

# **Creativity and Innovation play a significant role in business performance in the modern day organisation.**

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## **Abstract**

Modern day organisations face a plethora of challenges ranging from viability, to performance, among others. Firms that are future oriented have to come up with strategies that would allow them to survive competition. As a result, the organisations have to embrace creativity and innovation in order to overcome some of these challenges. Global competition and the instability of macro-economic environment also pose a great threat to firm survival. Organisations should focus on Research and Development in order to satisfy customer tastes and preferences. The process should be continuous and tastes and preferences of customers keep on changing. While globalisation brings competitive advantage to firms in developed countries, organisations in developing countries have to work extra hard in terms of creativity and innovation in order to match their counterparts from the developed countries. Ideal innovation and creative strategies allow a small firm to compete well with established organisations.

## **INTRODUCTION**

The modern day organisation has seen a lot of competition among businesses as well as change in needs and tastes of consumers, across the globe. This has as a result, called for creativity and innovation by organisations that have a focus on the future. Firms that need not only to survive but that aim to perform better and beyond the national boundaries have to always come up with something new, that beats competition. Creativity is the ability to generate new ideas by combining changing or reapplying existing ideas. Some creative ideas are astonishing and brilliant, while others are just simple, good and practical ideas that no one seems to have thought of yet (Harris, 1998).

Creativity is a process as researchers, academics and scholars are anxious to explore as much as possible about the distinctively human capacity to generate new ideas, new approaches, hence new and valuable solutions for challenges faced by the people. Creativity is one among other key factors that propel enlightenment across the globe, as humans try to seek solutions to a number of challenges they come across.

Then, on the other hand, innovation is the tool of entrepreneurship where as both, innovation and entrepreneurship demand creativity in order to meet human demands and needs (Drucker, 1985). It has to be noted that, innovation is adding something new or valuable to an existing product or process. The product or process may have been created from scratch and has worked reasonably well or it is completely a new product or service, in the process of changing it, in comparison to the original state

It has been noted that, innovation is the process of bringing out the best ideas into fruition, which triggers a creative idea, which in turn generates a series of innovative activities, thereafter. Therefore, innovation is the creation of new value to the business or to the customers. It is a process that transforms new ideas into better value by transforming an idea into an enhanced product or service for the customer. There is a link between innovation and creativity as one cannot innovate without creativity, which begins by the generation of an idea.

Innovation therefore, is the process that combines ideas and knowledge into new value, in trying to satisfy customer needs and wants. An organisation that does not innovate may soon become obsolete, as customers would abandon its products and services, in favour of those for competitors. Innovation is seen as the introduction of something new and the implementation of creative inspiration, in response to customer request or demand.

## LITERATURE REVIEW

Creative thinking is the art of generating solutions to problems by the force of imagination and reasoning (Okpara, 2000). Also it is an activity of the mind seeking for answers to challenges encountered by humans in their lives. Of importance to note is that, in a dynamic and ever changing macro-economic - environment, the challenges of organisations are ever mounting. Problems come in different forms and therefore require a deep and creative way of thinking as the way to go. It is only those organisations that are ahead in terms of creativity and innovation that 'see' ahead with the 'eyes of their mind' that can always come with what customers require (Woodman et al., 1993).. Some of the great creators are Bill Gates and the computer, Graham Bell and the telephone, Michael Faraday, and the electricity, Isaac Newton and the physical law of science, while the Wight brothers came up with the Aerophate, the list is endless (Sadeh, 2012).

More often than not, creativity begins when an individual starts engaging in them self, by them self and as a result, creative thinking must therefore, lead to the articulation of a strategy, design for a peculiar and particular problem. Therefore, it should be noted that, strategy is a way of mobilising and allocating available resources to achieve positive results, even under difficult circumstances (Martins and Terblanche, 2003).

Amabile argues that, relevant creative skills include both domain – relevant skills that is, technical in a specific area and to solve problems and creative – thinking (Amabile et al., 1996). A creative thinking skill therefore, refers to the ability to take new perspectives on problems and apply persistence to the exploration of new pathways to solve problems (Tagger, 2002). On the other hand, Thompson (2004), notes that, the creative – thinking process is characterised by the conception of divergent ideas or the association of new combinations of means and ends, in order to achieve a common goal (Tellis et al., 2009).

