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**INCULCATING CREATIVITY AND INNOVATION THROUGH
EMPLOYEE ENGAGEMENT FOR BUSINESS EXCELLENCE**

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ABSTRACT

In order to survive and compete in the open market both domestic and international, it is workforce using different approaches. As we are living in an ever-changing world, where needs, aspirations, styles, standards and quality to life are undergoing dynamic progression and rapid shift in the market conditions and demands, successful development and implementation of creative ideas within the organization and redefining the existing paradigm and search for creativity and innovations are very much essential which hopefully conforms to the business excellence.

This paper reports on the necessity to inculcate creativity and innovation for business excellence and adapting to the changes which has forcefully bestowed upon.

Keywords: *Competition, Creativity, Innovative, Dynamic, Progression, Excellence, Survival, Interventions.*

Introduction

Innovation is a process for creating new experiences that people find valuable. Valuable enough that they choose to adopt them. They want to begin using the new product / service that they never used before. They want to change their behavior somehow, change their daily existence.

So, innovation is this transformation from ideas or knowledge in the value, not always but often in the form of money. Generating good ideas or adopting a new one is only a start. To be an innovation, an idea must be converted into a product or service that customers want. Innovation is the use of new knowledge to offer a new product or service that customer's want. It entails both invention and commercialization. Research is a transformation of money into knowledge; innovation is a transformation of knowledge into money.

Purpose of the study

Study on this topic becomes vital one since it has become a survival factor for the business enterprise in today's competitive era. Innovations are the DNA of any organization and hence there is a need to study the importance of creativity and innovation aspect very closely for business excellence.

Research Methodology

This study is conceptual in nature through the review of valuable literature, journals, magazines, web sources, discussions with the young gen entrepreneurs and referring to publications, qualitative results have been drawn out in the form of findings & Suggestions.

Objectives of the study

- To identify the key capabilities needed to inculcate creativity and innovation in the organization for business excellence.
- To recognize the necessity of inculcating creativity in the organization.
- To find out how to leverage the talent to exploit opportunities.
- To bring out modern Innovation Models.

Innovation- as told by young gen Entrepreneurs

1. Emerging economies have grasped globalization, packaged it up and are everyday sending new version of it back to the west [William green, CEO, Accenture]
2. The company is trying to create process to make innovation work. It's not the process that creates the innovation, its people-the company's ability to bring together and connect many different people-that fosters creativity. [Andreas Wagner, Director of Bombardier]
3. Innovation is a process that delivers something new and novel, an absolute innovation. Innovation is something better and cheaper; there is incremental innovation [R.Barbhaiya, CEO of Advinus pharma]
4. Innovation is not just R&D; you can do innovation in any area. It comes from young minds and you need to foster and create an environment where young minds can go for innovation [Prabhat Pani,CEO roots corpn.]

The essence of innovation:

The value of the business is in intellectual property, the talent largely resides in the heads of the people in the business. Six valuable skill abilities and traits (individual skill set) are identified as the essence of innovation.

They are –

1. Outreach engagement
2. Dispassionate empathy
3. Active discoverer
4. Mental duality
5. Qualitative synthesis
6. Effective communication

1. Outreach engagement:

One cannot do innovation sitting inside the office. It takes active research, to getting outside and builds social networks actively searching out and talking to people and collecting their feedback and expectations for the product. Interactive listening is the most valuable source to get an idea to create something new and different.

2. Dispassionate empathy:

Understanding the taste preferences, demands, expectations, motives, interest, behavior pattern, priorities of customers from their view point i.e., to see the world through the eyes of customers and understand the way they think and make decisions.

3. Active discoverer:

Finding the different opportunities in order to find the best one and creating compelling new innovations. This is the ability to search for and to conceive of new ideas. One has to be creative in finding and developing new opportunities and concept through skeptical curiosity.

4. Mental duality or minor thinking:

This is the ability to keep the whole and the parts in mind at once. The ability to go from specific to general and back again at will and recognize as well as deal with the casual factors that comprise complex systems.

5. Qualitative synthesis:

One must be able to make decisions despite of pressure, uncertainty and ambiguity and be able to pull together knowledge and information from disparate sources and to synthesize it into new working models and make decisions about that intuitively.

6. **Effective communication:** The ability to craft a compelling narrative and convey both the rational and the emotional matters of plausible futures that include the new innovation. It is a critical skill to communicate effectively to the potential customers, vendors about the new launch.

