PART ONE
SETTING THE SCENE:
THE CHANGING LANDSCAPE OF BUSINESS ORGANIZATIONS

PART MAP
1 Introduction
2 A Historical Overview of Business Practice and Theory Development
3 The Process of Change, Creativity and Innovation
LEARNING OUTCOMES

After reading this chapter you will be able to:

- Explain why change, creativity and innovation are essential for survival and growth.
- Provide a working definition of change, creativity and innovation that enables you to differentiate between these three terms.
- Recognize how processes of change, creativity and innovation overlap and interconnect.
- Join us on our search for furthering knowledge and understanding on the changing landscape of business organizations.

Processes of change, creativity and innovation are central to organizations and have never been more topical given the commercial context of fluctuating market forces, fierce business competition, shorter product life cycles and ever-more demanding customers. Increasingly, long-term commercial success is based on an ability to manage change, to nurture creativity and to promote innovation. These processes interconnect in practice and yet these areas have each developed their own separate and distinct bodies of knowledge. This separation – that is reflected in an education system that encourages the preservation of clear-cut and distinctive disciplines with specialized languages, academic journals, conferences and communities – may go some way to explaining some of the difficulties faced by practitioners and students of management in seeking to understand the connections between these concepts. The tendency to compartmentalize knowledge and place artificial borders around theoretical fields of study has perpetuated the false divide between theory and practice, and
restricted our broader understanding of these central business processes. We seek to address this weakness through providing a more balanced analysis of these separate domains in developing what we hope is an informative, readable and engaging text.

RATIONALITY OF THE BOOK

The rationale for the book centres on the need for a more process-oriented and holistic approach that is able to cut across boundaries and disciplines in furthering our knowledge and understanding of change, creativity and innovation. Our intended audience is students of management in both a formal sense – as students in formal education – and more broadly, in terms of practising managers and those that have a more general interest in business management. We have designed the text to encourage reader engagement through the use of case study material, interviews, reflective questions and hands-on exercises. At the end of each chapter we present some useful discussion questions, case studies, websites, recommended readings and different types of group discussion work. Our aim is to deliver a readable and accessible account of scholarly academic research, influential models and key theoretical perspectives whilst relating these to our knowledge and understanding of change, creativity and innovation as well as to the organizing practices integral to these ongoing dynamics. Managing change, creativity and innovation is not simply about the management of organizations but is concerned with how individuals, groups and stakeholders at all levels (internal employees and external agents) manage these processes (for example, whether in terms of strategies for change, techniques of influencing or methods of resisting) and how this can further our theoretical and conceptual understanding of these complex processes. In pursuit of this aim, we have divided the main body of the text into three distinct sections. Part One sets the scene, outlining our intention to develop an integrative process approach that is able to draw from a range of disciplines and fields of research. We commence with an historical overview of business practice and theory development spotlighting the importance of contextual and socio-political economic factors to the identification of practical problems and the construction of new theories of explanation. This is followed by a chapter that overviews discussions on change, creativity and innovation, providing a working definition for each of our three core concepts and a summary of key debates. The essential aim of Part One is to provide a historical backdrop and conceptual overview of change, creativity and innovation.

Part Two examines change and innovation in organizations. Discussions on philosophical assumptions, theoretical perspectives, frameworks, models, case examples and practical guidelines are central to our intention of providing a balanced account of a range of competing claims and positions. Although our own preference lies with process organization studies, we engage with the full range of offerings enabling the reader to make their own final assessment of the standing and value of the material presented. We commence by questioning some of the assumptions that underpin theories of change and discuss what we refer to as the paradox of change. The contradictions and ambiguities of change are highlighted and the conundrum or puzzle of change is explored and debated. Key dimensions that mark particular types of change are considered and compared in examining the context, level, timeframe, substance, and the external and internal drivers for change. Perceptions and the development of proactive and/or reactive strategies for change, planning for the future and issues of resistance and the role of communication, are all discussed. The key assumptions that underscore particular perspectives and the foundational theories that have driven
the development of certain frameworks and models are outlined. These are also considered through reflecting on the difficulties of sustaining competitiveness over time and some of the issues and choices that surround innovation and change. In a critical assessment of the more influential theoretical and practical approaches that range from the seminal work of Lewin through to contingency perspectives, discourse and narrative approaches, practical stage models on leading and managing change, and more process-oriented frameworks, the temporal dimensions to innovation and change are outlined and discussed. The reader is asked to reflect on notions of linear and non-linear time and the interplay between more objective views of the world and people's subjective experiences of change. The section ends with a summary and debate on the merging of ideas and the conceptual overlaps that are becoming more apparent in research on innovation and change.

