6 strategies to boost creative thinking & problem solving.

DIRECT FROM FRONT LINE ORGANIZATIONAL LEADERS

"One person's creativity is another's eye roll."

Background

Ad agencies produce a creative product. That's why we thought an ad agency might be a place to start to unveil the secrets of creative thinking: what works and why. When we talked to Rachel, the EVP of strategy at a global agency, we wanted to get a peek at what creativity looks like in a creative place. And here's what she said: "I believe the world needs creative thinking to promote positive change. We, in advertising, should be good at thinking creatively – which I define as starting with the familiar and twisting it to something new and better. But we aren't. I think people are afraid to think differently. When I say let's do something differently, my ideas get rejected. It's frustrating."

In the course of conducting 40 interviews with senior leaders at many types of organizations, we learned that Rachel's experience is not unusual. Creativity, the process of developing new and useful solutions to big challenges, is a highly desired - yet largely misunderstood and seriously underdeveloped - capability. IBM interviewed 1600 CEOS from organizations around the world. These leaders said creativity trumped all other leadership skills, including integrity! Other studies confirm the importance of creative thinking – but also indicate that organizations don't have the creative competency they desire.

"Are leaders really concerned with creativity?" we wondered. If so, how do they define it? What is driving the need for it? Are they trying to build more creative organizations? If so, what's working? What's not? And where do we go from here?

Here's what we found:

"The changes are profound. We need new ideas."

Leaders crave new ideas to solve an unending flow of new challenges.

The stories abound. Lester, the president of a prestigious liberal arts college, talked about how colleges need to change and adapt to accommodate the increasing numbers of non-traditional students, including minorities, lower income students, students from other countries who are unfamiliar with our systems, students with learning disabilities, students with complex gender orientations. But colleges struggle because the university system isn't set up for change. Tenure, for example, gives people lifetime jobs and no need for change.

Don, a publishing executive, talked about rapid changes in the media business. Content is sourced non-traditionally; distribution channels are changing. It is clearly necessary – and difficult - to move on from old models.

Larry, the CMO of a global bank, talked about how banking is being disrupted by smaller, non-traditional competitors. "We are a large bank. We now have to compete with middle size banks, small banks, and non-traditional companies like Apple, Google, and start-ups. Innovation is happening quickly; the way people bank is fundamentally changing. We have to stay relevant. And the same time we are totally risk averse, which means it is hard to make any changes to how we do business.

The examples go on and on.

The tension between the need for new ideas and people's deepseated fear of change is frustrating (at best) and debilitating (at worse).

David, the Design Director at a global consumer packaged goods company summed up the frustration: "If I had known that creativity in a large company would be this hard, I probably wouldn't have taken the job. I push the elephant up the hill every day. Every day I come back and the elephant is at the bottom of the hill again."

"Change in the workplace is threatening."

The gravitational pull of the past just won't let go.

Anna, the Medical director of a large hospital system, explained: "The daily grind is a rut. And the rut leads to burnout. Part of the art of creativity is helping people understand they have license to do things differently. This understanding gets lost in a big organization. If you do something against the tide, you risk getting called on the carpet for it. People don't act on needed change for fear of some potential penalty the organization might impose."

"People are afraid of change", according to Lester, the college president.

"Change in the workplace is deeply threatening. And economic challenges create more caution."

Karen, a hospital CMO told us: "When I came here, this department was totally focused on fear. They had completely lost their will to try new things. It was all about staying out of trouble. I don't really know what that trouble was, but it was a very peculiar thing. People didn't ever look outside the organization. The insularity was profound."

"People need tools to help them think differently."

Creative thinking counter-acts the gravitational pull.

Creative thinking is the process of coming up with something new and different. It is the pre-cursor to innovation, which is the process of bringing a new idea to life. Creative thinkers have the capacity to analyze big challenges, ask important questions, and generate new and useful answers. All of us were born as creative thinkers, yet many of us report we have lost our creative thinking abilities along the way.

Samantha, the CEO of a philanthropic giving organization summed up the dilemma: "People don't know how to explore possibilities. They don't have the tools; they don't want to take the time; and, in their hearts, they don't want to change because they don't know what's around the corner or how it might impact them. These are powerful forces that work against creativity."

