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Creativity as a source of innovativeness in enterprises

Creativity is an important quality in people and organisations. It is the result of different objective and subjective factors. These include the internal/personal determinants of human creativity, as well as external determinants, such as environmental factors, for example, those related to family, education, culture, society, politics, and those related to a working environment in a given enterprise. Therefore, on the one hand, creativity embodies certain personal traits of an individual and, on the other hand, it is also dependant on numerous factors that are external. In this article it is contended that the creativity of an organisation’s people substantially affects its innovativeness – that means, its ability to create, assimilate and implement innovation. The more an enterprise is a creator and not only an assimilator of innovation, the more it is capable of gaining a steady advantage over the competition in the market. This is where the creativity of all participants of an enterprise – that is, employees and owners involved in its functioning – is needed. Apart from their individual predispositions, the creativity of an organisation’s people is based on the particular pro-active culture of the organisation. The ability both to create innovation and to overcome barriers as skilfully and safely as possible is important.

Keywords: creativity, innovation, human capital

Introduction

The activities of contemporary enterprises, regardless of their size, their subject or form, must be characterised by a high degree of innovativeness. It stems from the great competitiveness of contemporary markets. This results in rapid technological

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progress, the saturation of markets with products and services, great changes in the consumer needs of societies, as well as the disappearance of barriers in the movement of goods, services, people, capital and information between countries and continents.

Only the economies and enterprises that are characterised by long-term innovativeness stand a chance of maintaining or improving their competitiveness in the markets and of developing in a sustainable way. The main pillars on which innovativeness of enterprises and the economy are based are: creativity and entrepreneurship. The degree of innovativeness of companies and the whole economy depends on the intensity of those two phenomena. In fact, this degree is still too low in the Polish economy.

The creativity of people differs in terms of intensity. Their creativity is about the ability to come up with new ideas, concepts, visions of change, new associations and combinations of different elements of the surrounding reality. Imagination and the ability to generate new associations and dreams are significant components of creativity. It is sometimes said that a good entrepreneur or manager is someone who has dreams. Creativity is also often associated with so-called positive thinking, that means a belief and attitude geared towards solving problems instead of giving up and looking for arguments confirming that nothing can be done. Expressing your creativity is usually about moving between two extremes, that is, “nothing is possible” or “everything is possible”. The first attitude paralyses any activity, the latter, on the other hand, may lead to a situation when we stop caring about the business of other people or entities who may get hurt on our way to achieving the set goals. This of course, leads us to address issues connected with business ethics.

Entrepreneurship as the second pillar of innovativeness means to create new economic entities (companies and their connections) as well as to introduce significant changes into already existing companies. Companies attempt to satisfy the social needs signalled by the market in a better and better way, to create new needs and to ensure that material and non-material benefits return to the company. This helps the company become more affluent and gives it more social prestige in the environment in which it operates.

The aim of the following article is to show creativity against the background of such categories as creative work and innovativeness, as well as to show the link between creativity of members of organisations and their innovative character.

The essence of creativity and its sources

Creativity is currently analysed in relation to the economy and in the social sphere. Up until recently it was associated with science and art, where creativity is in a way an obvious feature and the phenomenon on which activities in those areas are based. For decades there has been a notion of innovation and innovativeness in the sphere of economy and in the everyday spheres of social life and individual lives, associated with general progress and socio-economic development, especially technical
development that manifests itself in a form of new technologies, modern character of products or the organisation of production and distribution processes. Therefore, innovativeness and innovations are a specific phenomenon, facts and improvements which are aimed at satisfying needs and making enterprises and the whole economy function in a more effective way.

Innovativeness has, as it has been pointed out in the introduction to this article, two main pillars on which it is based. One of them is, in fact, the creativity of all the participants of the economic and social processes. Therefore, the notion of innovativeness and creativity cannot be equated. Rather, innovation should be seen as the outcome of the creative ideas of different participants of economic and social life. What is the phenomenon described as creativity and what are its sources?