Part Three turns our attention to creative processes within organizations. It commences with an evaluation of the literature on creativity and the individual and the knowledge process (explicit and tacit) as well as motivational factors that support and contribute to critical thinking and creativity. The differences between a group and a team and the processes by which creativity can be encouraged and nurtured are examined and various techniques, such as the influence of brainstorming on the generation of new ideas, are discussed. Leadership, as a central element to the management of change, innovation and creativity, is then critically assessed following a historical overview of key leadership theories from which a number of ingredients of leadership for creativity and innovation are identified. The internal characteristics of an organization in relation to the less visible elements, such as the culture and subcultures present within organizations (‘the way we do things around here’) and the more visible aspects, such as structure, systems and resources, all come into play in constraining and enabling people’s creative engagement. We use a range of examples to illustrate how the procedures and structures of an organization as well as the norms, values and collective beliefs of employees (whether on the shop-floor, within middle-level management or among senior executives), all serve to shape and influence processes of creativity, innovation and change. The final chapter of this section turns attention outside of the organization in considering the emergence of creativity and creative industries as a key area of innovation and change in relation to today’s competitive business landscape. In evaluating the importance of creative industries and explaining what constitutes the new creative economy we also discuss the concept of creative regions and the debate surrounding creative regions. In examining these various themes and issues, each chapter presents a number of case studies/exercises to enable the reader to ponder on their own experiences (and those of others) and to apply these to the theories they have learnt. The book concludes with a short summary chapter that outlines some of the key factors that need to be taken into account in developing insight and understanding of processes of change, creativity and innovation.

THE CHANGING WORLD OF BUSINESS

Managing change, creativity and innovation is central to the repositioning of organizations in the uptake of new technologies and new techniques, to business developments in the provision of new products and services, and to the formulation and implementation of strategies to secure competitive advantage. Through innovative and creative processes of change companies have: rewritten patterns of competition in emerging and existing markets; become rule makers and rule breakers; developed new ways of operating and competing; created and developed services and products that meet
changing customer requirements; and with unexpected financial shifts and contracting markets they have downsized, reinvented and repositioned in the search for new ways to sustain, regain or improve operating efficiencies to ensure organizational survival. Business continuity requires change, and knowledge on how to successfully manage change remains a central resource. But change, however well managed, is not by itself enough. Business success also rests on making the right changes, on choosing the right ideas and implementing innovations that will make a difference.

A key currency in a commercial world of rapid change is the creative idea that can be translated into new products and into new ways of working with the emergence and development of new forms and types of business organization. Creativity has long been an area open to debate and whilst the commercial importance of imaginative services and new competitive products has not been questioned, the nature, source and development of creative processes have continued to generate a raft of theories and views. Moving away from a focus on eureka-type moments, it is now recognized that creativity is something that can be developed and nurtured in the workplace. It enables people to reconsider old problems in new ways, to perceive the world from different viewpoints, to challenge conventional ways of doing things, to identify and consider alternative patterns through making previously undiscovered links, to generate new ideas and thought processes that offer potential solutions to problems and create potential business opportunities for the future. Creativity is increasingly viewed as integral to maintaining and sustaining business in being able to differentiate products and services. In an increasingly complex competitive world, managing change and innovation requires creativity.