Innovation is the materialisation of a novel idea resulting in an improved or new product or service, (Drucker 1985: 32), states that 'innovation is the specific tool of entrepreneurs.' He further mentioned that '... innovation is the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a business or service,' (Drucker, 1985: 13). While innovation means different things to different people, it always implies transforming new ideas into renewed sources of value by (Fagerberg et al., 2005). As stated in the *Oxford Handbook of Information*, the concept of innovation refers to the putting into practice or implementation of innovations. There is also technological innovation that is often said to be a result of embracing and adoption of technology entrepreneurship, on a daily basis.

Innovative performance has been measured using the following, patents, trademarks, Research and Development (R&D), inputs and other secondary indicators in the form of publications and citations (Nickerson, 1998). Innovative surveys try to establish whether firms have introduced and start to implement innovation. Focus on innovation surveys is technological innovations which would result in new products or improved production processes (Thompson, 2001).

### The principles of creativity

Employees are more creative when they feel intrinsically motivated especially when they are satisfied to tackle the challenge facing them (intrinsic motivation) and not as a result of external forces, particularly, the carrot and stick approach. The passion to do or demonstrate their knowledge and unique skills should be the guiding principle, in whatever they want to achieve. The zeal and anxiety to come up with a solution to a problem everyone else is thriving to solve is the driving force, for instance, the need to come up with a cure for HIV/ AIDS. It has been noted that within every employee, creativity is a function of three components which are as follow are discussed below (Woodman et al., 1993).

### Expertise

This encompasses all that an employee knows and is able to do in the broad domain of his day to day duties, work – knowledge and technical abilities. Creative thinking means how one approaches problems and the anticipated solutions, in order to achieve desired results. It is also about the capability to put existing ideas together in a new set up and in new combinations, as a result of team spirit. The possession and application of the skill, depends more occasionally on the personality of the individual and also on how a person manipulates ideas and executes one's duties (Sternberg, 1997).

Expert knowledge and creative thinking are the tools that are used by an entrepreneur, who is keen to succeed in his endeavours. Employees are most creative when they feel motivated, mostly by the love, satisfaction and the challenge encountered from the task to be accomplished, enjoyment of making a breakthrough in searching for and achieving an outstanding solution (Tellis et al., 2009).

Creativity includes anticipation which involves having a vision of something that will become important in the near future before anyone else has it, as well as commitment, to achieve the intended goal. Also commitment is the belief that makes one to continue keeping the fire burning until the goal is realised. The entrepreneur has primary concern, which is coming up with new product, processes, markets or the ability to bring something completely unique, in the form of product or service, processes into the market. The entrepreneur engages into coming up with originality in terms of the product or service, something not produced by any one, before resulting in solutions to the existing challenge. Entrepreneurs are able to adapt and also consider available alternatives. Status quo is sometimes challenged leading to confrontation with colleagues, yet it is a good team spirit. They dismiss their detractors and is sometimes regarded as being aloof (Thompson, 2004).

Creative outcomes often begin with recognition and acceptance of existence of a problem or anticipation of an opportunity within the environment. As a result of understanding of the situation reflecting on issues involved, new linkages are contemplated while possible new combinations of components are aired. It is from here where emergence of visible solutions or possibilities are subjected to valuation, that may be continuous with judgement being suspended as the research process is prolonged in pursuit of genuine new beginning, which will benefit both employees and customers. While entrepreneurs take bold creative steps, creativity is however, enhanced when people have some freedom to explore and implement new ideas, in order to come up with new products or services for consumers.

