ORGANISING FOR CREATIVENESS

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The purpose of this article is to explore the possibilities of formally organising for creativeness* in an enterprise.

This article has been written in two parts. In part one the concept of creativeness in organisations is discussed, primarily to provide the context for part two, which discusses how organisations could go about formally organising for creativeness.

Part 1 — THE CONTEXT OF CREATIVENESS IN ORGANISATIONS

1.1 What is creativeness?

To start let us examine a dictionary definition of the verb "create". The Webster New Collegiate Dictionary (1, p.194) reads:

Create. v.t. 1.   To bring into being, to cause to exist.

2.   Hence a. To invest into new form, office or character; to constitute

b. To produce, form or bring to pass by influence over others: as, to create a favourable opinion

3.   TO produce as a work of thought or imagination .....

This particular definition of the verb create is a convenient one, since it can be interpreted as follows:

TO BRING SOMETHING *CONCRETE* into being (section 1 of definition) one has to both conceive of it (section 3 of definition) and then to invest it into form (2a of definition) either by oneself or by influence over others (2b of definition).

Hence, one can identify three major phases which must be passed through before organisational creativeness has occurred.

1. *Conception:* Something new is conceived in the imagination of a member of the organisation.

2. *IMPETUS:* Bower, (2, page 68)). The conceiver communicates the idea to other organisation members and causes them to become sufficiently enthusiastic to support the

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*As apposed to the current "in" word "creativity" — which (justifiably?) implies more activity than creativeness.

idea and start devising means to implement the idea.

3. *Implementation:* The new conception is made concrete by positive action and becomes part of organisational action.

For an organisation none of these phases need be carried out by the same persons or people. If the impetus can be obtained, the organisation has an advantage over the individual in that specialists can be charged with handling those aspects of implementation for which they are specially suited. The article will follow the thesis that creativeness in the organisation is separable.

Before pursuing the topic further one should enquire whether a real need exists for creativeness in the organisation.

This will be discussed next.

1.2 Does an organisation need creativeness?

If one were to follow the exhortations of some enthusiasts, one wonders whether, to be trendy, one should not have hordes of wildly creative souls stampeding around the organisation spraying ideas like confetti at a shotgun wedding. There is an overreaction at present, as organisations get caught up in the current "creativity cult". No doubt they will overreact in the opposite direction once disillusionment sets in.

However, the need for creativeness definitely is increasing if one considers the implications of articles by writers such as Skinner (3) and Starr (4). Consumers are becoming more affluent and more discerning and they will not be fobbed off with artificial variety much longer. It will take creative manufacturing to satisfy the future demands of the consumer, particularly as developing countries become progressively more difficult customers for the mass producer's unimaginative gurgitations.

So there is a real need for creativeness in the organisation, and the question becomes not whether creativeness is required, but rather *how much* creativeness and *what kind* of creativeness is required. It is to these two questions that we shall address ourselves next.

1.3 How much creativeness is required in an organisation?

The amount of creativeness which an organisation requires should be determined in terms of contingency theory (Lawrence and Lorsch (5, Chapter 8)). Creativeness requirements depend on the heterogenity and stability of the organisation's task environment (Thompson (6, page 72)). The greater the heterogenity and the less the stability of the task environment the more creativeness required in the organisation to successfully delineate and defend its domain.

So, for instance, an organisation with a stable environment such as that of the standardised container industry described by Lawrence and Lorsch (5, Chapter 4 to 7) actually requires considerably less creativeness *as far as products are concerned* than an organisation in the plastics industry (described by Lawrence and Lorsch (5, Chapter 4 to 7)), which has a less stable environment.

So the current enthusiasm for creativeness, while laudable, should be tempered by an analysis of the amount of creativeness actually required, and in any organisation contemplating formally organising for creativeness this should be taken into account. It is no good exhorting creativeness in an organisation which does not need or want it. This will only lead to frustration (Erasmus, (7)).

It should be noted that in the last paragraph but one emphasis was placed on the words *"as far as products are concerned"*. The reason for this is that attention should also be given to the type of creativeness required in the organisation. It is felt that this is worth further discussion.