New ideas and ways of thinking offer a broader range of options for business development but there is still the need to identify, assess and select particular ideas and to translate these ideas into innovations that can be implemented in organizations. Innovation is often referred to as the translation of new ideas into processes, products or services (Thompson, 1965). Although the range and number of definitions is abundant (often reflecting disciplinary focus), certain common themes overlap, for example, in viewing innovation as the employment of new ideas to promote economic growth, to gain competitive advantage, to sustain commercial interests or for broader social purposes, such as the well-being of others or the development of social business (see, for example, Yunus, 2007). These processes of innovation, creativity and change are no longer the concern of a few advanced organizations but are essential to all firms operating in an increasingly competitive business landscape. New products like iPhones, iPads and Kindles, as well as the services provided through cable and mobile broadband, such as instant messaging, social networking and navigation, are just a few examples that illustrate how ideas and the people who produce them are a precious resource.

Developments in products and services and new ways of doing business have seen the emergence of whole new industries that have created new forms of work and brought about changes in the way many of us manage our finances and engage with others. Take, for instance, the internet, which has been one of the truly revolutionary innovations – in both a social and technical sense – that have occurred in recent decades. An idea that was only known to a few people in the early 1990s became so popular that it changed the way we communicate with each other (through the use of e-mail, chat rooms and group messaging), research (with wider and quicker access to worldwide information and data sources), shop (through internet home delivery services and various forms of e-commerce) and engage in home and leisure pursuits (through, for example, computer-supported individual and group activities). As Jick and Peiperl (2011) argue, ‘change
is changing’ with large-scale change no longer being the exception but the norm for organizations operating in the modern business world. Questions of how to nurture and sustain creativity at work that enable new ideas to emerge, how to ensure a supporting environment that enables effective decisions on what ideas to discard and what to develop and implement, and how from the myriad of change initiatives that are occurring to make judgements on the what, when and how of change, as well as important decisions on when not to change, are all central themes taken up in this book. But first, read the case below and consider the questions that follow in reflecting on your own knowledge and experience of internet shopping and social media.

**CASE 1.1**

**Walmart taps into Silicon Valley expertise by Barney Jopson and Richard Waters**

(Source: Financial Times, 19 April 2011)

Walmart, the world’s largest retailer, has swung its bulk into the fast-changing world of social networks by acquiring a small Californian company that it will use to explore new ways of reaching shoppers digitally. The US retailer said it had agreed to acquire Kosmix, which has developed a platform to filter and organize material from social networking sites to present to individual users. It was founded in 2005.

The move signals that Walmart is joining other multinationals seeking to set up outposts in Silicon Valley in order to tap into engineering talent and new ideas in the exploding social media and mobile internet businesses. The retailer did not disclose how much it had agreed to pay, but a spokesman said the figure was ‘not material’ to its business. Walmart posted global sales of $405 billion last year. Walmart said Kosmix and its founders would operate as part of a newly created group called @WalmartLabs, which will be based in Silicon Valley and develop technologies and businesses for shopping online and with smartphones. Until now traditional companies have mainly turned to social media sites such as Facebook and Twitter to help with their marketing, rather than seeing them as stand-alone business opportunities. But the soaring revenues of Groupon and other group-buying sites on the Web have prompted hopes that other new forms of e-commerce will emerge around them.

Kosmix was founded by two online shopping entrepreneurs, Venky Harinarayan and Anand Rajaraman, whose first company, Junglee, was acquired in 1998 by Amazon for a reported $250m. Their Kosmix platform powers several websites, including TweetBeat, a real-time filter for live events. Stephen Wyss, a retail partner at BDO, an accounting firm, said: ‘Social media is an innovative way of knowing your customer, knowing what they want, and getting an understanding of what trends are.’

Walmart’s systems for tracking shoppers’ spending are already among the most sophisticated in the retail industry, but experts say retailers’ performance will increasingly be differentiated by the depth of their customer knowledge.

Eduardo Castro-Wright, Walmart’s vice-chairman, said: ‘We are expanding our capabilities in today’s rapidly growing social commerce environment.’

Walmart is yet to develop a clear social commerce strategy.