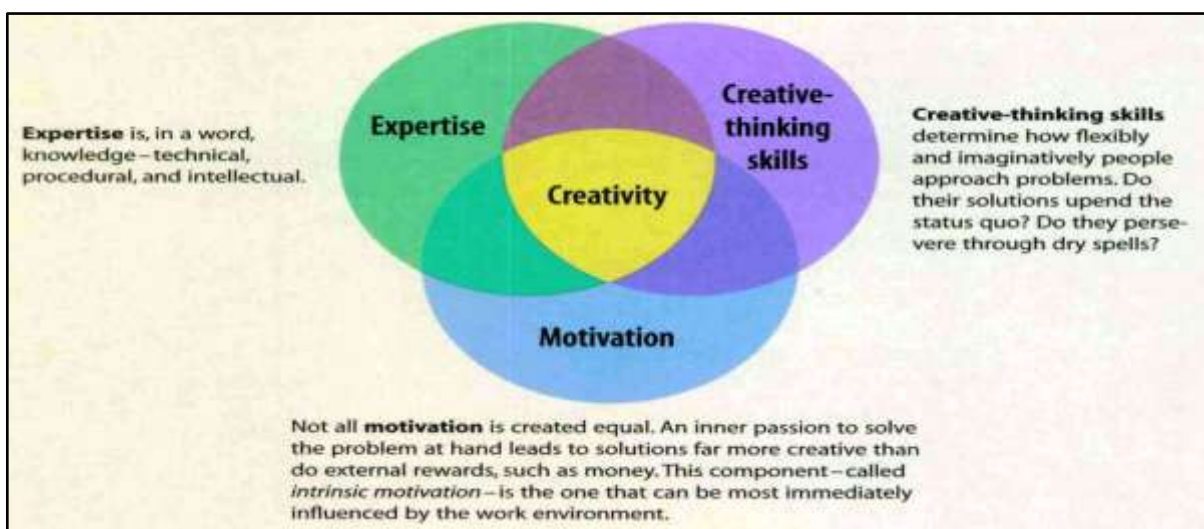
Amabile (1998), provided the field with one of the most simple and yet comprehensive frameworks on creativity. As illustrated in the diagram below, creativity arises through the confluence of the following components, as articulated by (Amabile, 1998).

**Knowledge:** This is all the relevant understanding that an employee contributes to bear on a creative effort, as part of his or her contribution to the organisation but, ultimately benefitting employees and customers.

**Creative Thinking:** It relates to how employees approach problems and depends on personality, thinking and individual working style, as well as interaction of teams as they try to come up with the best and favourable solutions.

**Motivation:** Generally, motivation is the driver of each individual employee and is accepted as key to creative production and the most important motivators are intrinsic passion and interest derived from the work itself, hence, the need to induce it.

### Three Components of Creativity



Source: Amabile (1998)

It is significant to note that, multiple experts provide frameworks and hypotheses on the sources of creativity they would have come up with, as a result of intrinsic motivation. On the other hand, it appears as though the vast majority of their important contribution to the theory can be grouped as falling within the three intersecting circles according to (Amabile, 1998). Other theorists' views will be considered based on Amabile's framework as the organising principle.

## **Knowledge**

Knowledge is the relevant information that an individual brings to bear on a problem (Amabile, 1998). This idea is taken further by Gardener (1994) who explains that there are two types of knowledge that may be required for creativity to yield positive and beneficial results. There is in – depth experience and long – term focus in specific area that allows people to build the technical expertise that would serve as a pivot, or centre for creativity within a particular domain or organisation. Be that as it may, creativity rests on the ability to combine what used to be done before in ways, which imply a need for broad based focus as well as varied areas of interests. We must strike a balance between depth and breadth of knowledge in order to maximise our creative potential (Johansson, 2004: 104). The proposal to improve breadth is to team up with people who possess varying degrees of knowledge bases.

Simonton (2003), professor of Psychology has conducted historiometric studies of great and prominent creators. This is where a large sample size of successful creative individuals, historiometric studies quantify the otherwise qualitative characteristics of test cases (their developmental, differential and social backgrounds, for example) and through analysis of the data, attempt to drive some general laws or theories regarding the sources of creativity (Simonton, 2000).

It is noted that, in order for individuals to be creative, they should develop in – depth domain expertise. We can therefore conclude that, confidence that creative output is linked to the time a person is actively involved in a creative domain (Simonton, 2003). This means that, the relationship tends to be a curvilinear, meaning it will be inverted backwards; function of career age is what can be said about it.

What it means is that, creativity production increases with years in the field until one has reached a maximum at which level it begins to paper off, according to some studies. Gardner (1994)'s research into the sources of creativity, supports this notion and further extends it to a 'ten – year rule': of which ten years is the approximate time required to construct the domain knowledge and expertise needed to spur creative success. This is because many creative individual researchers, in most cases have a breakthrough in ten year intervals, according empirical evidence from studies carried out (Taggar, 2002).

