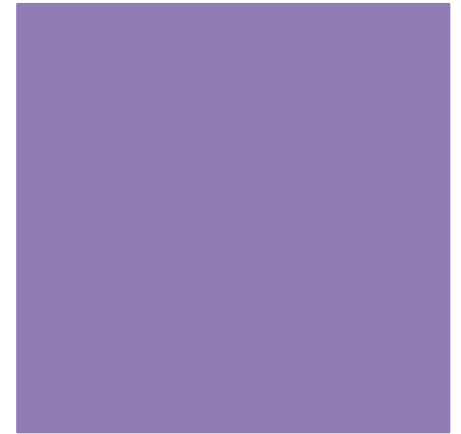




Creativity

Unit 1.8: How to manage the
creativity process: Critical
Success Factors



How to manage the creativity process: key success factors

This unit provides information about the way in which creativity is sustained within organisations. It presents the five critical success factors to be considered and monitored.

Aims:

- Present the key success factors with examples and details
- Show indicators and tools to sustain the innovation and creativity process around the five factors

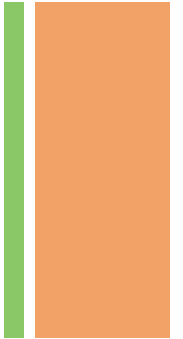
Learning Outcomes:

- The learner knows the critical role of managing the creativity process
- The learner applies successfully the concepts and tools for creativity management
- Increased level of creativity management





There are five key success factors for the management of creativity



Leadership

Culture

Communication

Motivation

Structure



Company culture and leadership to stimulate creativity



- ➡ Senior management commitment and support; systematic approach
- ➡ Direction and area of development of the company: portfolio for innovations
- ➡ At Apple the management is following and applying the slogan “Everybody works together for the good of Apple.”
- ➡ Idea generation and a moderate risk toleration
- ➡ Communication, sharing and access for every employee



Leadership

Effective leadership is important for successful idea generation and creativity. Leaders can influence a group to achieve their goals by three main things

- establishing and communicating goals
- building trust and inspiring teamwork
- defining a clear purpose and strategic intent



Case for change

Exercise



Innovation imperative (Case for change)

In your groups define the changes in your industry landscape : what is happening with the competition, the demand, the customers.

Why do we need to change? Ambitious owner/CEO? How much and what needs to be changed?

Try to develop a case/imperative for change, i.e. innovation and present it in a compelling way to your peers.

Look at a variety of key strategic drivers and consider how extensive they are: knowledge and technologies, new and better services and products, lower prices, better operational execution, better understanding of customers and markets, unmet and unknown customer needs.



Which are the trends that influence your business?



Global Trends

Social, technological, economic, environmental, political

-
-
-
-
-
-
-

Changing Capabilities

Competences, technologies, suppliers, partners & networks

-
-
-
-
-
-
-

Competitors & Substitutes

-
-
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-
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Changing needs and Customers