The concept of creativity is multidimensional, therefore it is difficult to define in a clear-cut way. In modern Polish the terms “kreatywność” (creativity) and “twórczość” (creation) are used interchangeably. Actually, in other languages such as Latin and English there is no such differentiation and in English the word “tworzyć” is translated as “to create”. In Polish literature more and more frequently those words are not treated as synonyms, but rather as strictly interconnected, yet separate categories. These are followed with the use of the terms innovativeness and innovations, which are in a way a result of creative operations. Therefore we can say that we are dealing with a specific triad: Creativity – Creation – Innovation (see: Andrzejewska, 2005).

The mentioned author writes that creativity is a certain style of psychological functioning of a human being, characterised by such features as openness, cognitive curiosity, acceptance of diversity and inner motivation for actions, which as a result makes a given individual capable of creating new ideas and solutions in a rather sustainable way.

Creation, by contrast, according to the said author, is, on the one hand, the action resulting from creativity, on the other hand it is the creative result of such actions. Thus, in creation we can differentiate its functional aspect in a form of an actual performance of creative actions as well as its regulative aspect which takes the form of a specific piece of creation.

Finally, innovativeness means the ability and readiness to implement creative ideas/projects into practice in a given environment. While we ascribe creativity and creation to human beings, for example, employees of enterprises, the term innovativeness’ refers to organisations and broader social structures. Innovations implemented as a result of innovative processes usually concern a given part of reality of a society or an organisation, and overall it constitutes innovativeness of bigger structures, such as particular national economies.

Creativity of people can be measured with the so called Creativity Quotient /CQ/, which consists of the following traits of human personality (Okraj, 2013: 100):

1. Fluency – seen as the ability to generate many words, sentences, ideas, concepts in a fairly short amount of time. The more positive inner and external stimuli a person receives, the more creatively he/she displays.
2. Flexibility – seen as the ability to create products and creative activities of different quality as well as to change directions in creative search.
3. Originality – seen as the degree of to which certain ideas are original or inspired.

The following should also be added to the three components mentioned above (Nęcka, 2001: 29):
- ability to ask questions,
- thoroughness with which tasks are performed,
- active approach to problems and searching for solutions,
- using analogies and metaphors,
- overcoming fixed habits and attitudes,
- ability to create connections between thinking and real ideas,
- ability to see similarities and differences in a real world,
- imagination and critical thinking.

Thus, a creative person, when facing different problems, looks for many various ideas on how to solve them; such a person tries to go beyond the standard patterns of behaviour or habits, or her/his own business, if the character of the suggested changes requires this.

It is extremely difficult to define what the sources of human creativity are, as well as to what extent creativity is an individual or a social trait. Without getting into details, for which we do not have time here, we can say with a great dose of certainty that human creativity has its sources both in individual traits, intelligence/openness/the way the brain works, psycho-physical condition, but also in social/environmental sources, for example cultural values connected both with the functioning of a society as a whole, and with the environment in which humans are brought up and educated, and, finally, in which they work (compare: Poskrobko, 2015: 57).

Therefore, it is very important in the contemporary word for the model of upbringing and education to be supportive of the development of creativity, which consequentially may translate into the increased creativity of society.

From the perspective of enterprises, the source of creativity in their operations lies in the quality of human resources. Those resources are part of the intellectual capital of a given organisation, which creates the ground for innovative processes (Szczepańska-Woszczyńska, 2016: 132). That is why the right investment in human capital, through proper staff development policy and appropriate motivation systems aimed at stimulation and enhancement of creativity, is so important in business management.

**Ethical aspects of creativity**

Generally, the term creativity has positive connotations, implying that creative activities are always good and welcome. However, certain risks of an ethical nature need to be pointed out.
Creativity in the broadest meaning of this term most frequently depends on various motivations, both individual and group/collective motivations, especially these days, when professionalisation and commercialisation of creativity is discussed. Creative actions, which were mentioned in the introduction to this article, take place in particular social environments and in a particular context. They always constitute a choice between the attitudes that say that everything is possible or that nothing is possible. This issue is not only of a functional, but also of an ethical character. Starting from the attitude that everything is possible, creative entities may often not pay attention to the interests or goals of other entities in their pursuit to achieve their own or the organisation’s goals, and by doing so they violate the organisational or social balance.