**Questions**

1. Can you think of any reasons (social/technological/market) that led to this shift in competitive strategy?

2. Do you think that the Walmart and Kosmix partnership signals a new and emerging trend for the e-tailing market? Why or why not?
CHANGE, CREATIVITY AND INNOVATION

Change is ubiquitous and permeates all aspects of our lives. We experience change in the workplace, in our homes, in the way we manage social relationships and in how we engage with people in society. Innovation and technology are often linked with the fast pace of change and the unpredictability of change processes does little to stem an ever-expanding body of literature (see Boje et al., 2012) that often seeks to find the best ways to effect successful organizational change (Cummings and Worley, 2008). For some, the quest is to find the most appropriate tools to help plan and manage change (Waddell et al., 2011), others focus on darker elements in developing critical theories of organizational change (Spicer and Levay, 2012), and some commentators suggest that change is an oxymoron (contradictory in nature) that should not be managed (Mintzberg et al., 2010: 98). The field is challenging and diverse (Schwarz and Huber, 2008), with a growing call for more reflective perspectives that counterbalance the tendency for management-centric studies that focus on a managerialist perspective, rather than on the actions, meanings and interpretations of those experiencing change (Alvesson and Sveningsson, 2008: 6; Boje et al., 2012).

The stimulus for change may come from a variety of sources and take the form of proactive strategies or reactive responses to internal problems or external business market pressures. These processes of organizational change may involve company-wide transformation through to small-scale incremental changes (Child, 2005: 288). It is an ongoing dynamic that ebbs and flows and is shaped not only by the present but also by expectations of the future and interpretations of the past that influence the action and behaviours of individuals and groups. Whilst ‘change for change’s sake’ has long been heralded as a recipe for disaster, a historic quotation from Francis Bacon draws attention to the problem of inaction, when he states that: ‘Things alter for the worse spontaneously, if they be not altered for the better designedly.’ This is something of the conundrum of change that we shall return to in Chapter 4, but for now we characterize change as a movement over time from current ways of organizing and working to new ways of organizing and working. This movement may be planned or emerge over time. However, even when a new desired state is planned, unforeseen and unexpected things happen that often result in outcomes not aligning with predefined objectives. As change centres on movement over time into a future that is by definition unknowable, it is a complex phenomenon that can never be fully explained prospectively (before it has happened). In taking this temporal element into account we offer the following definition: Organizational change is the movement over time from an ongoing present to an emerging and uncertain future that is sometimes planned and managed with the intention of securing anticipated objectives and sometimes unplanned for and unforeseen.

Although there are many theories and guidelines on how best to manage change in organizations (see, for example, Cameron and Green, 2012; Carnall, 2007; Newton, 2007), it is also widely claimed that for all our knowledge about change management most large-scale initiatives fail to achieve their objectives (Beer and Nohria, 2000; Kotter, 1995). We shall return to a discussion of this issue in Part Two, but it does draw attention not only to the need to generate new ideas but also to the importance of evaluating ideas and change options (including when not to change). Those who are actively involved in the management of change (managers, consultants, project leaders), often referred to as change agents, need to consider the immediate and longer-term implications of embarking on a particular change strategy. They need to think creatively and critically appraise options in considering new ideas on the speed, direction and choices for change. It is in this area that creativity is important (Henry, 2006; see King and Anderson, 2002; Zhou and Shalley, 2007), and as we shall see, is closely linked to both change and innovation (see Mann and Chan, 2011).
Although there are numerous definitions that have been proposed for creativity and the creative process we suggest that a simple definition is a good place to start. For our purposes, creativity is the process through which new and useful ideas are generated. These processes of creative thinking may enable individuals or groups to find novel solutions to unexpected problems or it may engage a wide network of people in discussions that stimulate new ideas and thinking about how to tackle longstanding issues or concerns. It is a process that is contextual in which people (the creators of ideas) draw on resources (knowledge, understanding, technologies) to engage in activities that may range from the simple problem-solving of everyday issues (for example, altering routes in response to traffic information or adapting a presentation if a projector fails to operate), to the creation of something that is highly original or unique (such as a poem, painting or the idea of a bagless vacuum cleaner). Coming up with fresh ideas for changing processes, products and services rests not only on idea generation (the novelty of an idea) but also on assessments as to the appropriateness of the idea to intended application(s). There is both the process by which ideas are generated and the assessment of the usefulness of an actual idea and, as such, many definitions of creativity combine these notions of novelty and usefulness (Amabile et al., 2005: 368). Whilst we have chosen to focus our definition of creativity on the creation of fresh ideas, we are nevertheless interested in how certain ideas gain stakeholder support within organizations and are taken up and used in the development of new products and services (innovation and change).

