DEVELOPING CREATIVE AND INNOVATIVE CULTURE IN ORGANIZATION

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ABSTRACT

Innovation & creativity are the valuable intangible assets which play a vital role in the transformation of business, society and organization. The emergence of globalization & increasing competition created a threat for the organizations to survive in market and innovation & differentiation became necessity to sustain economic development and competitiveness. Recessions and times of uncertainty present unusual opportunities. Therefore every organization wants to be more and more innovative. Innovation comes in many forms like product innovation, process innovation, service innovation, business model innovation etc but it is not so easy to become innovative. Many barriers exist in the way of innovation and one of the biggest & powerful hurdles to becoming more innovative is changing the corporate culture to accept and embrace innovation. This paper takes a brief look on the dimension of innovation and different forces & strategies that can help in shaping the culture to drive innovation. The focus is on the idea that how the people of an organization may become more innovative. The majority of the literature on creativity has focused on the individual, yet the social environment can influence both the level and frequency of creative behavior. This article reviews the literature for factors related to organizational culture that act as supports and impediments to organizational creativity and innovation.

Keywords: Innovation and Creativity and Organization Culture
INTRODUCTION

The purpose of this paper is to develop a model linking creativity and innovation to organizational competitive excellence. Drawing upon existing theoretical and empirical evidence the paper develops and presents a conceptual model of the relationship between creativity, innovation and competitive excellence. The term creativity and innovation are often used interchangeably; however, there is a clear distinction between creativity and innovation, the former being the generation of ideas and the latter its implementation. In this era of globalization and competition, creativity and innovation are considered to be key factors for survival, success and excellence of organizations. While creativity is generally of three types, viz. individual creativity, group/team creativity and organizational creativity, this study focuses only on organizational creativity. Likewise, innovation is also classified as incremental innovation and radical innovation. Organizational climate, organizational culture, leadership style, resource and skill, and structure and systems are five factors that affect organizational creativity. Innovation friendly strategy, structure, top management style, middle management support and effective modes of managing innovation are five factors that affect organizational innovation. Knowledge and learning play critical roles in quality creation and value innovation. It is postulated that organizational creativity will enhance creative excellence and organizational innovation will enhance innovative excellence. And creativity and innovation together will enhance competitive excellence of the organization.

DIFFERENCE BETWEEN CREATIVITY AND INNOVATION

Throughout the creativity literature, and particularly the literature focused on organizational creativity, the term” innovation” is often used and the distinction between creativity and innovation is an important one. Sternberg and Lubart (1999) define creativity as “the ability to produce work that is both novel and appropriate and innovation is about “a process of developing and implementing a new idea” They go on to write that “innovation refers to the process of bringing any new problem solving idea into use . . . it is the generation, acceptance, and implementation of new ideas, processes, products, or services”. This process can take place in many different domains; it can be technical, to be sure, but also organizational or even social. The focus here, particularly in the context of an organization, is on taking a creative idea and bringing it to fruition. The process by which this happens is referred to as innovation and it is an important process when talking about creativity in the context of organizations. It would not be a stretch to say that when it comes to organizations, creativity without innovation is of significantly diminished value. The converse is also true: without creative ideas to feed the innovation pipeline so they may be promoted and developed, innovation is an engine without any fuel. Echoing the two citations above, Amabile et al. (1996) differentiates between creativity and innovation as follows: “Like other researchers, we define creativity as the production of novel and useful ideas in any domain. We define innovation as the successful implementation of creative ideas within an organization. Thus, no innovation is possible without the creative processes that mark the front end of the process
NEEDS FOR INNOVATION AND CREATIVITY

Individual
- Gaining self insight
- Personal Development Planning
- Coaching
- Conflict resolution
- Identifying personal drivers

Team
- Innovation Team development
- Role negotiation/clarification
- Recognizing the resources each bring to the team
- Agreeing innovation and improvement tactics
- Understanding capacity for innovation
- Cross functional team building

Organization
- Understanding the organizational capacity for innovation
- Identifying elements of culture that support or hinder innovation
- Developing a strategic approach to innovation
- Identifying collaborative approaches with customers and suppliers
- Unleashing latent potential

DIMENSIONS OF INNOVATION CULTURE

The Innovation and Improvement has identified seven key dimensions of culture that distinguish highly innovative organizations. These form a framework which leaders can use as a diagnostic tool to assess and strengthen the culture for innovation within and across organizations. The dimensions are:

**Risk Taking** is about establishing an organizational climate where people feel free to try out new ideas by judging any risks appropriately. Leaders in innovative Organizations demonstrate that they are more interested in learning from ‘failure’ than in punishing it.

**Resources** dimension might immediately be considered as being within the domain of finance, in this context it considers resources in the broadest sense of the word. The climate for innovation is enhanced if people know that they have the ‘resource’ of authority and autonomy to act on innovative ideas, as well as some financial resource to support the new work.

**Knowledge** is the fuel for innovation. We create better conditions for innovation when information, from both within and outside the organization or system, is widely gathered, easily accessible, rapidly transmitted, and honestly communicated.

**Goals** can actually support innovation. Organizational and system leaders should signal that innovation is highly desirable by setting inspirational goals in specific areas and challenging teams to find ways to realize the vision.

