

chapter 2

IDEAS, CREATIVITY AND INNOVATION

*– or what are they really
talking about?*

AFTER READING THIS CHAPTER YOU'LL BE ABLE TO:

- Explain and analyze terms such as idea, creativity and innovation.
- Understand the processes of idea management.
- Compare work processes in different business sectors from a creative perspective.

*”Whatever made you successful in the past,
WON’T in the future.”*

Lew Platt, fd VD Hewlett Packard

The world has never been so full of ideas as it is now – they are buzzing like bees in the media babble, creating such storms of stimuli that as individuals we are incapable of processing even a small number. Nor has there ever been such a hunger for ideas as there is today. This has led to a frontier mentality far removed from the days of prospectors wading knee deep in a stream panning for gold. The modern-day prospector is searching for the opportunity to sell an idea to a risk capitalist for a small fortune. This demand for ideas also means that you can open a newspaper in almost any section (job ads, financial pages or social debate) and find three words appearing time and time again – idea, creativity and innovation. Organizations are exploiting these buzzwords to the hilt, but when confronted to describe the practical initiatives that lie behind them, they are frequently caught with their pants down. And for organizations that are not taking this development seriously, stagnation lies ahead. On the other hand, for those that learn to understand and apply these terms, the future is most certainly bright.

As we mentioned before, *The Idea Agent* is dedicated to people who would like to become full-fledged Idea Agents. But before you can take on such a role, it would be wise to reflect on these buzzwords that are appearing in more and broader contexts. We should take a moment to consider their meaning and interrelationship.

WHAT IS AN IDEA?

On looking up the word “idea” in a dictionary, one quickly becomes aware of how fundamental it is in our society. It has an assortment of meanings: purpose, opinion, thought, perception, concept and plan, to name but a few. The word has been central to Western thinking since the days of Plato and his expounding the perfect World of Ideas.

In the modern age, it has become something of our mental reality’s equivalent to the atom of the physical world – namely the smallest brick in a magnificent construction. At the same time, an idea is worth nothing – it’s not something you can put a price on until it’s been tested in the real world. Ideas are also the foundation of our future welfare, but impossible to value in their unrefined state and not always receiving their due attention as a result.

WHAT IS CREATIVITY?

Since ideas appear to develop out of creative processes, it ought to be relevant for an Idea Agent to understand the notion of creativity. But defining the word creativity is like trying to hold on to a wet bar of soap in the bath. The most convincing and comprehensive research overview on the subject, Robert J. Sternberg’s *A Handbook of Creativity*, comes to exactly the same conclusion. Research into creativity has approached the subject from every conceivable angle (psychological, organizational, biological, social-scientific) and although researchers are convinced that creativity could well be the foremost ability in humans, very few can present firm scientific evidence to support their conviction.

Few words have such an individual meaning and popular use as creativity, and few can cause more ambivalent feelings – joy at one moment and fear in the next. The word originates from the Latin word *creo*, which means to conceive or to bring into existence, and it is this wider meaning that does it most justice. As an Idea Agent, it is important to accept the fact that creation and creativity in individuals is multi-faceted and difficult to define. Dictionaries frequently define creativity in two ways – partly as an ability (something that can be learned) and partly as a quality (something that is inherited). The qualitative definition only emphasizes the popular misconception that people are either creative or they’re not, in other words that we are either born to create or that we were born unlucky and lack the creative ability.

Nothing could be further from the truth! All human beings are born with the ability to be creative but not everyone can develop their creativity or has the opportunity to apply their creativity and become skilled at creating.

A huge amount of research has been conducted into the structure of the human brain. One theory – which has more or less been accepted as fact – is Nobel Prize winning American Roger Sperry's reflection from the 1970s that the brain is divided into two functional hemispheres, the left brain and the right brain. According to his simplified thesis, the left half of the brain is oriented to logic, analysis and detail whereas the right half processes the creative, intuitive, visual and holistic impulses. Nowadays, placing too much faith in this theory would be to fall into a very obvious trap, but its most interesting aspect is that it confirms in black and white that creativity is a genuine human commodity.

WHAT IS INNOVATION?

So how are vague terms such as idea and creativity related to the possibly even more diffuse notion of innovation, which has become the number one buzzword of the modern age? Somewhat basically, we could say that a creative process leads to the creation of ideas. But what then is innovation? In her book *The Seeds of Innovation*, Elaine Dundon provides this very accurate, if somewhat strict, business-oriented definition of innovation: "Innovation is the profitable implementation of strategic creativity". This is clearly what companies and organizations are striving to accomplish – an organized, strategic and creative process whose end will be realized and which will achieve measurable results. When one disassembles the definition, one discovers that innovation is:

CREATIVITY – conceiving a new idea.

STRATEGY – analyzing the idea's originality and usability.

IMPLEMENTATION – setting the unique, usable idea into motion and testing it in the real world.