Consumers, clients, distribution channels, influencers

-
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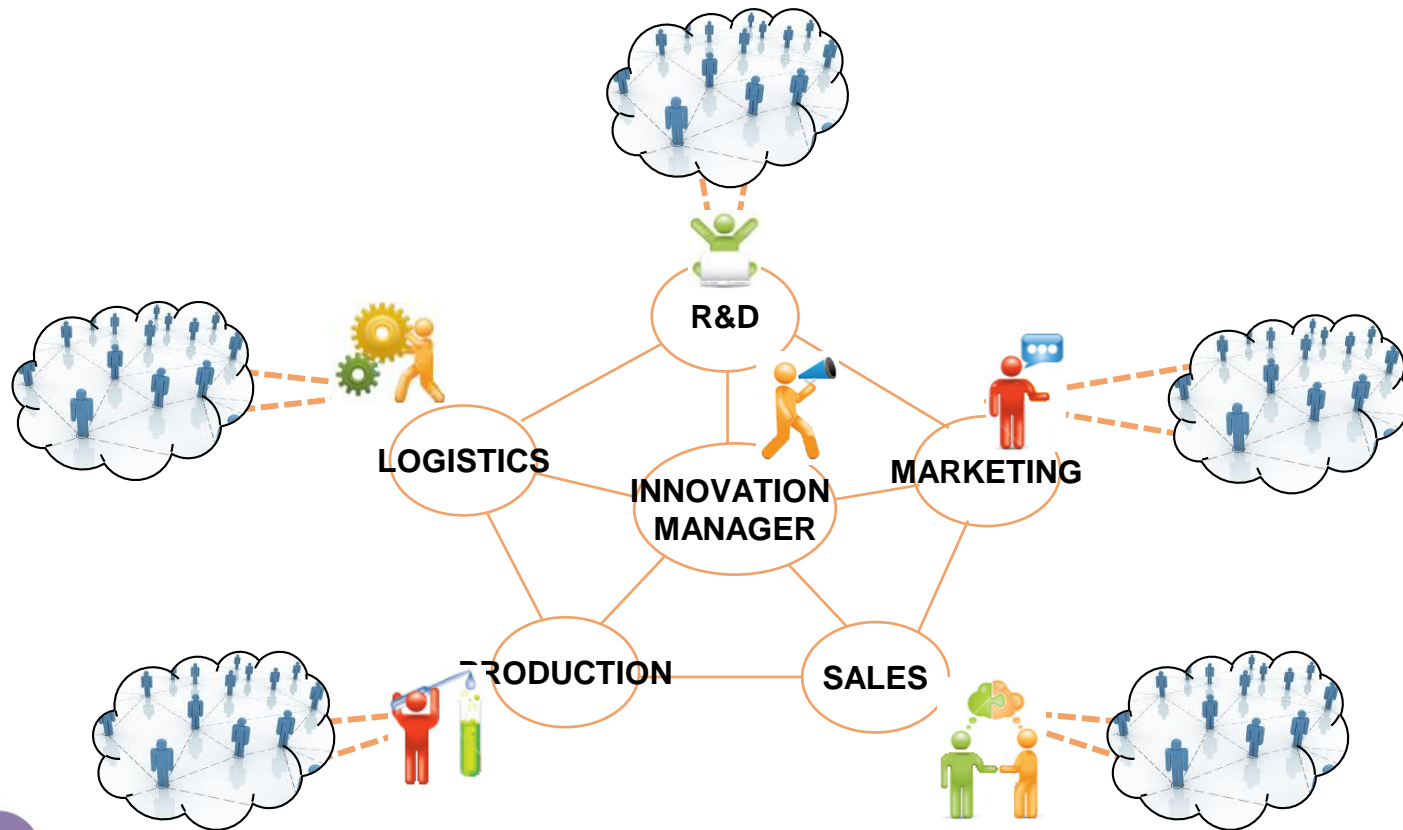
Culture

Culture is the collection of fundamental values and belief systems which give meaning to organisations and is created from a broad range of internal and external influences, some of which are difficult to manage.

You can:

1. develop a visible connection between **sharing knowledge** and practical business objectives
2. integrate **knowledge creation and transfer** with an existing key business initiative
3. align **reward and recognition** structures to support knowledge transfer and reuse (as previously mentioned).
4. try to create an **open physical environment** with areas where people can have conversations without disturbing others.