And yet, it is assumed people can tackle and solve innovation challenges that require creative thinking because they have been successful solving other types of challenges. As Mike, a CPG executive, put it, "Once they slap an innovation title on you, the creativity is simply assumed."



In our conversations with senior leaders, we discovered 7 strategies that <u>are</u> working to overcome the gravitational pull of the status quo and promote creative thinking and new ideas.

6 Strategies to help

1. Ensure leadership is on board

Mid-level executives who try to launch creative thinking initiatives can get quickly squelched; efforts begun at the more senior level have a greater chance of success. And even then, the organization has to think through how to support creativity, through words, actions, and training.

Brenda, CEO of a biotech firm, is clear: "You have to challenge your organization to be more creative and more effective. It's a difficult balance, and it starts at the top. You have to model collaboration and support, and remember that failures are inevitable and, if handled well, will breed success."

Drew, a Disney exec told us: "Our divisional leader said we're going to live and breathe product innovation and to do that, as individuals, we have to think creatively. He laid it out very clearly. Career development, incentives, recognition, everything was thought out. Make no mistake about it: it has to start from the top down and it has to be in the DNA."

"Strategic leadership at the top is on board with future focus, but the organization and the culture is lagging behind. Until it gets down to the person who has to really think differently, it is difficult to create change," said Catherine, Director of Consumer and Market Insights

2. Clarify terms and establish metrics

Leaders struggle to define the difference between creativity and innovation.

The head of innovation at a CPG company stumbled on the definition: "I think creativity is something new, and innovation...I don't know...maybe it's the new new?" Many of his peers said something similar when asked to define the difference. And let's face it: if you can't define it, how can you make it happen! Or measure the results.

Conversely, organizations who feel they are more successful at creatively tackling challenges also have a clear way to define the terms.

"Innovation is what you do. Creativity is how you do it," according to Susanna, the Senior Director of Global Strategic Insight at a packaged goods company. She



went on: "Creativity is giving yourself permission to approach things in a new way. Innovation is what we need to accomplish.

"Creativity is finding ideas and it's really hard to measure. Innovation is an output of creative thinking. It's measurable, according to Brenda, the CEO of the biotech firm.

The language is simple, once you hear it. But this clarity is surprisingly hard to come by.

Clearly defining creativity and innovation becomes relevant if you want to measure results. Innovation is measurable because an innovation fails or succeeds in the marketplace. Creative thinking is definitely harder to measure because it is a <u>process</u> that results in an innovation. And building an ROI on processes or ideas can be tougher to do. But organizations that also measure creative thinking see a distinct benefit.

According to Mary, a VP at a large agricultural company, "People who work in innovation have to feel safe that the metrics are appropriate. They have to be outcome based, but they have to be different metrics from the ones for the ongoing business."

Raj, the VP of Innovation at a global apparel manufacturer, told us he requires that every project team must report, as part of the stage-gating process, the source of external data, insights, and ideas. I.e. where and how did you look outside our organization for stimulus?

What type of creative thinking metrics can be tracked? We might suggest some metrics related to output and some related to process. For example:

- The number of ideas produced
- The number of tolerated mistakes
- The number of times failures were transformed into successes
- The types of thinking used on a product (rigorous questioning; wild brainstorming; focused development; implementation planning)
- The speed at which we experiment and prototype.
- The number of prototypes we explored and learned from
- Number of places outside our own organization where we looked for stimulus and insight.



3.

Experiment

Leaders who recognize the need for creative thinking experiment with different ideas. Sean, a bank executive, reported that his organization has "chosen to start a new innovation department, with a very strong leader and a good amount of funding. And new ideas are starting to emerge. We are looking at new ideas for using data and technology. And we are hiring a more diverse set of people, with different kinds of expertise. It's hard to know where it will all end up, but change is in the air and it feels good."

A hiring experiment is a good start to building a more creative and innovative organization. But it's not the only way.

We were particularly impressed by Jack, the CEO of a company that produces art supplies, among other things. "I knew we had to become more creative in our thinking. People complained about not having enough time. So we gave them time, ½ day a week, to be more creative. We required that every person block off ½ day per week on their calendar for creative thinking. However, it simply didn't work; people just filled up that time with other tasks."