## **Creative Thinking**

While both Amabile (1998) and Gardner (1994), agree that, creative thinking is an instrumental component of the creative process, they also address the issue at a much higher operational level. Amabile (1998), identified the following key aspects of creative thinking:

- There is comfort in disagreeing with others and trying solutions that depart from the status quo.
- It is also important to combine knowledge accumulated from previously disparate fields.
- Ability to persevere even through difficult challenges and dry spells.
- Ability to step away from an effort and return later with a fresh perspective known as 'incubation.'

On the other hand, Sternberg and Linda (1998), provides an overview of the multitude of theories that have been proposed concerning the relationship between creativity and intelligence.

Finally, Sternberg and Linda (1998), promotes a 'triarchic theory' asserting that, there are three important aspects of intelligence that are pivotal for creativity, which are identified as synthetic, analytical and practical, solutions to current or impending challenges.

## **Practical**

This is the ability to practically apply intellectual skills in everyday situations and to 'sell' creative ideas. Sternberg (2000), in *Creative Thinking in the Classroom*, stresses the importance of the above three types of thinking to overall intellectual functioning and successful intelligence. It shows that analytical and practical skills are separate from but support the synthetic idea research has shown that students who were taught while the three abilities were emphasised,

performed better than students who were taught in a way emphasising only analytical skills. Above all, the holistic approach therefore increased performance analytical memory – related questions (Fagerberg et al., 2005).

‘Because the analytical, synthetic and practical aspects of abilities are only weakly related, students who are adept in one of these areas might not benefit particularly from instruction aimed at another area and in particular, creative students might not benefit well from instruction as it is given in the schools, which typically emphasises memory and analytical abilities,’ (Sternberg, 2003). In an experiment that was carried out, it was found that ‘high school students who were taught in a way that better matched their own pattern of abilities ... tended to achieve at higher levels than students who were taught in a way that more poorly matched their pattern of abilities,; (Sternberg and Linda 1998: 256).

Campbell’s model still provides the best framework for a comprehensive theory of creativity notes (Simonton, 2003: 310). The concept emphasise that creativity requires the capability to generate blind variations in the same way that genes might apply random mutations and that generation is not related to the probability of success of any given variation. It therefore implies that, if creativity requires blind variation, it is then understood that creative performance may be heightened by techniques that might serve to break the stranglehold of conventional expectations and just increase the number of variations randomly generated (Simonton, 2003: 313). This is in agreement with the idea that ‘if the variation process is truly blind, then good and bad ideas should appear more or less randomly across careers, just as it happens for genetic mutations and recombination,’ (Simonton, 2003: 316). Therefore, the theory implies that, the creative mind can be enhanced by environments or efforts that encourage the individual to generate new variations and idea combinations for creativity to take place.

## **Motivation**

Many theorists see motivation as the most important component of creativity (Nakamura and Csikszentmihalyi, 2002). Much of Amabile (1997)’s work has focused on the role of intrinsic motivation and ways in which intrinsic motivation can be enhanced in the classroom as well as in the work place. He further explains that, ‘We have found so much evidence in favour of intrinsic motivation that we articulated what we call the Intrinsic Motivation Principle of Creativity: people will be most creative when they feel motivated primarily by the interest, satisfaction and challenge of the work itself and not by external pressures such as extrinsic motivation,’ (Amabile, 1998:78).

A lot of literature and some studies document how intrinsic motivation enhances creativity and also how extrinsic rewards hamper it. The principle is illustrated by Amabile as follows, the extrinsically motivated person tries to take the shortest and most obvious route to get to the reward while the extrinsically motivated person will explore various ways and alternatives, taking one’s time and enjoying the process along the way (Sternberg and Weihua, 2003).

One psychological experiment was carried out to show and emphasise the differences and effects of extrinsic and intrinsic motivation on children. One group of children was told that they could play a Polaroid camera (a reward) if they promised and agreed to tell a story. Then, children in the other group were informed that there were two unrelated activities. One, playing with the camera, while two were telling stories. The first group scored lower on creativity throughout the activities, suggesting that, extrinsic rewards can actually hinder creativity due to the negative feelings resulting from external control (Schein, 2004).

Through continuous research and contributions by other theorists, Amabile has of late revisited her stance on the issue of intrinsic – extrinsic motivation. The revised view of Amabile acknowledges that there are probably two types of extrinsic motivations: synergistic (motivations that are informational or enabling) and non – synergistic (motivations that are controlling) (Amabile, 1998). It has to be noted that, while synergistic extrinsic motivators can support and enhance intrinsic motivation, non – synergistic ones may hinder it.

