The Art of Innovation
Integrating Creativity in Organizations

Cyprus Academy of Public Administration
DISPA conference
Dimis Michaelides, 11 October 2012
What is Creativity?

Imagining something new and making it happen

Creativity is ACTION!
What is Innovation?

Something new and useful
Innovation is VALUE!
Innovation is impossible without Creativity
Is this true?

Innovation happens in the private sector only.
Innovation should not be expected in the public sector.
Who put man on the moon?

Who invented the worldwide web?

Some of the world’s best health systems are state run.
In organizations, what are the obstacles to creativity and innovation?
In organizations, how do we promote creativity and innovation?
The Art of Innovation
How to integrate creativity in organizations
The Sources of Creativity are the elements required for any purposeful creative act.
Talent
Talent

The set of skills required to imagine new things and make them happen

ALL human beings are creative

Creative skills are teachable and learnable - we can ALL develop our creative skills

Sources: J.P. Guilford, E.Paul Torrance
Energy
Energy

The attention and personal resources we devote to an issue
Energy is personal
Energy is social
Method
Method is the way we confront challenges

Method makes creativity more effective, because it helps

- Develop *Talent*, and
- Channel *Energy*

in purposeful ways
Creative Problem Solving Method

Alex Osborn and Sidney Parnes in the 1950’s proposed a method of sequential stages with the systematic practice of DIVERGENT & CONVERGENT thinking.

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Divergence – Creative thinking

Suspend judgement
Produce ideas without criticism

Quantity
Generate many alternatives

Beyond reason
Explore the impossible

Build on ideas
Use existing ideas to generate more
Convergence – Critical thinking

Classify
• Organise ideas

Evaluate
• Assess ideas

Prioritise
• Make ordered comparisons

Choose
• Adopt the best
Note as many possible uses of a newspaper as you can

Select the most unusual use (unlikely to have been thought of by others)
ENRICH YOUR SOURCES OF CREATIVITY
Help people enhance their creative skills, mobilize their creative drive, train and practice creative methodology
The STRUCTURE of Innovation is the organized context in which innovation happens.
Individual
A Job Can Be...

A Chore
- we don’t like it but we have to do it

A Career
- we are OK with it as a path to something better

A Calling
- we do it because we love it
Team
Team
Innovative Teams

- **Good teams** - engage in reproductive thinking & repetitive behavior

- **Innovative teams** – imagine and implement new things and new ways of doing things - they are change-directed
Target
Innovation can be directed to new or improved products or services or processes or to a new business model.

Clearly defining objectives for innovation will give purpose to innovation.
The Innovation Continuum

**KAIZEN OR CONTINUOUS IMPROVEMENT**
Constantly improving products, services, processes

**DIFFERENTIATION OR BUSINESS MODEL INNOVATION**
Operating very differently in an existing business—changing the rules

**RADICAL INNOVATION**
Developing a new business—new products, new services, new markets, new processes

What is your innovation all about?
Examples of Radical Innovation

- Space tourism (Virgin Galactic?)
- Commercialized GPS
- Digital camera
- MP3 (Apple & others)
- Personal computers (Apple, IBM)
- ATMs (IBM, NCR)
- Disposable diapers (Procter & Gamble)
Examples of Differentiation

- Swatch
- Southwest Airlines
- Tata
- Amazon.com
- Grameen
- Starbucks Coffee
- IKEA
- United Colors of Benetton
- The Body Shop
Examples of Kaizen

Honda

Faber-Castell

Gillette

HSBC

Toyota
System
System(s) - the mechanism(s) through which new ideas are generated, evaluated and implemented
DESIGN A STRUCTURE TO SUPPORT INNOVATION
Match jobs to individual preferences, train people in innovative teamwork, define innovation strategy and goals, set up good systems to manage new ideas
The behaviors, values and norms that favor the generation and implementation of valuable new things
Ideas
Ideas
Freedom
Organizations often have obsolete rules
Job descriptions are often too restrictive
Promoting debate is essential for innovation
Engagement
Engagement is the unwritten contract between employer and employee to help each other grow.

It is a relationship based on trust.
Humor
Humor
Risk
Organizations are more likely to be innovative if they create the environment where employees can take reasonable risks.
A monk called Dom Perignon failed...

.... when a bottle of his wine accidentally went through a secondary fermentation and turned into champagne!
This man blew up his family home and 2 factories before he discovered... dynamite!

Alfred Nobel - chemist, businessman, engineer, armaments manufacturer.
Christopher Columbus failed when he set out to find a new route to India... ... he found America
Pfizer failed...

... when their new molecule failed to control hypertension but... had a very interesting effect on male virility ...
Reward success.
Celebrate failure.
Punish inaction.

Bob Sutton (paraphrased)
SHAPE A CULTURE TO PROMOTE INNOVATION
Support new ideas, open debate and minimal regulations, ensure strong organization-people commitment, encourage laughter, play and reasonable risks
Innovation happens when:

The **SOURCES** of creativity are mobilized

in an organized **STRUCTURE**

& within an appropriate **CULTURE**
It is the skillful *synthesis* of these 12 innovation drivers that makes an organization innovative.
Key questions for reflection

- How might you use the Art of Innovation model to fully realize the innovation potential of your organizations and those of your clients?
- How might this model help you enhance the impact of learning on organizational performance?
A dozen words

Please write a key insight from this session in EXACTLY TWELVE WORDS
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