Jack experienced some frustration, but didn't give up. He recognized he didn't know what he didn't know. And despite his very busy schedule, he took time to attend a conference on creative thinking, where he learned some of the fundamental tools and techniques of creativity. Now he has a larger fact base and tool kit from which to build a successful program.

4. Believe in possibility

Wendy runs strategy at a large academic hospital where innovation in science and research is part of the organizational DNA. Yet there is a deep suspicion around applying creative thinking to other areas.

Wendy was intrigued by the idea of a non-traditional approach to strategic change. She realized that the essence of creative thinking was seeing what nobody else sees. When tasked with finding a better approach to palliative care, she decided that the endless debate between whether she was improving a process or finding a new process was a distraction. Instead, the goal was to stop focusing on the transaction and to start focusing on the human moment.

And to do that, she assembled a team with wildly divergent backgrounds and charged them with doing things differently. She focused on the big ideas and asked them to:



- See with new eyes
- Consider new possibilities
- Combine things in new ways
- Take a leap not a step
- Delight in possibility.

For her, the focus on possibility has yielded some programmatic success as well as recognition: "At first I was a lonely voice. But now, no. I've attracted a lot of talented people, a very eclectic group. People look at us and think we are cool. They come in to work with us on natural language. And we have behavioral psychologists who can explain stuff. And designers who produce great new ideas. It's definitely working...."

5. Hire for different types of differences

Some leaders are hiring people that look different and have a different background. Phil, a bank CMO, told us: "We have a lot of old white men here. Now we are hiring more people with different experiences. I just hired someone from a retail chain who has absolutely no banking experience. That's new for us...."

Other people talk about the value of people who "think differently" and the need to help the organization accept them.

Allyson, a media company executive, used different words to explain the same phenomenon: "There's a particular type of person who naturally lets their mind wander into creative solutions. Others are nuts and bolts people, who get stuff done and they're not distracted. Thinking up new ideas is not natural for them. You have to hire both kinds of people if you want to be a creatively-driven organization that gets innovative ideas out the door."

Despite the research that support's Allyson's insights, many organizations find it difficult to hire those who love coming up with new ideas. Chris, the R&D lead at a CPG company told us: "We say we need creativity, but when a creative person comes in the door, we say they're too scattered. Sadly, we have no patience for the crazier people."

Are you an organization that prefers one type of thinking over other types? Then, as you define your hiring needs, think about including different types of thinkers, even the more disruptive ones, in your organization.

6. Realign resources.
Change processes. Or live with status quo.

Nay-sayers are everywhere in the organization, but according to the people we spoke with, their most common locus is in finance, legal, and compliance. These professionals, charged with managing resources and regulations as carefully and tightly as possible, are trained to find flaws and protect the organization from mistakes. And thus frequently gets in the way of creativity initiatives.

Rachel, the ad exec who is always pushing her organization to be more creative in its problem solving, talked about resources and staffing: "We recently convened a team to find a new perspective and a new way in to a client challenge. And we did. But secretly, I know it won't work. Why? Because executing the idea will take resources that no one has."

"We'll always be average when it comes to creativity. We can't be above average because the resources to execute just aren't there. It's because people really don't want something new. They aren't set up for it. They'd rather save money than try something new.

Larry, the bank CMO said, "We are so rational and literal and afraid of risk. We even have to get our focus group questions approved by compliance. Compliance is a great filter, but starting the creative process with compliance is, well, a non-starter."

One way to realign those resources might be to show them that creative thinking produces successful innovation....via appropriate metrics!

The Bottom Line

These leaders are clear: creative thinking is becoming an organizational imperative. And turning up the dial on creative thinking is a struggle. Unlocking creative thinking across an organization requires commitment, resources, persistence, and the willingness to make mistakes and try again.



The benefits can be great. Organizations that have a more institutionalized approach to creative thinking report benefits like greater efficiency at solving complex challenges that require new and useful ideas and enhanced employee engagement in the process.

If you'd like to know more about how to enhance your organization's ability to think creatively, feel free to contact us. We are happy to help!

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