PROFITABILITY – maximizing the unique, usable idea's added value.

To understand this carelessly used term, it can also be useful to emphasize what innovation is not. According to Dunlon, innovation is:

Not only new technology

A new organizational structure, a new business channel or a new application for something old are also innovations.

Not business-specific

Innovation is not only needed in major industrial concerns and up-and-comers in the IT and biotech worlds; all organizations should integrate innovation in one form or another.

Not only for R&D departments

R&D departments do a good job for the most part, but an organization that takes innovation seriously applies it throughout the entire organization, from the shop floor to the finance department.

Not only a creative playroom

Creativity involves developing mental and physical environments that are more than just for playing with toys. It's important to have rooms that are designed with the creative process in mind and they should be designed with functional and emotional perspectives in mind.

Not a one-time stunt

A one-day event with speeches from the management will not advance you into the next decade!

Not only creativity training

Coaching professional creative skills is very important, but remember to make training part of an innovation strategy so that these skills take root and are reproduced in day-to-day work situations.

Not only brand-new products

Creating revolutionary new products is a key element of innovation management. But working for continuous improvements in existing products is equally important - possibly even more important since it is through continuous improvements that the majority of companies make their money.

10 TYPES OF INNOVATION

In any type of business, it's always important to consider at which points during work processes creative phases occur and how these phases should be structured. Innovation can take different forms in different parts of the organization. Each part requires serious consideration and processes should be managed with starting points within each specific situation. Check the following list and ask yourself how your organization manages innovation with regard to each respective area.

A. Product

1. Product features – how good is the quality and functionality of your product?
2. Product systems – how can your product be related conceptually with other internal and external products and services?
3. Product services – what services are your customers being offered in relation to the product and how?

B. Process

4. Core processes – how are internal value-creation processes established on a mechanical and resource-oriented level?
5. External processes – how are external production frameworks and logistics processes administrated?

C. Marketing

6. Business models – how does your organization make money?
7. Brand names – how does your organization manage communication?
8. Sales channels – how does your product reach the customers?

D. Organization

9. Networks – how is your organization and its value chain structured?

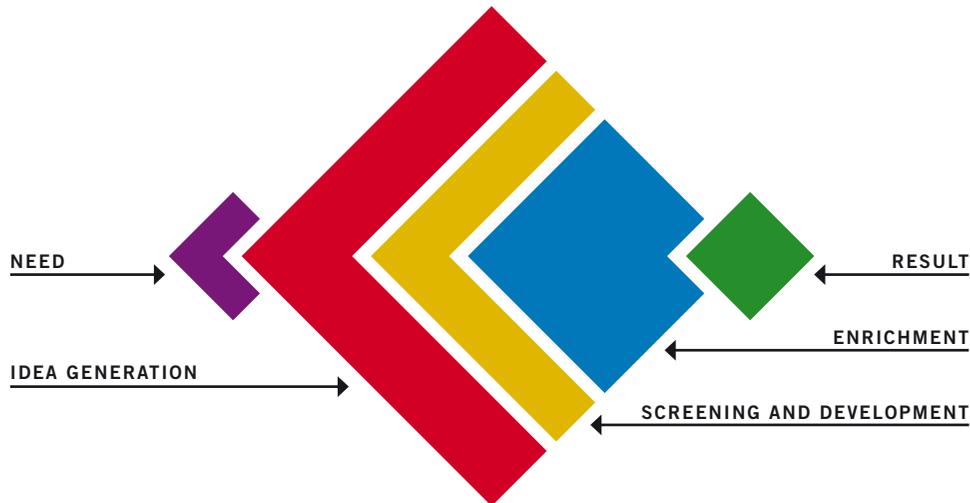
E. Experience

10. Customer experience – how is value added or increased in the form of product experience?

Unfortunately, the reality is often such that the only organizations that promote innovation management are research intensive. But the truth is that continuous development is taking place at all levels within all types of businesses, and resources should therefore be allocated for the purpose and encouragement of idea management.

THE IDEA PROCESS

The three notions – idea, creativity and innovation – are essential to the survival of any organization and can frequently be developed along similar lines, regardless of business type. The initial idea phase is the same regardless of whether your company produces interactive computer games or designs sales campaigns for commercial radio. Of course, specialization becomes all the more profound the further into the process one reaches, but for the most part the initial step is universal. And clarifying the various steps often reassures your creative team. Individuals who love brainstorming ideas in an unstructured way will feel that there is a niche for them, and those that prefer a more analytical and tangible approach are reassured that their turn will also come. A simplified model might look like this:



■ NEED

In the need phase, both the project basis and the framework for the end result are established. Carefully executed issue and criteria management will bring success. Moving out of the first phase and into idea generation involves an evolution from analysis to the creative buzz.