Without the development of new ideas, the ability to respond to dynamic market pressures, or to imagine alternative ways of doing things, organizations may lose their competitive position and become staid and unresponsive to the shifting demands of their customers (Rickards, 1999). Increasingly, managers are realizing that processes of creativity should not be left unmanaged, but that these processes require the creation and maintenance of environments that stimulate and encourage new ideas to flourish (De Brabandere, 2005). For example, companies that take a proactive stance in using customers and suppliers as a key source of inspiration, rather than merely monitoring and imitating what competitors are doing, are those that can gain greater rewards in the marketplace and earn a higher market share with better brand awareness in their respective industries. The business world is full of such examples: take, for instance, the case of Apple Computers, a company that was on the verge of bankruptcy but managed to turn its fortune around by focusing strictly on continuous innovation and high-quality products. Apple, nowadays, has become a household name, with products such as the iPod, iPad and iPhone.

This in turn draws our attention to the concept of innovation (Mayle, 2006). Innovation is often conceptualized as ‘the translation of new ideas into commercial products, processes and services’ (Bessant and Tidd, 2007: 29). In the case of the innovation literature, the emphasis has largely been on science-led innovations with a focus on how to translate innovations in science and technology into commercial applications (Tidd and Bessant, 2013; Tushman and Anderson, 2004). Entrepreneurship and innovation are often seen to go hand-in-hand as new markets and opportunities are identified and exploited in the pursuit of profits and the drive for growth (Bessant and Tidd, 2011). Market economic forces are seen to promote the need for new products and services in rapidly changing markets and yet, in recent years, social impediments and cultural barriers have been identified as a major, and often overlooked, central determinant of successful change (Furqilsang and Sundbo, 2002). For example, Sundbo (2002: 57) argues that the push-oriented technology-market tradition for explaining innovation only provides partial understanding, as it downplays social processes and ignores the need for a more contextual understanding of important internal processes (an area that we examine later in the book). Along
with this broadening of interest there is a growing body of literature that examines social innovation (Dawson and Daniel, 2010) and social enterprise (Ridley-Duff and Bull, 2011). On this count, Baregheh, Rowley and Sambrook (2009), in carrying out a content analysis on extant definitions of innovation, provide a wider definition: ‘Innovation is the multi-stage process whereby organizations transform ideas into new/improved products, service or processes, in order to advance, compete and differentiate themselves successfully in (the) marketplace’ (2009: 1334). We would support this position and offer our own definition, namely that: **Innovation involves the utilization of ideas in solving problems, developing processes and improving the way we do things in creating new products, services and organisations.**

Managing change in the uptake and use of new ways of doing things, generating and selecting ideas, translating ideas into innovations and moving the organization forward to meet the shifting demands of dynamic business environments, is a complex business. These processes of change, creativity and innovation overlap and interlock, and, as such, decision-making that focuses on only one element (for example, the creative component of the equation) limits the potential for change in the uptake of new products and services since ideas are only the raw material for innovation and change; they do not by themselves guarantee transformation. Imagine having several ideas that could meet an organization’s objective to improve market position; decisions and choices have to be made on which ideas to develop, on how to translate these ideas into new products, processes or services, and how to implement change throughout an organization to support the successful transformation of these ideas into tangible and valuable innovations that work. Steering these processes is complex; for example, attention needs to be given to developing the right organizational conditions, such as leadership style, culture, structures, systems and resources to change raw ideas into marketplace products and services, and also to the question of how to move from an understanding of what needs to be done to developing an effective implementation programme. Long-term success is based on the company’s ability to create and sustain such internal practices and processes that enable employees to perpetually generate new ideas and to create cultures of innovation and change that span different disciplines, to facilitate the open exchange of knowledge and information, and to recognize that long-held assumptions and traditions can inhibit new ways of thinking.

Read the Lipton case that follows, which examines a shift in strategy towards sustainable products to meet changing customer requirements, and reflect on the insights offered by this example.