Quite frequently the creative operations of various entities are not derived from ethical reasons. These involve, for example, aiming at success at all costs, gaining of power, getting control or attempting to eliminate certain entities or whole groups (compare: Józefowski, 2017). In this case we have numerous examples from the history of societies, where certain groups eliminated other groups, breaking all moral and legal barriers, but also examples from the business world, including the phenomenon, famous at a certain point, of so-called creative accounting, which allowed managers of the highest ranks to receive high premiums which in fact they did not deserve. Commercialisation of the outcomes of creative operations also leads to numerous problems of an ethical and legal character, which even requires application of certain legal solutions on a national and international scale. Many activities that are considered creative, carried out by different institutions and enterprises, violate an important element of economic and social life, namely: trust.

On the other hand, however, leaning towards the attitude that nothing can be done, and that there are always boundaries that cannot be crossed, leads to a state of general inability, lack of any positive changes, which also is not a desirable ethical phenomenon. What is more, it leads to a state of lack of motivation to take any action. Therefore, by looking at creativity in a broader context, we can see that a certain optimal level of balance is required between a state of paralysis and a state of anarchy or even violence.

**Creativity and its connotation with the innovativeness of enterprises**

Research shows that organisations with a high degree of innovativeness foster creativity and support employees (including managers) in their attempts to carry out new ideas. Such organisations also demonstrate tolerance for variety, are flexible, encourage employees and exhibit trust in employees’ autonomous actions (Szczepańska-Woszczyna, 2016: 131). It can be said that creative organisations are those in which all the people involved are “infected with the creativity bug”, and the organisation does not set boundaries for their creativity. Instead, it supports the creativity of its
participants. It is also worth paying attention to the fact that, in the sector of small and medium enterprises, founders and owners are usually the main “creators”. This, therefore, might imply that those organisations should be the most creative ones, but unfortunately it is not always the case. For example, in family-owned companies different subjective barriers for creativity occur frequently.

The innovativeness of enterprises and the specific innovations implemented in those enterprises have various sources. They can be generally divided into internal and external sources. External sources involve the broadly perceived flow of new knowledge into enterprises which results from the development of science and technology as well as from cooperation between enterprises that own the research and development resources related to the economy. This cooperation takes the form of a specific triad that involves three stages: Research (basic and practical), Development and Implementation. Innovations that result from this triad are usually the most spectacular and ground-breaking ones. In practice, these are very complex and time consuming processes (Francik, 2009: 104). Important external sources of innovation involve different types of signals and ideas that come from the market and from different stakeholders of a given enterprise.

All material and non-material resources that are sources of innovation constitute the internal sources of the innovativeness of an enterprise. Non-material resources such, as the intellectual capital of a company, are direct sources of innovation. They consist of human capital and the capital of broadly perceived knowledge and experience of a given organisation (Sokołowski, 2018). Material resources in the form of property, including financial resources, are, on the one hand, a source of information. On the other hand, however, they constitute a material basis for innovative undertakings which allow a company to take risks connected with innovative activities. Material resources, as much as they are necessary to undertake innovative projects, play a passive role in this process.

The only active factor in the innovative processes in an enterprise is its human capital, which is the main ingredient of the intellectual capital of a company. Human capital, that is, the people in a given organisation are both carriers of knowledge, information, ideas, but also creators of the actual ideas and activities that lead to development of innovations. From their actions originates innovation, understood as the ability to constantly search and create solutions and to adjust them to specific conditions in an enterprise, to implement and popularise new solutions, the ability to effectively perform innovations as an interactive combination of science, technology, production and requirements of the market (Bal-Woźniak, 2013: 60).

On an entity level, the human capital of an enterprise comprises of all of its participants. These are: employees, specialists, managerial staff and owners. The latter, in this case, actively perform not only the function of owners, but they also perform managerial functions in an enterprise. As founders, owners especially are the creative participants of an enterprise, as they are those who “came up with” it and who gave
it a certain business and organisational form. It is, therefore, the reason why we can assume that owners are by their nature active, creative subjects that function within a given enterprise.

However, a crucial problem that can be found in the practical operation of an enterprise is one concerning the stimulation of creativity of its employees. People as the subjects of innovative processes are participants of dynamic business processes, which depend on the stage of the life cycle of a given enterprise in which they perform different functions and play specific roles. Therefore, to use the creative potential of employees in an optimal way, it is necessary to take their goals, as the participants of certain economic processes, into account. They belong to a specific group of stakeholders and in an obvious way they have their own attitude to innovations and their expected outcomes. If such attitudes are positive, that makes it more probable that psychological barriers related to innovativeness and acceptance of innovations will be overcome.