**Rewards** for innovation are symbols and rituals whose main purpose is to recognize innovative behavior. Because it is all about encouraging more of this sort of
behavior, the best rewards are those that appeal to people’s intrinsic and individualized motivation. In high-performing organizations, innovation is the product of the deliberate use of practical

**Tools** Leaders need to consider how they build capability and capacity in deliberate methods, for creative thinking, idea management and, implementation.

**Relationships** dimension refers to the patterns of interaction in the organisation or system. Innovative ideas are rarely the product of a lone genius therefore, environments where staff are routinely exposed to a wide range of different thinking, from a wide-range of people, with a wide range of backgrounds and points of view, provide rich soil for the growth of innovation.

**DIMENSION FOR CREATIVE CULTURE**

**Freedom:** A creative person prefers to be independent and is happy to take initiatives and give voice to ideas.

**Liveliness:** if someone’s excitedly busy, happy and humorous they’re probably being creative.

**Openness:** someone with a positive mentality tends to be trusting and considers mistakes as something to learn from.

**Conflicts:** when conflicts arise, appositive, creative person will look for a helpful win-win compromise, which requires willingness to communicate with understanding and empathy.

**Five Business Practices that Create Innovative Cultures**

Leaders who want to create an innovative business culture must understand the steps of the creative process, but that alone is not enough. To promote business innovation, executive leaders should commit to the following business practices, and institutionalize them in the culture - by training managers in these practices and then doling out promotions and rewards to those who employ them successfully.

1. **Select the most promising innovators, but encourage unexpected surprises:** To build innovative “hothouses” in an organization, executives may want to cull out the most promising idea-generators and provide them with extra resources. Those are the people who can benefit most from the “buffer zones” in step two. But the other practices listed in this section should be generalized throughout the organization.

2. **Create “buffer zones” for the most innovative people:** Creating “buffer zones” means building a kind of protective cocoon around creative people or around the innovative teams within an organization. It also means being sure that the tools and resources are available when creative people go looking around for data or answers to questions. The executive leader for such a group should do the advance work and run the interference necessary to let creative people go through the preparation stage without interference or harassment.

3. **Give innovators room to “play:**” For innovators, anything they can do to mess around with the kinds of data or projects that they see as helpful - will be helpful. That can be hard to remember when they seem to have lost their minds, or to have lost their focus! But during the incubation stage, activities that may look like
useless diversions - that may not even look like work - are all necessary to allow the deeper parts of the brain to solve a problem and make new connections. For typical results-oriented executives, this can be hard to do - especially when the creative team happens to be a team of executives working to create a new business process.

4. Resist the temptation to look for immediate results: Any team can develop incremental solutions or recommendations. There is no business or technological process that can not be improved through study and modification. But to build a culture that truly encourages innovation, the pressure to get immediate results will yield only incremental improvements, and the need to meet deadlines can sometimes kill the creative process before the illumination stage.

5. Commit to driving the best ideas through to implementation: Innovators are seldom the best salespeople for their ideas. They are, by nature, more likely to work in isolation, play with their ideas, or generally rub others who are less creative the wrong way. The business leaders who want to encourage innovation must act as the first-line filter to test the best ideas and solutions, choosing which ones are the right ones to see through to fruition. This takes courage and persistence, and an ability to work the political and social process involved in getting others to adapt to innovation.

ORGANIZATION ROLE ON INNOVATION

- The long term vision.
- The ability to identify or even anticipate market tendencies
- The will and ability to gather and integrate the process. Additionally, the innovation manuals state the other necessary skills that Organization needs to possess. The ability to take risk
- Internal co-operation between the different functional departments
- The external cooperation, with public investigation, with consulting services.

Therefore, when developing new ideas it is important to understand the organizations’ skill and it is a good idea to have a list that allows controlling the critical factors for the idea implementation.

ORGANIZATION ROLE ON CREATIVITY

Creativity plays vital role in the process of innovation so role of creativity and innovation can be explained with the help of following points:
1. It helps to generate scientific way and modern approach to solve organizational problem. It helps to innovative new technology and new production system because without creativity innovation is impossible.
2. It helps to collect more information and evaluate them from different mathematical and statistical tools. It helps to scan internal and external environment.
3. It helps to allocate organizational resources properly and scientifically.
CONCLUSION

It is possible to prepare an instrument to measure creativity and innovation of an organization and to find out the relationship between creativity, innovation and competitive excellence. For measuring excellence it is proposed to use the instrument used by the various Quality Models. It is also suggested that the present instrument to measure excellence is no longer valid as a tool to measure competitive excellence as it does not contain measures of creativity and innovation, which are instrumental in making an organization competitive in this time of competition and globalization. The case reinforces the postulate that various determinants of creativity and innovation such as strategy, structure, culture, leadership, context, climate, technology etc help to bring out innovative and quality products in their journey towards excellence.

REFERENCE


ABOUT AUTHORS

Author .Dr. N. Shani., She has 12 years of teaching experience and specialized in the area of Human Resource Management and Organization behavior. Further, she has published number of articles in National level journal and number of paper presented in various topics in the national level seminars.