**CASE 1.2**

**Lipton by Ralf Seifert and Aileen Ionescu-Somers**

(Source: Financial Times, 14 November 2011)

**The story.** When Michiel Leijnse became Unilever’s global brand development director in 2005, his brief included refreshing the high-profile Lipton tea brand. Mr Leijnse – who had worked on Unilever’s Ben and Jerry’s, the pioneering sustainable ice-cream brand – and his team soon realized there was an opportunity to win market share by making the brand 100 per cent guaranteed environmentally and socially sustainable. They also realized the move could include other well-known Unilever brands, such as PG Tips and Lyons.
The challenge: To be credible with consumers, the move meant certifying the plantations where Lipton tea came from as sustainable, converting the whole supply chain to sustainable methods, and telling consumers about the change – more or less all at the same time. Lipton is a mainstream brand with such a large global market share that making it totally sustainable would potentially affect world tea markets.

The strategy: First, Unilever sought third-party certification of plantations. Potential partners were assessed according to factors such as recognition by consumers, capacity, flexibility to certify large and small suppliers, ability to work with local organizations to train employees, and ability to recruit and train teams of regional auditors. Unilever picked the Rainforest Alliance, a US-based international non-governmental organization set up to conserve biodiversity and ensure sustainable livelihoods. Rainforest Alliance certification requires meeting standards in worker welfare, farm management and environmental protection.

Then Unilever publicly announced two targets: all Lipton Yellow Label and PG Tips tea bags sold in Western Europe would be certified sustainable by 2010; all Lipton tea sold globally would be certified by 2015.

What happened? Unilever and the Rainforest Alliance started with big tea estates in Kenya, where sustainability initiatives had long been under way. Some big Kenyan suppliers had good standards and could be certified easily. But when the initiative moved on to work with smallholders in other countries, the team discovered that conditions for roll-out differed in complexity from country to country. Supply bases were sometimes more fragmented, and legal frameworks varied. It became critical to adapt procedures to the varying contexts and to develop a network of additional partnerships with experienced local organizations. In Argentina, for example, Unilever and the Rainforest Alliance teamed up with local organization Imaflora, a non-profit that promotes conservation, to help deal with about 6,500 loosely organized farmers who had little experience in applying best practice in agriculture.

Once the certified tea started to appear on the shelves, first in Europe and then the United States, consumer campaigns got under way. As Mr Leijnse noted: ‘Where a link between the brand and certified sustainable tea could be made, sales and market share went up.’ Unilever also discovered that the sustainably produced tea appealed to new consumers – in Italy, for example, it attracted younger customers. The effects were felt inside and outside Unilever. Internally, the expansion to other markets accelerated as marketing teams in Japan, Australia and the United States introduced certified tea ahead of schedule. Externally, meanwhile, a surge in demand for certified tea was taking place, thanks to the involvement of the Ethical Tea Partnership (ETP). The ETP had been set up by the industry in 1997 to improve supply-chain issues. The ETP and the Rainforest Alliance decided to collaborate in 2009 to build capacity within the industry for a move to certified sustainable production. Other tea producers began to negotiate certification targets too.

The lessons: Unilever learnt that, while challenging, identifying the right partners and adapting to local contexts are both vital. Thanks to its proactive stance on achieving sustainability in tea, Unilever showed that implementing a mainstream initiative is possible, while also reaping financial and reputational benefits.

Questions
1. Discuss the pros and cons of the new strategy being adopted by Liptons.
2. Is the new initiative triggered by internal or external changes? Defend your ideas.