+ Structure requires cross-functional collaboration





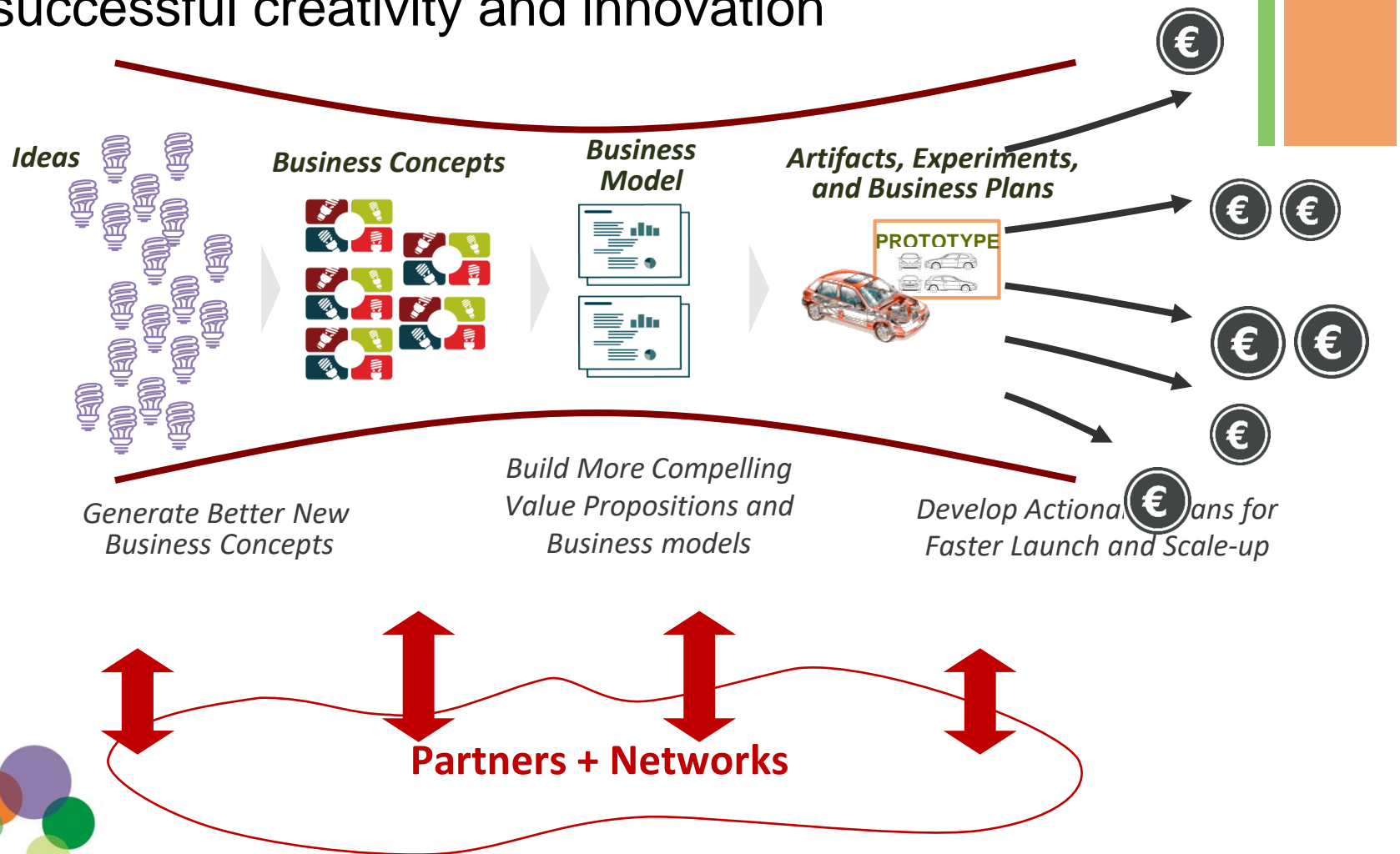
Motivation and Communication



- **Decision-making authority:** 95 percent with high commitment grant the necessary decision-making authority. With a low level of commitment, this is only 52 percent.
- **Respect and recognition:** Companies with a high level of commitment achieve a higher degree of fulfillment, especially with regard to respectful handling, making sense and recognition.
- **Innovation culture:** Only 10 percent of companies with low commitment have an innovation and error culture, while the percentage in companies with high commitment is 91 percent.
- **Feedback:** 95 percent of managers give regular feedback in companies with high commitment and ensure that employees are motivated.
- **Managers as coaches:** In companies with a high level of employee commitment, managers focus more on people-related management tasks such as coaching, feedback and employee motivation.



Partnerships and collaboration are critical for successful creativity and innovation



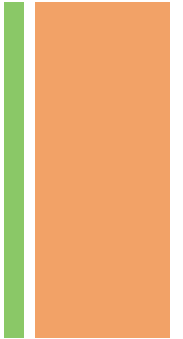
Win-Win-Win (everybody has to win)



**Partners and stakeholders
must have mutual benefits**



There are three options for an organisation to acquire the required competencies



Make

Team internally and form multi - functional teams

Collaborate

Team externally through partners and networks

Buy

Source and procure



Various technology & development partnership options exist, each one characterised by a range of parameters