It has been observed that, the types of extrinsic motivations that are most likely found in the workplace and those in the classroom are non – synergistic and easily available. As a result, Amabile’s research on motivation implies that in the educational contexts, the impact of grades or praise as reward for good performance should be reviewed in the light of their impact on creativity. Amabile (1997), is of the opinion that, if assessment is necessary, using it as informational tool for improvement, rather than as a judgement, may reduce the feeling of external control. Instead, she additionally proposes that consideration be given to the ‘motivation work cycle match.’

It should be highlighted that, different types of motivation play a significant role in various situations of the creative process, as intrinsic motivation is key when the emphasis is on persistence, then synergistic extrinsic motivators

therefore may play an important role in the whole situation. While extrinsic motivators can help an individual sustain energy through the difficult times necessary to gain skills in a domain, they may also serve to bring people in contact with a topic to engage their intrinsic interest (Amabile, 1992).

However, Amabile's theory of intrinsic motivation is reflected in Gardner (1994)'s works of research on the lives of historically successful individuals. High degree of intrinsic motivation in great creators such as Einstein, Picasso and Gandhi play out in their holistic involvement and in and commitment to their work. One common thing on all creators that Gardner reviewed was that, they had sacrificed a great deal on a personal level and are wholly and completely consumed by their work, dedicating all their time, energy, effort and emotion for a long time (Amabile, 1992).

This leads to what Gardner calls 'Faustian bargain' of creativity, which is gaining superior professional attainment, individuals must sacrifice a more well – rounded personal existence, yet neglecting family and social life. 'The question remains whether and to what extent some aspects of the holistic pattern hold for individuals who are also creative, but in a more limited sense, such as the successful entrepreneur, the original strategist and the R & D inventor,' (Gardner, 1994: 215 – 216).

The 'positive psychology' perspective on creativity are characterised by individuals who convert differences into advantages, reflect on their goals and analyse their strengths and weaknesses and then leverage their abilities to the optimum (Gardner, 1994).

They turn their current failures as prods to greater achievement for the future. At the same time, they also demonstrate intrapersonal intelligence, the ability to understand and guide one's own creative process and to put checks on illusory or emotional interferences in the process, (Gardner, 1994: 223). These are risk takers, eager to persevere even where they are not supported.

Nakamura and Csikszentmihalyi (2002), promote linking the positive intrinsic motivation view with a deficit psychology model to give a fuller picture of the complexities of the creative mind. While on one hand, a deficit model views creative effort as a defence against personal inadequacy and feelings that the self is flawed and destined to failure, on the other hand, a meaningful purpose can also serve as a motivation for creativity, while exercising one's skills can be a source of joy (Nakamura and Csikszentmihalyi, 2002).

While a meaningful purpose can also serve as a motivation for creativity, exercising skills can be a source of joy. Integrating a deficit and strengths model, the resulting systems model asserts that creativity is the outcome of the interaction between the innovating individual, that individual's domain knowledge and the social field that judges the individual's contribution to the domain (Nakamura and Csikszentmihalyi, 2002).

It has been noted that, in a deficit model, lack of affirmation of work from the social field might discourage persistence, yet under a strengths perspective, the innovator may use social field as source of information about work, but also give equal or greater weight to signs of progress and success in the activity itself. Potential implications of this viewpoint are that, the educational system should provide greater focus on helping students identify areas of interest and passion that is, areas where they can achieve the state of flow which leads to growth of skill and confidence (Tubagus, 2016).

Finally, closely linked to the role of practical thinking in creativity is the importance a Meta – cognitive of the creative process and an explicit decision to pursue a creative path. In his article 'Creativity as a Decision,' Sternberg and Linda (1998), stress the importance of the main challenges of creativity research as to uncover general truths about the characteristics of creative people, despite the fact that, 'so many things seem to be true about at least some creative people, although not necessarily all of them. Some seem surely to be characterised by low self – esteem (Sternberg, 1997). He further asserts that perhaps the one consistent attribute about successfully creative people is their explicit decision to pursue a creative path.

Nickerson (1998) echoes Sternberg (2003)'s sentiments: 'Students need to believe that creativity is determined by motivation and effort to a significant degree. They need to understand that creative products are seldom produced without intent and effort, that there is considerable evidence to support the belief that most people have potential, they never realise and that persistent effort to develop that potential is likely to be successful.