1.4 What kind of creativeness does the organisation require?

To pursue the example of a firm in the standardised container industry, it may require less creativeness in product development than other industries, *but this is not the only aspect requiring* creativeness.

Current thinking on the topic of creativeness is too narrow, too product-market orientated. Creativeness should conceptually embrace the "investment of new form, office or character" (1, p 184) to *any* relation between the firm and its task environment.

To be more specific, the standardised container industry described by Lawrence and Lorsch was characterised by competition on the basis of efficiency of operations. This gave rise to organisations with more rigid structures and simpler integrating devices than in the plastics industry — in all, a more mechanistic, and presumably autocratic climate.

In an economy where even the lowest level

workers are relatively affluent and mobile, such a climate implies many more problems with staff motivation, and therefore calls for creativeness in solving staff motivation problems.

So creativeness is *still* required, but creativeness of a different type than in the plastic industry.

The type of task environment which the firm chooses to face will determine not only the *extent* of creativeness required but also the *type*. Firms may require creativeness in financing, others in obtaining supplies, or labour, or a mixture of several inputs. The main point is that firms contemplating organising for creativeness would do well to ask what type of creativeness is required.

Only after the firm has decided where creativeness is required (and equally important, where *not)* and what type is needed, can it start organising for creativeness. In organising for creativeness, it needs creative people. The problem of identifying these creative people is the next problem to be discussed.

1.5 Who are the creative people?

Jay (8, pages 111—113) identifies two extremes of people in the organisation, the Yogis and the Commissars.

"The yogi is the contemplative man ..... Some of the best and most successful products can be traced back to his ideas. But he cannot organise or run anything ..... Put him in charge of a department ..... and he is a disaster, and what is more he hates it .....

"The commissar, on the other hand, is the man of action. Put him in charge of a sloppy department and he will sort it out on the double ..... He has never had an idea in his life, and is incapable of questioning the assumptions on which ..... the company is running ..... Good commissars are the backbone of the (part) (author's own word) of organisation which needs to get a lot of fairly routine work done by a large number of people ..... they will always be necessary to keep profitable operations running smoothly and efficiently".

If one is to organise for creativeness then it is surely necessary to separate the yogis from the commissars. To do this, the trick is to *find* the yogis, for as Jay (8, page 160) puts it, a creative person is often "an uncomfortable and sometimes disagreeable surordinate." He is not likely to receive favourable evaluations from commissar — like superiors.

Yet if there is a need for creativeness, there is a need to identify and use the creative talent in the organisation. There is a *further* need not to allow the yogis and commissars to mutually infuriate one another but to use each where his particular talents are best employed.

Can one identify the creative people in the organisation? According to Torrance (9, page 165—178) one can, though Torrance does not claim that he can get exact results. What is needed is a more sophisticated set of tests than Torrance's to identify different types of creative ability, but the simple tests of the type evolved (and no doubt further developed) by Torrance will have to suffice to start.

In the long term tests to identify creative persons by type of creativeness should be evolved to allow firms to determine the best people for solving problems requiring creativeness in financing, marketing, production, research and organisation behaviour.

These creative people, as well as others in the organisation, can also, *where and when necessary*, be trained to be more creative, by the use of techniques such as those described by Gordon (10) (Synectics), The Advanced Technology Staff of the Martin Company (11) (Bionics), Raudsepp (12), Torrance (13), Hallman (14) and others who have contributed in Davis and Scott (15).

Having identified who the creative people in the organisation are, one can now turn to discussing the problem of how to use them, in other words how to organise for creativeness.

Before doing this, the main points of the above argument will be reiterated.

1.6 Summary and Conclusions of Part 1

The major implication which arise out of the above argument are that in considering formally organising an enterprise for creativeness the following guidelines should be followed:

(1) one should take into account the fact that organisational creativeness follows three main phases (conception, impetus and implementation)

(2) one should take into account the fact that these three main phases need *not* be carried out by the same people.

(3) by analysis of the task environment of the organisation one should identify *what type* of creativeness and *how much* of it is required, as well as where it is not required.

(4) one should develop formal systems for identifying who the creative people in the organisation are, what their particular type or creative talent is and then formally train them to be more creative.

We now turn to the question of organising for creativeness.

