Enabling Creativity and Innovation

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Enabling Creativity and Innovation

Abstract
[Excerpt] The capacity to harness intellectual and social capital and to convert it into novel and useful things has become the critical organizational requirement of the age. Organizations need to frame tools, methods, and approaches that boost creativity and innovation, particularly in the public sector. Creativity is as scarce as it is important—many organizations are simply short of it. In tandem with innovation, which creates unexpected value, creativity is now recognized as central to organizational performance. Creativity does not materialize exclusively in a person’s head but in interaction with a social context. It flourishes in organizations that support open ideas; the rest stifle creativity with rules and provide no slack for change. To be sure, most managers do not suppress creativity on purpose. Yet, in the pursuit of productivity, efficiency, and control, they frequently undermine it. The agenda for change is great.

Keywords
creativity, innovation, managers, productivity

Comments

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The capacity to harness intellectual and social capital and to convert it into novel and useful things has become the critical organizational requirement of the age. Organizations need to frame tools, methods, and approaches that boost creativity and innovation, particularly in the public sector. Creativity is as scarce as it is important—many organizations are simply short of it. In tandem with innovation, which creates unexpected value, creativity is now recognized as central to organizational performance. Creativity does not materialize exclusively in a person’s head but in interaction with a social context. It flourishes in organizations that support open ideas; the rest stifle creativity with rules and provide no
Immobilized by red tape in functional silos, when innovation happens it is despite rather than because of the way the public sector does things.\[460pt\]
You can give someone means and opportunities but cannot force that person to avail of them.

descriptions and work methods, capital budgeting, incentive-based compensation schemes, and early principles of brand management, among others.

Gary Hamel notes that the practice of management continues to entail (i) setting goals and objectives and laying out plans; (ii) amassing and allocating resources; (iii) identifying, developing, and assigning talent; (iv) motivating and aligning effort; (iv) coordinating and controlling activities; (v) acquiring, accumulating, and applying knowledge; (vi) building and nurturing relationships; and (vii) understanding, balancing, and meeting stakeholder demands. Of course, all these tasks are central to the accomplishment of purpose, hence the common focus of innovation on related areas. Today, however, the conditions that defined the norm in the past are less likely to lead to successful prediction: resources have been redefined, networks thrive, options abound, opportunity reigns, people want to achieve, adaptation and foresight are a must, and speed is required.

Functional management has become an artifact of the 20th century and many look to innovation in management as a source of sustainable competitive advantage in the 21st century. Hamel defines that as a marked departure from traditional principles, processes, and practices that govern daily managerial work. It is innovation that ultimately changes the practice of what managers do and how they do it. This distinguishes it from innovation in products, services, processes, and methods of delivery. To mainstream ad hoc and incremental management innovation and accelerate it, key steps he advocates are to (i) galvanize a questioning, problem-solving culture; (ii) commit to big problems; (iii) search for new principles; (iv) seek analogies and exemplars from different environments; and (v) build a capacity for low-risk experimentation.

IV. DERIVING VALUE FROM BUSINESS MODELS

A business model is the core design—the logic—that enables an organization to capture, create, and deliver value to meet explicit or latent needs. Since the concept of value is integral to business, it should dominate any discussion of business models. Apart from the kind of return—with financial profit making up the larger distinction—there are no reasons public sector organizations should dominate any discussion of business models. Apart from the governments they represent.

Considerable complexity is added by the political context within which they operate, the heterogeneous nature of most of them, and the resulting slower rates of structural change. Therefore, in the public sector, the value of business models would lie particularly in terms of their ability to help organizations articulate clearly what they will do and, by the same token, what they will not do. Business models can also gauge the consistency between an organization’s strategic agenda and public needs, help match the latter to an organization’s business processes, make obvious the financial implications of an organization’s delivery chain, support diagnoses of the need for change and ways that might be achieved, and facilitate communication within an organization and both to and from it.

Mindsets borne of our education, experience, or environment instruct us in ways that do not necessarily produce efficient or effective problem solving, that is, when they do not perpetuate or inflame the problem. Exercising mindfulness might help us recognize and rework habitual patterns. Since excellence is not an act but a practice, each of us can develop composite habits of mind that attend to value, inclination, sensitivity, capability, and commitment—all defined toward behaving intelligently when confronted with challenges. Based on such habits, a high-end inventory of desirable knowledge behaviors that together would advance creativity and innovation might read as follows:

- Ask: checking first to see what already exists; questioning accepted wisdom
- Learn: contextualizing learning to make it real; connecting and taking opportunities to learn; reviewing lessons as one goes and applying learning
- Share: conveying personal details, roles, and skills; imparting experience, evidence, and feedback; communicating achievements, outcomes, and pride

Desirable is the operative word. You can give someone means and opportunities but cannot force that person to avail of them.

The relationship between motives, means, and opportunities explains much human behavior. In respect of knowledge sharing, a necessary ingredient of creativity and innovation, the three variables are neither linear nor multiplicative: a bottleneck—or constraining factor—in any one of them will determine what knowledge sharing may occur. Evidently, an organization that values knowledge sharing and selects personnel who swear by this value will equip itself with staff who are positive about sharing to start with; investments elsewhere may no longer be so urgent because the likelihood that the organization’s human resource management practices fulfill needs will accordingly be higher.

The views expressed in this article are those of the author and do not necessarily reflect the views and policies of the Asian Development Bank, or its Board of Governors or the governments they represent.

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