## Defining Innovation

Tidd et al., (2001: 12), are of the opinion that, innovation is a challenge to a number of organisations that are having performance problems, yet they do not embark on innovation. In essence, unless an organisation is prepared to renew its products and processes on a continuing basis, their survival chances are seriously threatened.

On the other hand, Hattori and Whycoff (2002:25), state that: ‘... the challenge is to live and thrive in the new world, where the call is for more innovation.’ It is either the organisation has knowledge, expertise and skills to embark on innovation, or it has resources to support the project.

Innovation is ‘derived from Latin ‘innovare’ meaning to take something new,’ (Tidd et al., 2001: 24). On the other hand, Porter (1990), in defining innovation in regard to ‘newness, comments that: ...companies achieve competitive advantage through acts of innovation. They approach innovation in its broadest sense including both new technologies and new ways of doing things.

In support of this phenomenological view of innovation, Quinn (2000: 13) states that ‘true innovation is complex and tumultuous, full of spurts, frustrations and sudden insights.’ From the examination of the production innovation, it has been calculated that approximately 38 percent of products fail to progress from original ideas to successful products (Markides, 1998). Therefore, innovation is viewed as a patent weapon for acquiring competitive advantage (Porter, 1990); however, due to uncertainty, it does not guarantee success. McGrath and MacMillan (2000:368) argue that, ‘the task for managers is, to confront uncertainty and make it an ally.’

## Dimensions of Innovation

The specific importance of innovation in Small to Medium Enterprises (SMEs) is stated by (Drucker, 1985: 13): ... innovation is the specific tool of entrepreneurs; the means by which they exploit change as an opportunity for a business or service ... it is capable of being learned and practised. Thus, innovation is intrinsically linked to entrepreneurial operation of SMEs which have an inherent advantage over larger organisations in incorporating innovation (Raymond et al., 1998).

Hargan and Sutton (2000), put forward put forward a similar model to Majoro (1998), again illustrating innovation as a process, referred to as the ‘knowledge – brokering cycle.’ The cycle consists of four inter linked work practices: capturing good ideas, keeping alive, imagining new uses or old ideas and putting promising concepts to the test. A more recent, similar evaluation of innovation as a process has been championed by (Buggie, 2001), who argues that, the process – which will successfully attain innovation and hence future organisational growth, consists of four stages, strategy development, ideation, evaluation and implementation.

Viewing innovation as a process provides a systematic model and process of how innovation can be realised. Evangelista et al.(1998), put forward two reasons to view innovation as a sequential process as follows: because too high an onus has been placed on the research and development function and because viewing innovation as a linear process does not allow for feedback or the interactions between the distinct innovation functions to be explored. However, Klomp and Van Leeuwen (2001), have argued that interest in the innovation process has shifted away from the input (research and development) to the output stage (realised innovations)...., moreover the focus is now also on the linkages between the three stages of innovation process, input, through put and output, with the role of innovation as a driving factor of long term macro – economic growth taken for granted,’ (Klomp and Van Leeuwen, 2001: 343).