Part 2 — ORGANISING FOR CREATIVENESS

2.1 The Creative Scope* Decision

In organising for creativeness the first question, to be decided at top management level, is that of creative scope — that is, the extent to which creativeness is to be channeled in directions which top management desires.

The scope which can be allowed for creative behaviour ranges from complete carte blanche to very narrowly defined specific problem areas, and top management must take a policy decision on the scope which it is prepared to allow.

This is a judgemental decision, whose outcome will be largely determined by the personal attitudes towards risk which top management holds.

There is some similarity between the creative scope decision and a decision which had to be made by the Consolidated Diamond Mines of South West Africa. Consolidated Diamond Mines (CDM), who operate on alluvial diamond concession on the South West African Coast, had to decide what maximum diamond size they would cater for in their processing plants. Should they design a plant to remove all diamonds up to the very rare, very large one (say a second Cullinan diamond) in which case the processing costs would be very high, or should they have a maximum size cut off?

Top management, faced with the creative scope decision, has the same structure of decision. Should they structure the organisation so that at great expense they "capture" that very rare but tremendously profitable creative idea way outside their current product/market scope or should they "control" the creativeness by confining attention to specific areas? Unfortunately the creative decision situation is much more uncertain than CDM's, who at least had good statistics on diamond sizes.

In CDM's case the statistics indicated that a maximum diamond size cut off was most economic and their plants are so designed that if a second Cullinan diamond were to enter the processing plant it would either be rejected to the waste dump or reprocessed until it consisted of a number of much smaller diamonds! In the face of a decision under uncertainty CDM adopted a maximum policy (Maximise the minimum gain) instead of a maximax policy (maximise the maximum gain) (Thierauf & Grosse (17, pp51—61)).

The same policy is recommended here for the creative scope decision, that is maximise the minimum gain by broadly channelling the creative behaviour in the organisation into areas which

(a) have the highest probability of success

(b) are likely to be synergistic with the present product/market scope.

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*This concept of creative scope is similar to the concept of product/market scope discussed by Ansoff (16, Chapter 6).

It must once again be stated that the strategy adopted depends on managements personal attitudes to risk. A more conservative approach would be a minimax approach, that of minimising the maximum loss. This would result in much more narrowly delineated scope, with creative behaviour being deliberately structured round very specific problem areas. However in this article the maximin strategy will be pursued from here on, as we turn to the question of delineating creative scope.

2.2 Delineating Creative Scope

In pursuing a maximin strategy for creative scope, we strive to broadly delineate areas which are synergistic with our present activities for our creative people to investigate so that creative behaviour will tend to be channelled in the directions which suit the organisation best and which it is most likely to be able to cope with given its present organisational experience. This is not to say that creative ideas which fall beyond this scope must be rejected. We are merely seeking techniques to focus the organisation's creative attention where it is most likely to be successful.

How does one go about this? The areas may be identified from the results of an analysis of the type recommended by MacMillan (18) in his article on political strategy. The firm, as a total system in a task environment, is analysed and its future projected. From an analysis of this type the major threats and opportunities facing the firm in the future, from *all* parts of its task environment, will be identified by the top level of the organisation. (Later in the discussion it will be shown that the creative people in the organisation will contribute to the identification of these threats and opportunities).

From this analysis the top management will clearly be able to delineate where the organisation needs creativeness, how much creativeness it needs, what type of creativeness it needs, and where in the organisation creativeness is not really required. Assuming that it can evolve tests to identify creative people by type of creative ability, it can then start formulating a structure that will ensure that the commissar — type employee concentrates on the "efficiency" areas of the organisation action and the yogi-type employee is diverted to the "effectiveness" areas of organisation action. In other words both the yogis and the commissars can be deployed to areas which need them the most and suit them best.

The question which now arises is how best to structure the organisation so that the creative people can operate effectively.

2.3 Organising for Creativity

2.3.1 Identification and Training of Creative People in the Organisation

As a first step, the creative people must be identified. Though few formal tests for specific types of creative ability are available, it is none the less conceivable that with a bit of effort on the part of the organisation such tests should be evolved in consultation with specialists such as Torrance et al. Though these may be crude at first, refinement can be effected over time. The major purpose of these tests is to identify creative ability *by type* — a man who is creative in the product/market problem area may not be creative in the finance or human relations or bargaining areas.