■ IDEA GENERATION

In the idea generation phase, various methods and techniques are applied to enable the generation of ideas from as wide a range of perspectives as possible. An incubation period that allows an issue to be digested and processed is valuable, as is the progression from individual to team idea generation.

■ SCREENING AND DEVELOPMENT

When the pool of ideas has been filled, it's time to develop an overview and an understanding of the ideas that can form the basis for screening. The idea development process becomes increasingly discussion based and the number of ideas is reduced but their quality is improved.

■ ENRICHMENT

When only a few ideas are left, the moment has come to develop them from seed to flower, from idea to concept. Enrichment allows idea originators to develop their ideas more deeply, taking them to the next level in the form of graphic descriptions, customer requirements and graphic illustrations.

■ RESULTS

The result is a number of concepts that have been developed and evaluated. The winning concept should answer these questions: should we allocate resources to implementing this concept or is the time not yet ripe? Is this a concept that excites us or are its inherent ideas mediocre?

One conventional wisdom is that chaos and creativity are one and the same, but this is a misconception. Generating results through applied creativity that leads to innovation requires a structured process from the need phase to the delivery of a finished concept. This process obviously requires energy, humor and a touch of chaos as well, but it is also structured in a logical and result-oriented manner. Initially, it has the attitude of the curious inventor and the freethinking rebel, only to orientate gradually in the direction of the project owner's pragmatic approach. Our model might appear to be describing idea management and research as a linear process, but anyone who has been involved in the development process knows that it's more often iterative. Issues and solutions that develop during the course of the process can cause loops that will require starting from scratch and finding a new direction. The work of development can seem like a machine whose cogs and wheels are spinning side by side, occasionally unhinging to change places and directions – but in perpetual motion.

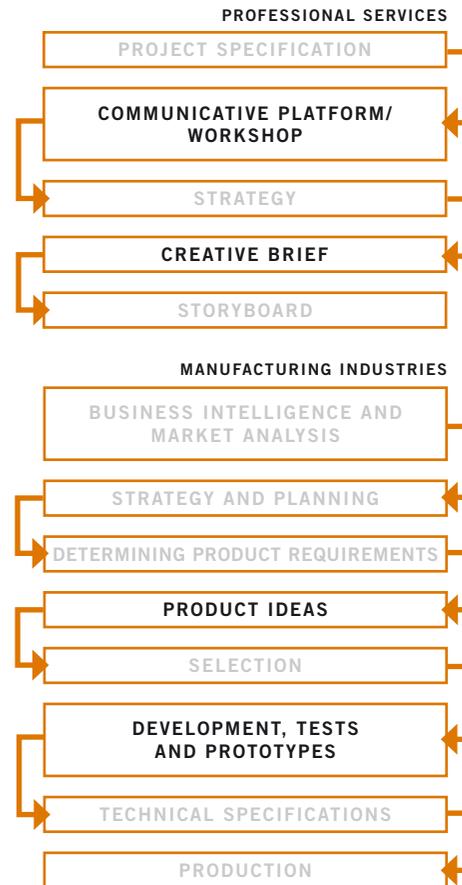


IDEA PROCESSES IN DIFFERENT BUSINESS AREAS

Where then can the creative phases of the idea processes in different types of business and organization be found? And have particular businesses contrasting idea processes that require differentiated designs? We should explore a few defined operational sequences in various business sectors and the common challenges within each respective sector.

In professional services such as IT companies and advertising agencies, the skills and reputation of entire organizations are frequently founded upon their ability to create. Often the creative phases consist partly of the establishment of communication platforms with customers, and partly of the internal creative work of the final campaign. The creative process is therefore relatively short. A slogan can usually be generated quite quickly while the creative basis for a campaign can take just a few weeks to develop. A common problem in this sector is that the cult of the Art Director or similar idea engine becomes so entrenched that all creative energies are confined to one individual. As a result, structures can be unclear and difficult to understand for colleagues or new staff, which can easily lead to them being excluded from the creative process.

However, in major manufacturing industries the creative processes can last a great deal longer. In the product development phase,



there may be several repeated creative phases, and developing an idea from a post-it to a finished product on the market may take up to 10 years. In this case, creativity management can be applied in the initial idea process but also in identifying new markets, or in designing the optimal sales campaign. Manufacturing industries frequently fall into the trap of excessively narrow outlooks, or the engineering culture is too inflexible in the idea generation phase. Thus a strict and practical approach to creativity becomes a more important parameter than allowing the creative juices to flow.

In research contexts much of the creative work involves identifying the central issue, or succeeding in highlighting an existing area or issue from new angles. To become a new Einstein or to win a Nobel Prize, one must succeed in finding alternative paths in the drafting phase and if possible new methods of seeking “the truth”. An additional critical creative element in the world of research is to find the right means of enabling various financial solutions. Research institutions are often very accomplished at classification and ranking in the selection phase, but the stumbling block is progressing from the analytical “Why?” to the idea-generating “How?”