CONCLUSION

In an ever-changing business world with economic fluctuations, new growing markets, financial constraints and fierce competition there have been mixed fortunes for organizations, with downsizing and restructuring strategies being popular among public services in contrast to the development and expansion initiatives that have continued apace in other industries, such as oil and gas, and mining. By examining these movements over time as organizations...
adapt, reorganize and adjust, commentators have been able to distil out common patterns and general issues as well as unique contextual elements that cannot be prescribed. Although general trends and processes can be discerned that allow for more abstract theorizing, the importance of contextual understanding cannot be understated. It is this tension between broader theorization, the identification of more generalizable strategies and the unique organizational practices captured in detailed empirical descriptions, which mark this area of study as one where it is often the search for answers rather than the use of ready-made solutions that provides greater insight and understanding. As we shall see, there are an abundance of models and frameworks that purport to provide answers, and yet whilst there is general agreement on the imperatives for organizations to adapt to turbulent environments there is considerable disagreement on how best to understand and manage these processes. In part this problem arises from the nature of our phenomenon of interest, which centres not only on what has happened and what is currently happening, but also on potential futures, on the transition and transformation of organizations as they move from a current situation towards an intended future position that has yet to be achieved. In examining these debates and perspectives, certain frustrations may arise from the arguments and counter-arguments, from the lack of clear solutions to complex problems, to the ambiguities and inconsistencies in theories and practice, but the reader may also find certain approaches that resonate more than others in shedding insight and offering explanation. To clarify our own position, we close by briefly restating the formulations we have opted for and we would encourage you to consider, discuss and critically evaluate these definitions as well as other positions we report on in our discussion of the literature.

Creativity is the process through which new and useful ideas are generated. Innovation involves the utilization of ideas in solving problems, developing processes and improving the way we do things in creating new products, services and organizations. Organizational change is the movement over time from an ongoing present to an emerging and uncertain future that is sometimes planned and managed with the intention of securing anticipated objectives and sometimes unplanned for and unforeseen. The process of creativity, innovation and change involves people in the generation and translation of novel ideas into new products/services and the movement over time from current ways of doing things to new ways of working.

RESOURCES, READINGS AND REFLECTIONS

CHAPTER REVIEW QUESTIONS

The questions below relate to the chapter as a whole and should be used to further reflect on the material covered, as well as serving as a source for open group discussion and debate.

1. Consider and discuss the nature of the relationship between our three concepts by: first providing and discussing examples of each; second, using these discussions to evaluate and reflect upon the interconnections of our concepts and the way that processes of change, creativity and innovation relate to each other in practice.

2. In drawing on examples you are familiar with, examine and debate the importance of change, creativity and innovation to the competitiveness of business organizations.
**HANDS-ON EXERCISE**

Research one of the acknowledged innovations (e.g. iPad, iPhones, Kindles etc.) and identify:

1. Who are the major players in this industry?
   (Consider whether the industry is dominated by the companies that you had initially thought of).

2. What is the size of the market?
3. How many people work in the industry?
4. What potential difficulties do you see for existing companies in this industry?

**GROUP DISCUSSION**

Debate the following statement:

*Long-term success is based on the company’s ability to create and sustain internal practices and processes that enable employees to perpetually generate new ideas and to create cultures of change and innovation.*

Divide the class into two groups, with one arguing as convincingly as possible for the continual adaptation of internal practices to meet changing business market demands, while the other group prepares an argument proposing that long-term success is achieved by creating structures and cultures that maintain the status quo. Each group should be prepared to defend their ideas against the other group’s position by using real-life examples.

**RECOMMENDED READING**


**SOME USEFUL WEBSITES**

**Change**
- The Division of the Organization Development and Change website of the Academy of Management is a useful source of reference material and academic activities at: [http://division.aomonline.org/odc/](http://division.aomonline.org/odc/)
- A website that has a lot of articles, book recommendations and reports on the practice of change management is located at: [www.change-management.com](http://www.change-management.com).

**Creativity**
- *Business Week*’s magazine website focuses on creative processes, innovation and design: [www.businessweek.com/innovate](http://www.businessweek.com/innovate)
- A website called the Creativity Web has lots of links to interesting tools and techniques, quotations and other basic information at: [http://members.optusnet.com.au/charles57/Creative/index2.html](http://members.optusnet.com.au/charles57/Creative/index2.html)

**Innovation**
- Innovation UK aims to help promote innovation and technology in UK business: [www.innovationuk.org](http://www.innovationuk.org)
- Also worth visiting is the UK government’s website of the Department for Business, Innovation and Skills (BIS): [www.gov.uk/government/organisations/department-for-business-innovation-skills](http://www.gov.uk/government/organisations/department-for-business-innovation-skills)
REFERENCES