Having identified the creative people the firm should then *selectively* expend effort in creativeness training for these people. A host of techniques have been reported in the literature regarding product/market creativeness. Similar training techniques could be evolved for the specific critical areas which concern management.

Having identified the creative talent the organisation must decide how to deploy it.

2.3.2 Deployment of Creative People

Deployment of the creative people in the organisation should be structured in terms of the three phases of creativeness described above, that is, conception, impetus and implementation. The implications of these three phases for organisational creativeness are important enough to be discussed separately.

2.3.2.1 Deployment for Conception

From the above discussion we have indicated that the firm should deploy its creative resources around those areas which appear to pose major threats or opportunities for the organisation's future. So the creative people should be deployed to analyse these problem areas according to the type of creativeness required.

It is felt that in doing this, *their job is to be creative.* Too many firms load this type of person with operating functions to "justify" their employment. They should *not* be saddled with commissar type work which will inundate them with day to day crises which they are usually not able to handle very well. There are commissars enough to handle these aspects. However, they *should* be expected to come up with well thought out, well documented creative suggestions and if they do not they should have their "creative licences endorsed" Jay (8, p 88). Just because one claims to be creative does not mean that one need not work systematically and come up with well phrased ideas. So the first important point is that

the creative person should not be required to carry other workloads (keep him out of line functions) and the second important point is that just like anyone else he is expected to deliver results, and deliver them in a professionally acceptable format.

Becoming more specific about deployment, we should place people where the *probability of conception is the highest*. Opportunities and threats posed for the organisation occur at interfaces. The creative person should therefore be active at these interfaces.

In support of this contention, a quote from Jay (8, p 99) is irresistable (regarding creativeness at the product/market interface):

"..... In the end a large number of manufacturers fall back on the creativeness of advertisers to try and provide some spurious emotional differentiation of a product which is otherwise indistinguishable from its competitors. I have never understood why so many firms use outside advertising agencies; I should have thought that the most fruitful time to employ the advertisors' skills would be at the beginning so that the desirable and appetising qualities which they specialise in applying could be built into the product instead of the commercials". In effect Jay is saying that creative talent of the firm should be employed at the interface instead of employing outsiders to act at the interface after the firm has failed to do so.

Jay, (8, p 86) quoting Koestler states that the key to creative insight lies in bisociation, the bringing together of two different sets of thoughts in some new way. If the creative person does not operate at the interface he will never be able to spot the *true* problems in their *true* context (or potential problems) and opportunities and the chances of bisociation are considerably reduced.

So it is essential for the creative person to be at the interface: If the creative requirements lie at the product/market interface then people who are creative in product/market aspects should be out talking to our salesmen and customers, not in some back room talking to themselves. And, as we pointed out above, they should not be encumbered with a selling task while doing so, (though this does not mean that we forbid our salesmen from being creative).

Alternatively, if the creative requirements lie at a supply interface like finance or materials then people with creative abilities in these aspects should be out talking to suppliers of finance or of new materials and other parts of the environment as the case may be.

Out of this interaction at the interfaces will flow a stream of creative ideas which will contribute to the formulation and analysis of the future threats and opportunities of the firm outlined above. This approach should considerably improve the chances of creative conception.

We may now turn our attention to the problems of structuring for the next phase of the creative process — impetus.

2.3.3 Structuring for Impetus

In structuring for impetus, we are attempting to ensure that as few good ideas as possible are lost due to obtuseness or deliberate obstructive action.

The idea of impetus is to streamline the flow of good ideas to the top of the hierarchy without overloading the top management with mediocre ideas. Basically, the problem boils down to one of access. The creative men with good ideas must have access to the men who must decide whether they should be implemented. This will not easily be achieved if the creative man has to fight his way up a ladder of commissars, which is the traditional route.

However, by the very fact that creative men are deployed around the critical threat and opportunity areas of the organisation, after a delineation of creative scope by top management, the problem of impetus is largely overcome. If top management have, by their analysis, identified certain areas as critical to the organisation and organised the deployment of their creative people round these areas, then they should obviously take a personal interest in the ideas which are generated.