(Open) Innovation Options

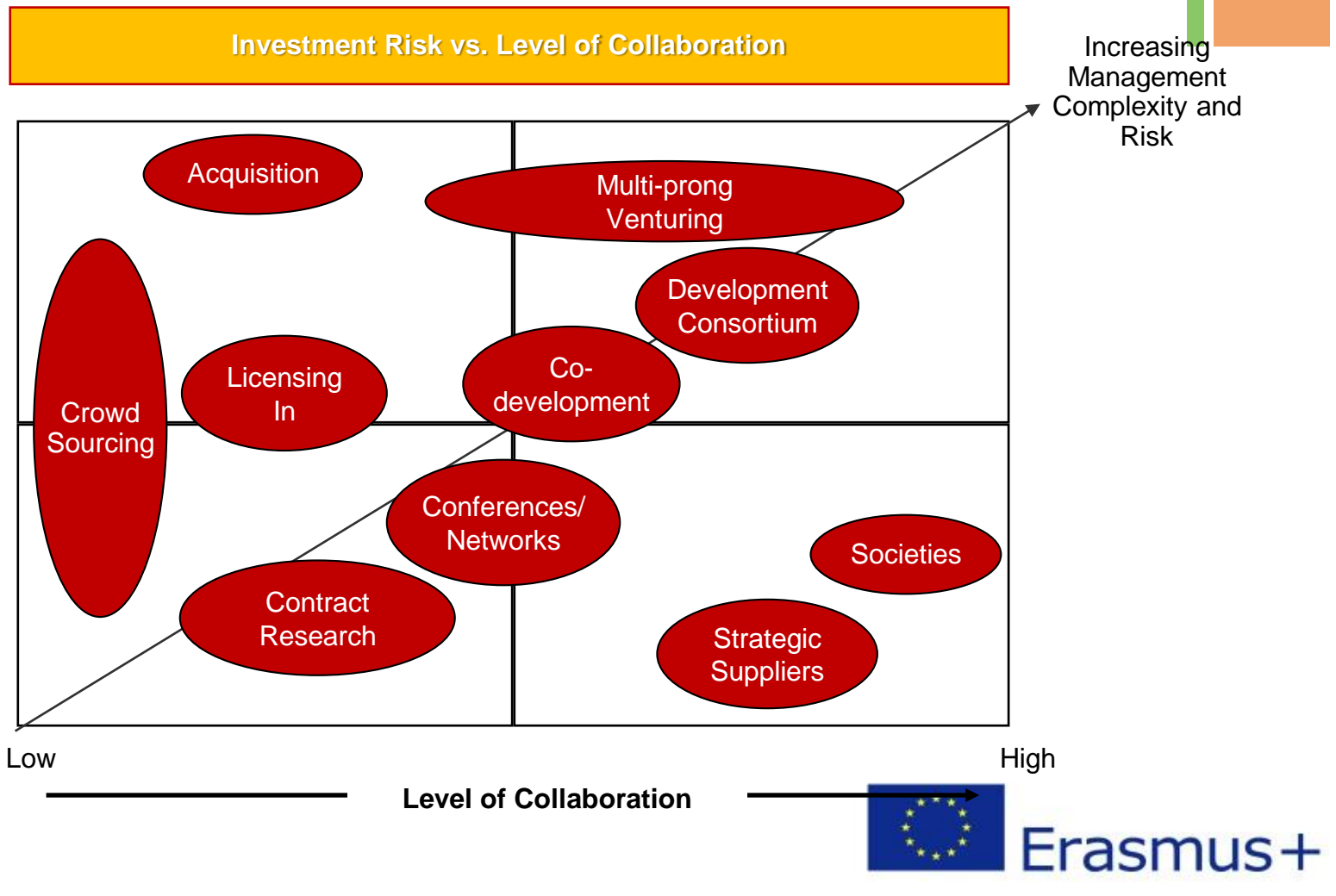
1. Internal
2. Contract Research
3. Licensing
4. Single Purpose Partnership
5. Co-development Partnerships
6. Development Consortium
7. Multi-prong Venturing
8. Crowd Sourcing

Partnership Key Parameters

1. Risk/Reward
2. Amount of collaboration
3. Type of Relationship
4. Partner's Decision Power
5. Governance Structure
6. Intellectual Property Ownership
7. Type of Project Portfolio
8. Interaction with other partners



Innovation & Technology Partnerships which offer greater rewards require more collaboration between the two partners to be successful



Learning Aids

Innovation culture: How small gestures make a big impact on employee motivation,

<https://www.lead-innovation.com/english-blog/innovation-culture-employee-motivation>

Successful innovation by motivation, October 2015

Verslas teorija ir praktika 16(3):223-230,
https://www.researchgate.net/publication/283852840_Successful_innovation_by_motivation

How do we democratize innovation?,
<https://ixl-center.com/index.php/2018/12/03/democratize-innovation/>

Unit Review

The main purpose of this unit is to provide an overview and present some key aspects of sustaining creativity in order to drive innovation in organisations.

After initiating and developing the process of creativity it has to be managed and made integral part, or DNA of the SME.

The key success factors are: Culture, Communication, Structure, Motivation, Leadership. Once they are managed and developed in a proper way, the ultimate goal is easily achieved.

Last but not least the unit presents information about the critical role of partnerships and networks in the creativity process.