end to itself (Amabile, 1988; Van de Ven, 1986), innovation emphasizes the applicability of new ideas to address particular problems (Kanter, 1983). As reported by Amabile et al. (1996:1154): "All innovation begins with creative ideas. We define innovation as the successful implementation of creative ideas within an organization. In this view, creativity by individuals and teams is a starting point for innovation; the first is a necessary but not sufficient condition for the second". As creativity is an important source of organizational innovation as well as competitive advantage (Amabile, 1988, 1996; Oldham & Cummings, 1996), organizations are increasingly seeking to foster it. Different

managerial practices influence the work environment, which is one of the major factors impacting on creativity within business organizations (Couger, 1995). Therefore, managers face the challenge of creating the right context and conditions for creativity to flourish (Shalley, Gilson & Blum, 2000).

REVIEW OF LITERATURE

Motivation for the research Recent year studies on creativity have proliferated in the field of management and organization (Gil & Spiller, 2007; Woerkum et al., 2007; Hargadon & Bechky, 2006; Amabile et al., 2004; Shalley et al., 2000). Creativity has been studied from different perspectives and has been associated with a number of interacting and contrasting defining elements. However, an agreement on its definition is still to emerge. Furthermore, numerous studies have provided evidence that creativity is a paradoxical concept, which is manifested in a number of dualities and tensions, such as passion and discipline, as well as individuality and collaboration (DeFillippi, Grabher, & Jones, 2007; Svejenova, Mazza, & Planellas, 2007; Alvarez, Mazza, Strandgaard, & Svejenova, 2005).

These paradoxes take place at different levels and need to be balanced within an organization. For example, scholars have related creativity to notions such as passion, imagination and inspiration, characteristics usually associated with the creative genius (Bilton & Leary, 2002; Simonton, 1999; Boden, 1994). Simonton (1999) defines the creative genius as a person who regularly seeks out complexity and novelty across a wide range of interests while remaining independent, autonomous, and non-conforming in personal and professional endeavours. He argues that such individuals have a tendency toward introversion, a strong tolerance for ambiguity, an openness to diverse experiences, and a persistent, uncompromising passion and commitment to work that often results in estrangement from significant others.

These individuals also appear to others to be unconventional, rebellious, and boundless in their energy for particular projects and activities. In addition, despite any barriers that may arise in their

work, they usually persevere while remaining flexible enough to alter and adapt their methods when dealing with repeated failure. Following this perspective, creativity emerges as something “divergent” and “messy” (De Bono, 1992), embedded and hidden into this particular type of the creative personality (Storr, 1985). Other scholars however, without denying a view of creativity as a personal process of “deviating from the conformity of shared custom and culture”, have introduced the idea of creativity as something composed by two “completely different genetic materials” (Hargadon, 2006:199).

On the one hand, creativity implies rebelling against a tradition-bound social system, on the other hand, it encompasses a backstage process, which is rooted in an established social system and seeking acceptance in that system (Hargadon, 2006). Furthermore, scholars have argued that the celebration of and overemphasis on the creative personality and genius has started giving way to a collective conception of creativity that depicts creative work as interactions or collaboration (DeFillippi, Grabher, & Jones, 2007; Farrell, 2001; Becker, 1982). Recent evidence has also suggested that while some creative solutions can be seen as the product of an individual insight, many others are the result of a collective process.

Therefore, investigating creativity means understanding how the collective problem solving happens in sets of interrelated activities (Hargadon & Bechky, 2006). What emerges from these theoretical accounts is an imagery of the creative endeavour as a more disciplined and orderly behaviour.

RESEARCH METHODOLOGY

The objective of this review is to outline the dissertation’s methodology. To this purpose, first I overview the research questions and process. Second, I highlight the main elements of the research design. Third, I review key aspects of the empirical setting.

RESEARCH QUESTIONS AND PROCESS

As stated in the introduction, the purpose of this dissertation is to open up the black-box of creativity and improve the understanding on how it can be managed in organizations. Fulfilling the purpose requires first, clarifying what creativity is and the elements that constitute it; second, investigating the specific mechanisms that allow creativity to take place and be disciplined and transformed into marketable products and third, identifying the practices that can help companies retain the employees with a creative potential.