Numerous ‘researchers’ who analyse factors of innovativeness of enterprises attribute a dominant role to the managers of organisations, especially in circumstances when their functions are separated from the managerial functions characteristic for large corporations. It is believed that the creative and innovative competences of managers mean that they are capable of continuous learning of new values and schemes of behaviour and new ways in which they can obtain and transfer knowledge. The following are listed among the creative competences of managers (Nawrat, 2013):

- ability to generate a large number of ideas in a short period of time,
- continuous search for new solutions,
- ability to create unique ideas and solutions,
- ability to choose optimal solutions,
- ability to motivate a team,
- energetic attitude and efficiency,
- consistency, courage, regularity,
- tolerance and respect for different views,
- avoidance of premature taking of a stance,
- openness to criticism,
- relativistic understanding of reality and independence of judgement.

Of course, managers react to changes that are taking place in different ways, seeing them as a chance to increase the competitiveness of a company and its market success, or as a source of their own success and chance to gain prestige, but sometimes also as a source of troubles and disorganisation in a company.

Although creativity and innovativeness are terms that are somewhat ambiguous and difficult to define, as has already been pointed out in this article, innovative activity is the subject of extensive assessments, taken from different perspectives, which is an inseparable element of innovation management. Without getting into too much detail related to issues of evaluation of innovativeness in different sections and scopes or the
evaluation of effectiveness of individual innovative undertakings, we will quote a few fundamental criteria of evaluation of innovative ideas (Szmidt, 2010: 105):

1. Originality,
2. Usability,
3. Elegance,
4. Fruitfulness,
5. Elaboration,
6. Feasibility.

Once we allow for creative and innovative activities to take far-reaching freedom when it comes to their form, content and the process of execution, we need to remember that their outcomes, especially in organisational circumstances, are always subject to evaluation which should contain the above mentioned criteria. Innovative ideas should, for sure, be original on the scale of a given organisation and its environment. They should, of course, be useful for an organisation, clients and other subjects. In certain way, they should be characterised by a perceivable and evaluable elegance, because things that are ugly or unpleasant are more difficult to accept. The fruitfulness of a project, in other words, is its economic, technical, organisational or social efficiency. It is an extremely important criterion in the evaluation of innovation in the operating conditions of enterprises. An innovative project should be well described and justified from different perspectives. And finally, an innovative idea, at least in a certain perspective and in favourable conditions, should be feasible, that means realistically possible to implement.

Therefore, after analysing the quite obvious relationship between creativity and innovativeness, it can be said that management of that relationship means a constant search for balance between creative freedom and the organisational, technical and economic regime in which each enterprise that functions on the market is embedded.

References


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Streszczenie

Kreatywność jako źródło innowacyjności w przedsiębiorstwie

We współczesnych warunkach gospodarowania wiedza i kreatywność stanowią zasadnicze czynniki konkurencyjności przedsiębiorstw. Konkurencyjność ta oparta jest na działalności innowacyjnej, dającej przedsiębiorstwu przynajmniej na jakiś czas przewagę na rynku i możliwość realizacji zysków wyższych od przeciętnych w danej branży. Jednym z podstawowych źródeł innowacji w przedsiębiorstwach jest kreatywność osób i zespołów zaangażowanych w ich działalność. Kreatywność, której ucieleniem są twórcze pomysły, a następnie projekty innowacyjne, jest przejawem istnienia w przedsiębiorstwie kapitału ludzkiego zdolnego do tworzenia nowych wartości intelektualnych i rynkowych, tworzących wartość dla wszystkich grup interesariuszy zaangażowanych w działalność przedsiębiorstwa.

Celem niniejszego artykułu jest doprecyzowanie pokrewnych pojęć, takich jak kreatywność, twórczość, innowacyjność (stosowanych niekiedy jako synonimy) oraz wykazanie związku występującego pomiędzy nimi. Szczególną uwagę poświęcono kreatywności, jej źródłom, przejawom i jej wpływie na innowacyjność.

Słowa kluczowe: kreatywność, innowacje, kapitał ludzki