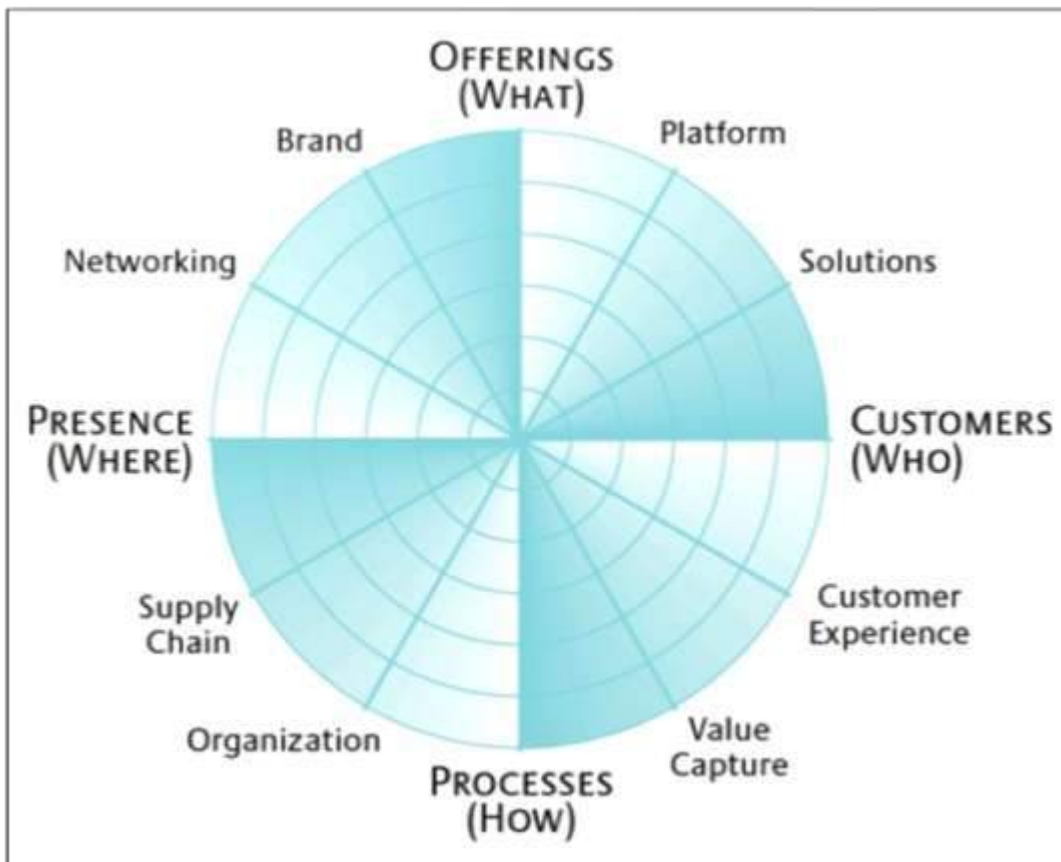
## Mapping Business Innovation

It has to be noted that, Business Innovation (BI) demand company completely different approach to innovation thinking when compared to the traditional product and technology considerations. Sawhney, Walcott and Arroniz (2006) define the narrow focus on product, R &D and platforms as directional myopia ‘innovation pathology.’

The authors details the ‘innovation radar,’ as it shows twelve dimensions of business innovation, encompassing all aspects of a business system, showing the offerings a firm creates, the customers served, the processes and channels employed or how it takes its offerings to the market. The innovation radar is presented as a diagnosis tool for

identification and as a way to pursue dimensions that are neglected.

## Innovation Radar



Source: Sawhney, Wolcott and Arroniz (2006)

## Key Pillars: What Business Innovation Tasks

There are a number of management challenges that emerge in the process of trying to implement broad continuous and systematic innovation. Listed below are what are regarded as the pillars of Business Innovation (Westwood and Low, 2003).

### A holistic view of business innovation capacity drivers

The right approach overall is management system which includes drivers for instance (leadership, strategy or organising practices), enabling factors (such as culture) and propelling factors (such as a process for managing strategic initiatives and individual contributions or expertise) (Waples and Friedrich, 2011).

### An innovative culture

This is a culture that is driven and shaped by gradually introducing evolutionary changes in the management practices and principles, particularly those designed to propel innovation (Patel, 2014). This cultural paradigm shift builds on several strata, such as high levels of ambition and even stretch in selected areas or strategic issues. There is a need for commitment by management to develop trust and discipline throughout the innovation process (Tabor, 2016).

### A systematic innovation process

This entails one which translates ideas into strategic initiatives which should be turned into reality. Most important are on initial strategic thinking effort which provides guidelines for creativity generalisation of a focused idea and the implementation of a balanced portfolio of projects and initiatives in a broad set of business areas in support of the goals



and aspirations set up front (Villa and Munoz-Najar, 2004).

### **Removing obstacles to change**

At the centre of implementation, there should be a need to re-invent the important management processes and principles that are often taken for granted. According to Govindarajan and Trimble (2005), there are three different challenges within the 'dual purpose' of organisations to exploit existing business and to simultaneously explore a related new business. While these being forgetting assumptions, mind sets and biases that may no longer be valid or relevant; borrowing assets and resources with tangible value and learning how to improve predictions of business performance, are regarded as crucial.

### **A people-based approach**

This includes the recognition of employees' willingness to contribute and critical value, those results from this contribution. The commitment by employees in various positions makes a difference to the quality of ideas provided as well as levels of participation in project teams and the support and resources offered to innovation activities that differ from daily tasks (Alvesson, 1987).