Therefore, the two research questions inspiring this dissertation: How have scholars defined creativity? What mechanisms and practices allow managing creativity in organizations? Answering these questions is a challenge for both researchers and practitioners alike that requires a multilevel focus: an investigation into the dynamics of and the interplay among individual, team and organizational levels. It is surely difficult to see how systematic, comprehensive research on organizational creativity can be pursued without integrating different levels of analysis. In order to address the research gaps identified and articulated in the introduction, the first purpose of this work is to clarify the meaning of creativity by providing evidence of its conceptual categories and elements.

Accordingly, chapter two seeks to address the following research questions: How have scholars defined creativity? For the purpose of answering the research question, chapter two performs a content analysis on 94 definitions of creativity, collected from 462 articles published in selected management journals and in 50 books over an 18-year period (from 1990 to 2008).

Results show that although the definitions of creativity given by scholars converge to some extent, they also differ considerably and highlight different dimensions. What emerges is that six conceptual categories on “creativity” enjoy general support, namely, creation, synthesis, output, modification, interactions, and engagement. Analyzing the results in detail, on a total of 487 coding references,

39% of the coding associates creativity with an outcome (the quality that a specific product, process, idea or solution should have in order to be considered creative), 32% with synthesis (the ability to bring together knowledge or ideas from different areas and discover new solutions, or to “think outside the box”), 19% with creation (the power or ability to bring into existence, generate, produce). Moreover, 5% of the coding relates creativity with modification (a dynamic process of transformation and renewal within a field), 3% with interaction (a relational perspective that focuses on when the creative insight emerges not within a single individual, but through the interactions of multiple actors) and finally 2% with engagement (an intrinsically highly motivated state, in which there is total involvement in the creative task).

Although no attempt is made to establish any form of hierarchy of the conceptual constructs derived, 90% of the coding references link creativity with the categories outcome, creation and synthesis: only few scholars have advanced the new concepts of modification, interaction and engagement in the definitions. All the conceptual categories and their defining elements are analyzed in depth in the chapter, in order to provide a clear explanation of their meanings.

SIGNIFICANCE OF STUDY

In addition, it is generally recognized that part of an organization’s creativity is embedded in its individual members. Employees with a creative potential usually come up with new ideas that enhance the organization’s ability to grow and compete (Kanter, 1983). Therefore, investing in human capital is surely one of the keys for organizational success. However, very few studies have investigated how to manage and, above all, retain those employees with the best creative potential (Mumford, 2000). Indeed, harnessing creativity means not just developing ways to allow employees to be creative, but also retaining employees so that creative momentum can build over time and not be disrupted by the constant need to recruit new personnel to fill vacant positions.

Following these considerations, three main research gaps emerge in the literature. First, considering the lack of consensus on the definition of creativity, there is a need for greater clarity in the domain and operationalization of the concept. Second, considering the tension between fostering and disciplining creativity, further research is needed on the specific social mechanisms that allow creativity to take place and the creative passion to be disciplined and transformed into a marketable product. Third, considering the importance of the creative individuals in enhancing organizational creativity and results, further studies are required to analyze the impact of human resource management (HRM) practices on creative employees' retention

SCOPE FOR FURTHER RESEARCH

The purpose of this dissertation is to open up the black-box of creativity and improve the understanding on how it can be managed in organizations. Firstly, this work seeks to advance the literature on organizational creativity by providing definitional clarity on the term, analyzing how different scholars have conceptualized it. It tries to integrate separate streams of research into a whole and to increase the understanding of what constitutes the essence of creativity, by exploring its defining elements and concepts. Secondly, it seeks to shed new light on creativity as a paradoxical phenomenon and to contribute to a view of creativity as a social process (DeFillippi, Grabher, & Jones, 2007; Farrell, 2001; Becker, 1982).

For this purpose, it develops theory, by advancing a theoretical framework that identifies a number of under-explored roles and relational mechanisms that help translate the individual creative passion into a disciplined collective effort to bring cultural products to market. Accordingly, it seeks first to add to the collective perspective on creativity by delving into a number of roles, beyond the role of the creator, that are crucial for igniting and enhancing the creative endeavour, and second to extend the collaborative view of creativity by examining different relational mechanisms that connect individual creators and creative firms.

Thirdly, the dissertation aims at identifying specific HRM practices that help companies retain creative employees in creativity-driven organizations. At this purpose, it investigates the specific case of a multi-unit corporation operating in the high symbolic context. In this way, the dissertation also contributes to the human resource management and multi-unit organizations literature. Finally, this work integrates the findings into a multilevel theoretical framework, which pushes forward a new perspective on how creativity happens in organizations that has implications for both theory and practice.

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