The problem of access should be overcome and impetus will be almost automatic. Creative people, having been exposed to the problems and interacted at the interfaces will now be given an opportunity to interact with the *relevant* top management via synetics or brain storming sessions and then be required to formulate well thought out, well documented proposals without having to battle their way through the ranks of commissars. (At the same time, due to the fact that they are working on *critical* decision areas, there will be sufficient pressure on them by top management to deliver results, an important requirement for creativeness according to Wintringham (19, page 123)).

If the impetus problem can be overcome in this way, then the last stage of the creative process can be organised, that of implementation.

2.3.4 Structuring for Implementation

It was pointed out in part 1 that in an organisation the three phases of creative action need not be carried out by the same people.

Once creative ideas have been clearly formulated by the yogi-type people in the organisation and accepted by top management, the top management can then initiate implementation by

selecting people who are best suited to ensure implementation, allocating specialists to areas of implementation requiring specialist attention, and so on. Once top management has committed themselves to an idea, there is no need to require that the idea originator implement the idea. This obviates the danger of putting a creative man in charge of launching his idea when he does not have this particular capability — a case of "you thought of it so you do it" — for a man who is incapable of doing it.

If this policy can be followed, many of the problems of organising for creativeness will be overcome. Admittedly some of the assumptions of this approach are optimistic, particularly regarding creativeness at the top management level itself but it is certainly a better approach than many of the present ones. What will result from this approach is a definite line structure along functional lines supported by creative groups who report to the functional fields. There remains the problem of funding and controlling such a system. This will be discussed next.

2.3.5 Funding and Controlling a Creative Organisation Structure

The question of funding a creative organisation structure should once again be seen in the light of contingency theory. Depending on the judgement of top management of an organisation faced with some future task environment, funds must be allocated to maintain these creative people in non-functional positions.

The primary philosophy here should be to determine how much the organisation can afford to spend* on the creativeness and allocate this in the budget, as a sunk expense, to the various critical decision identified in the delineation of creative scope.

Once the funds have been allocated they are written off as unrecoverable. Control will then consist of:

> (a) a decision whether enough creative ideas are forthcoming. If they are not then the creativeness of current staff is not satisfactory.

> (b) a clear understanding that once the allocations have been used up there will be no more funds forthcoming till the next budget.

This approach places a heavy load on the judgemental capabilities of top managers. In the first place, the functional heads of the areas where creative people have been deployed will have to be able to judge whether the creative performance is justifying the expenses involved with very few easily measurable performance characteristics by which to judge. In the second place the funding will have to be done taking into account the fact that a delicate balance must be struck between the

reward systems for the commissars of the organisation and the reward systems for the yogis. The imbalance between these two reward systems is a regrettable characteristic of most organisations at present.

The article will now be concluded with a recap of the major points in part 2.

2.4 Conclusion — Organising for Creativeness

To organise for creativeness, it is suggested that the enterprise adopt the following guidelines.

1. Top management should determine their creative scope policy.

2. Broad areas for creative attention focus should be identified from an anlysis of the critical decision areas of the future.

3. The extent and type of creative talent required to handle these critical decision areas should be estimated taking into account the available funds. Areas where creativeness is not deemed necessary should also be delineated.

4. The necessary creative people should be identified and trained.

5. Creative talent should be deployed by top management around the critical areas in such a way that they interact at the interfaces posing criticality. They should *not* be loaded with functional work while doing so.

6. Creative talent should be expected to deliver results in the form of well phrased, well documented creative suggestions after group creativeness sessions with functional heads and their staff.

7. Accepted suggestions should be implemented by deploying the most suitable people for implementation.

8. Top management will determine the creative results in the organisation justify the costs allocated.

9. Costs of creative talent should be regarded as a sunk expense.

10. Fund allocation must take into account the need to maintain a balance between the reward systems of the creative section of the organisation and those of the functional sector.

It is felt that this approach will give rise to more selective, more effective and hence more successful use of creativeness in the organisation than the current practices.

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*Bearing in mind that critical areas are being investigated

In conclusion it is pointed out that if the approach outlined above is deemed acceptable, then it indicates yet another reason why a clearly formulated strategy is needed for an organisation. Without it, the above approach would not be possible.

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