Barriers to Innovativeness:

1. Uncertain innovation leadership
2. Sub-optimal organization for innovation decision making
3. Lack of future customer insight
4. Poor innovation culture
5. Inappropriate funding available for innovation
6. Overriding focus on operational excellence
7. Lack of innovation knowledge, skill and experience.
8. Over reliance on technology
9. Poor process to manage innovation

How to overcome the barriers? What makes an innovative organization?

1. An intuitive leader with a structured process equals a highly innovative organization.
2. Having corporate focus on the business operations from incremental to the transformational
3. Having product and operational excellence
4. Having the strategy of operational reinvention as well as product reinvention
5. Focus on business creation and transformation
6. Being innovative in incremental advances for different products
7. Concentrate on creating a new business model.
8. Creating new ways to bring the product in a unique way, creating value for it.
9. To be successful innovation must be more than just an individual endeavor
10. Innovation is the set of knowledge, skill and ability which can be earned and practiced.

Some of the tremendous innovations of modern era

Innovation\Creativity

1. Marketing- E-com and online shopping
2. Banking - Internet & Digital Banking\ATM
3. Communication- Smart phone & I pod
4. Transportation-High speed & Luxurious automobiles
5. Entertainment- Usage of graphics, animation & laser

6. Electronics-Smart home appliances, E-book, CCTV

Capabilities needed to inculcate creativity and innovation for a manager

1. Continuous learning
2. Collaboration and team work
3. Global outlook coupled with a local touch
4. Ability to innovate
5. Efficiency and effectiveness
6. Ability to manage a diverse range of the stakeholders
7. By leveraging social networking technologies.
8. Usage of World class processes and Technology.

Sources of innovation

There are two types of sources of innovation.

- A. Functional innovation. B. Circumstantial innovation.

A. Functional source of Innovation for a firm is:

1. Its own internal value chain functions.
2. Its external value-added chain of suppliers, customers and complementary innovators.
3. University, government and private laboratories.
4. Competitors and related industries.
5. Other nations and regions.

B. Circumstantial innovation of a firm is:

1. Planned firm activities, R&D activities.
2. Unexpected Occurrences, such as failures can be a good source of innovation.
3. Creative Destruction such as Technological discontinuities, regulations and deregulations, globalization, changing customer expectations is also source of innovation.

Main categories of innovation:

- I. **Pioneering Innovation:** It refers to launching of a new product/service which is completely original and which has been introduced into the market for the first time. But such type of innovations are very rare to occur.[ex: Launching of computer for the first time by Charles Babbage]
- II. **Best practice Innovation:** It refers to Reconstructing a business from inside by utilizing industry benchmarks/other industry best practices. Such type of innovations are most common to occur.[ex; Zappos on line Shoe business]

III. **Technology Innovation;** It refers to introduction of new technology in business/Existing form of technology used in a new way as competitive advantage.[ex: TESLA motors a major new car company introduced Electric Cars with fast charging stations throughout the territories]

Sub-categories of innovation:

- 1. Product innovation:** This means the improvement of existing product or development of new products.
- 2. Application innovation:** consists of application of existing or new ideas or the development of new methods of new design concepts.
- 3. System innovation:** focuses on a new system to integrate a variety of subsystems, involving product, process and application innovations.
- 4. Process innovation:** concentrates on improvement in the process of product manufacturing and reduction of cycle time or reduction in no. of process steps.
- 5. Core competence innovation:** stresses on design, fabrication testing and manufacturing innovation needed to achieve competency innovation.
- 6. Horizontal transfer innovation:** means introducing various innovations in application area, using horizontal transfer to core competency.

Strategies used by leading innovative organizations

- 1. Name of the company:** Wal Mart

Strategy used: By transferring some decision rights about stocking its store shelves to P&G, it maintains well stocked with products by optimizing delivery production schedule.

Innovation model: Horizontal transfer

- 2. Name of the company:** Google

Strategy used: By empowering the employees to decide about developmental projects it identifies the core competency of its people.

Innovation model: Core competency

- 3. Name of the company:** Amazon

Strategy used: By expanding its online business books to variety of categories, it covers the risk of failure in any one with a potential superior profit in another.

Innovation model: Application Innovation

- 4. Name of the company:** Volkswagen Cars

Strategy used: By subdividing its production to multiple segments, it produces the cars according to demand fluctuations in each segment.