### **The involvement of the wider community in the innovation ecosystem**

This means, including stakeholders within stakeholders the value chain and even the involvement of external players which is (co-innovation) may help to foster broad and regular innovation (Flamholtz and Randle, 2011).

In a nutshell, if a firm intends to innovate broadly and continually, it has to come up with a comprehensive and systematic effort to align and put in place, a number of innovation capacity drivers. It also needs to nurture, develop and embrace a culture of innovation and in the process, overcome major obstacles to change. In addition, these endeavours have to balance the demands of daily tasks, execution and innovation development (Pesut, 2013).

### **Successful Innovation: Broad, Continuous and Systematic Innovation**

What is required here is an approach to innovation that is free from constraints of a narrow specialist view, which is myopic in nature. It should be a tool that a number of managers at different levels can shape and also direct to implement innovation initiatives in any given business area, ensuring that all required streams of innovation reinforce each other, while serving the purposes of the overall strategy (Amabile 1998). It should be noted that, common component – level approaches to innovation in the form of technology and product, are largely inadequate – for starting the fully – fledged sources of competitive advantage that are now demanded by markets. It is always that, innovation normally requires transformation of values, principles and practices across the board within firms which are far beyond the realms of any technology or marketing head can think of implementing (Waples and Friedrich, 2011).

### **Broad**

There is need to change innovation focus over time, depending on the market performance and competitor behaviour, which may be linked to the stage of business life-cycle (Moore, 2006). Of concern, renewing a firm's competitive advantage and prospects for success require alignment efforts at the basic individual level, working groups, project teams and larger collectives within firm and yet several different roles will be played throughout the whole process. It is important to note that the coordinating of activities and the integration of goods in various business areas are key to the well – being of the innovation result. It is important to note that, as Moore observed, many types of innovations are implemented without a common thrust; there will be no benefit in the end. It is the firm's strategy that becomes a common ground and indispensable glue that should put all the pieces together (Flamholtz and Randle, 2011).

### **Continuous Innovation**

Muller et al. (2005), highlight the importance of innovation metrics for improving the management of innovation in organisations as they highlight the degree of change at the top of every industry by contrasting the range of companies cited as best practice in seminal publications in 1982 and the again 12 years later, which again is different from the present day innovation 'leaders.' They stated that, such a high turnover at the top suggested that, the real problem

wasn't lack of innovation, but its sustainability. Firms may tumble upon an attractive idea that gives them an impetus for some time, yet sooner or later they abandon the advantage to a competitor who has come up with an even better idea (Slusarczyk and Herbus, 2010).

It is noted that, firms from time to time try to put together all pieces of the puzzle that are necessary to successfully innovate. While in the past such a one - shot success, was enough to sustain a competitive position, especially for smaller firms, now it is no longer the case. Currently, firms are required to pursue a portfolio of initiatives to provide a continuous flow of innovations from time to time. It is mandatory to maintain a consistent stream that is needed to become a regular innovator, to sustain the business in the short, medium and finally in the longer term, for the sustenance and better performance of the business.

### **Systematic**

It is important to note that, if innovation is to be broad and continuous, it therefore cannot be left to natural, emergent processes or people's heroic efforts, as there must be a systematic approach in place, one that should fit the current position of the firm. Innovation as a result will become a change programme for a number of firms and any change needs to be systematic and then be guided, directed, focused as well as thought-out and be pro-active (Woodman et al., 1993).

Therefore, it follows that, firms need a system to be put in place to change the underlying process, mind-sets, attributes and competences that support innovation (Muno-Najar and Vila, 2002). As a result, this may result in some form of framework, structure or processes that are suitable for the specific business requirements. While talented individuals may be able to pull it off every now and then in order to be consistently innovative, there has to be a system in place that should be built around an established innovative process. Business excellence requires a broad – based continuous and systematic innovation to be in place (Waples and Friedrich, 2011).

### **METHODOLOGY**

This is a conceptual paper that has focused on literature on creativity and innovation by a number of authors. The researcher initially reviews the notions of creativity and innovation as seen from the perspective of other researchers. Not all the authors agree on the views that are under discussion. While some support and agree on the role that is played by creativity and innovation on firm performance, others do not agree. After reviewing all the literature that was obtained, most researchers agree on the need for firms to be involved in creativity and innovation.

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