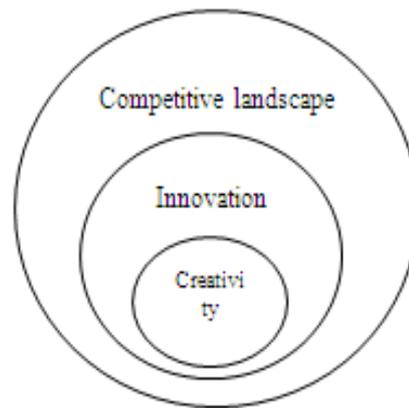
Innovation model: Business Model Innovation**Modern Models of Innovation Management**

I. **Idea generating Model of Organizational Innovation:** Today's competitive world is expecting innovation in Products, Processes and Services rather than just solving the problems. Creative ideas are the very essence of business because it is considered as the most competitive weapon. The heart of innovation management rests on idea generating tools. The following processes are used for idea generation as well as Opportunity generation.

1. **Brainstorming and variation:** where each individual's ideas are heard and recorded. Everyone is encouraged to offer ideas on a particular situation, and all ideas are recognized with receptiveness and are provided reinforcement
2. **Slip or card writing:** This technique is used for collecting a large number of ideas in just a few minutes. By issuing a slip to each person and telling him to write down as many as answers to the question asked as the time period allows.
3. **Semantic processes:** [idea stretch and idea growth matrices]; this technique allows an individual to explore his novel ideas by illustrating to the group members as answer to the question series.

II. General model of organizational innovation

- The entire process of individual creativity must be considered as a crucial element in the process of organizational innovation. It is the individual creativity that provides the raw material for the organizational innovation and hence an individual creativity must be central to the organizational model.
- A model of organizational innovation must describe the influence of organizational factors on individual creativity.
- A number of elements at all levels of the organization can have a significant impact on individual creativity.
- A model must show the major stages of the organizational innovation process. It should be such that, through which identifying the major stages through which new and useful ideas usually develop and become implemented in organizations.

The Paradox of**Innovation**

- There are lots of paradoxes to innovation; first of all it lies in **creativity**. When we look at creativity, we have to balance novelty with appropriateness.
- **Innovation** also needs to balance creativity with implementation. Because many times, due to bad or improper execution, they fail.
- When we focus the **competitive landscape**, we have to balance innovation with quality and efficiency. Efficiency is much more important because, sometimes if implementation is delayed, then that innovation may no longer be of any value.

III. Skill set model of Organizational Innovation

1. **Domain relevant skills:** These are the basis from which any performance must proceed. These skills include factual knowledge, Technical skills, special talents in the particular domain, Knowledge of paradigms etc.
2. **Creative performance skills:** It includes taking new perspectives on problems, energetic pursuit on one's work, a working style conducive to creativity, Risk orientation, Diverse experience, Social skill, Ability to concentrate for a longer period of time, Self discipline etc.

Google	California	Search engine and advertisement platform and autonomous cars
Bloomberg Philanthropies	New York	Real time analytics platform for healthcare & weather
Xiomi Consumer Electronics	China	Reinventing the smart phone & world's largest mobile network
Airbnb Intercontinental Group of Hotels	San Francisco	World's largest hotel chain which allows users to rent out their rooms
Drop box (Yahoo mail)	San Francisco	Digital app which allows to retrieve files directly from drop box
Nike	Beaverton	Material ecosystem to address global issues in space
Zip Dial	Bangalore	Connecting mobile to major brands in minimum time.
Apple I phone	California	Smart phone with touch ID & fingerprint sensor
TELSA Motors	California	Electric cars with fastest charging stations

Conclusion

Managers need to understand that no matter how good their business plan is, the global scenario is constantly changing and hence they cannot keep on doing business with the same thinking that they had earlier. They should have the ability to adapt to the changes with open mind and to make decisions according to the opportunities available. New ideas should be appreciated and encouraged for the growth and excellence of a business organization. "More innovative you are, better control you have over the world" is the success mantra of today's world. Innovation needs to move into practically all aspects of the business and it needs to be fostered through a culture of innovation, very strongly driven by the leadership team and it has to be a continuous process.

Findings and suggestions:

1. It is very important to encourage people to think, to change their mindset in terms of identifying their potentialities and giving them abundant opportunities to explore their talent
2. With the changing scenario and the changing world, the manager have to keep on eye and ear about what is happening around the globe, set back and analyze and adapt to the constantly evolving new models reflecting today's realities, to be an effective manager.
3. The process of innovation should be Organized, Disciplined, Structure, Directed and Purposeful. Innovation is a process that delivers something new and novel.
4. Diversity of learning opportunities is the key to the development of people and global managers. Intuition quiet often comes fr.om collaborations and collaborative environment which provide people with a community to belong and to get an opportunity to innovate.
- 5 .In order to succeed, innovation driven companies must generate more ideas-Evaluate them better-Push them through faster.

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