CREATIVITY AND
COMPETITIVE EXCELLENCE

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Introduction

The purpose of this paper is to make us understand the importance of creativity and how it helps to overcome obstacles in different businesses. This paper is based on theoretical and practical evidences which demonstrate creativity as an important concept, its relation with innovation and steps which lead to competitive excellence. The paper also presents a case study to support the conceptual model and proposes research propositions based on the relationships suggested by the model.

Human beings are essentially born creative. From our childhood, we automatically learn how to negotiate in different innovative ways. We, as creative people, try to find solutions to every problem taking it as an opportunity. When we are creative we feel as if the world and all that is in it is vibrantly alive. It is one of the biggest qualities a person can be blessed with. Although there are people who never allow their true creativity to be expressed to the world. Creativity, which we often think as making something, but in fact the root meaning of this word means "to grow".

To understand its importance and examine its application, it was necessary to research in different fields. These include, for e.g., art (e.g., Brower, 2000), music (e.g., Hickey, 2001), science (e.g., Innamorato, 1998), education (e.g., Freeman, 1983; management (e.g., De Bono, 1971; King and Anderson, 1990); Sethi, Smith, and Park, 2001), and advertising (e.g., Gross, 1967, 1972). It is noted that for many people, creativity is not taken as an important instrument for their fields or businesses but for building themselves. The economic and technological changes have increased the importance of being creative and innovative as both of them help to elicit a competitive advantage. The rapid growth of competition in business and industry is often quoted as a reason for understanding more the concept of creativity. Many firms experience pressure to improve their old systems and products continually. Growth and survival can be related directly to an organization’s ability to produce or adopt and implement new products or services, and processes (VanGundy, 1987).

Another reason is that managers need to discover better ways to solve problems. In particular, there is an increasing number of problems which have few or no solutions, hence there are fewer tried and tested to achieve a successful outcome.

It is argued that creativity is an human resource (Barron, 1988) which exists in all organizations. Organizations have to try to make use of this resource by planning settings which allow creative talents to thrive. Therefore, creativity is not only the product of single individuals but also of the organizations.

The goals of this study are the following ones:
• Investigate over the meaning of creativity, its types and relevant factors which help to determine it.
• Development of theoretical investigation to discover creativity’s application in a company in order to achieve competitive excellence.

This paper is divided into three main parts. Firstly, we have the theoretical background part where it is tried to clarify the concept of creativity, its relation with innovation, advantages and disadvantages, main sources of creativity, objectives pursued by creativity and its types. Beyond explaining creativity, we also incorporate two other important factors: the concept of an idea and how do they arise?

Secondly, we have the investigation and analysis explanation. The case study presented in the analysis part, of a small and medium enterprise (SME) in Valencia tries to identify the determinants of its creativity which lead to its organizational excellence in the education sector. In-depth interview of the managing director, general administrator and two clerks helped a lot to test the suitability of the model which can be used in any small and medium enterprise of any sector.

Lastly, the conclusion part to interpret the results obtained from in-depth interview and their relation with theoretical background, limitations and recommendations for future research to improve the current line of study.

Theoretical background

Creativity

There are many theories which define the concept of creativity, and although every concept has a similar base, yet they don't reach a definite form of a unique definition. All the theories related to creativity are rational in a smaller or a bigger extent, but none has been able to gain weight over others. It is often described in such terms as "creative thinking" or "ability," "problem solving," "imagination," or "innovation." Many definitions involve an aspect of problem solving, where the solution to the problem requires insight (Simonton, 1999; Sternberg and Davidson, 1995). Most involve an aspect of "newness" or "originality" for example, "Creativity is the ability to produce work that is novel (i.e., original, unexpected)" (Sternberg and Lubart, 1999). Originality is a required but insufficient condition for creativity: the work must also be of value; that is, it should be "appropriate (i.e., useful, adaptable, concerning task constraints)" (Sternberg and Lubart, 1999). This combination of "novelty" and "appropriateness" or "usefulness" has met with widespread acceptance (Gruber and Wallace, 1999; Lumsden, 1999; Martindale, 1999; Mumford and Gustafson, 1988; Unsworth, 2001). It
is based on discovering processes or elements to develop a task in a different way than the traditional one, with an intention to satisfy a specific need or purpose. The creativity allows to fulfil individual or collective needs in a simple, effective and efficient manner.

Any originality or unexpectedness produced by the use of creativity can be associated with two cognitive mechanisms: divergent and convergent thinking. Divergent thinking is the ability to generate original, distinct and explicit ideas. It requires individuals to generate as many target-related responses as possible, and the target constrains the selection of possible responses rather weakly (Guilford, 1967). This mechanism is expected to induce a more positive mood state (Baas et al., 2008; Davis, 2009). In contrast to divergent thinking, convergent thinking is the ability to focus on one possible response to provide the best solution from a variety of feasible alternatives (Mednick, 1962).

Requirements for Creativity
Creativity might be a key to success for any organization. Every day, people pursue unknown or unpopular ideas which, according to them, have a potential. When these ideas are first presented, they encounter resistance. In such case, a creative individual moves on to the next unpopular idea which is very difficult for human behaviour. We often feel depressed when an idea is out of favour and cannot take place. It is essential to have a certain base to be creative, a base composed some different but interrelated pillars.

According to the investment theory of creativity (Sternberg & Lubart, 1991, 1995), creativity requires a confluence of six distinct but interrelated resources: intellectual abilities, knowledge, styles of thinking, personality, motivation, and environment. The levels of these resources depend on individual differences. The decision to use one of these resources is a more relevant source of individual differences.

1. Intellectual skills. Three intellectual skills are particularly important (Sternberg, 1985): (a) the synthetic skill to see problems in new ways and to escape the bounds of conventional thinking. It acts as the capacity to come up with original ideas. However, it is not enough as it is also relevant to use (b) the analytic skill to evaluate all those original ideas and differentiate between the ones who have potential and others which drive us towards failure. Lastly, we have (c) the practical–contextual skill to know how to persuade others of—to sell other people on—the value of one’s ideas. In other words, it allows us to demonstrate out
masterpiece to the audience. The presence of these three skills at the same time is also important. If we use analytic skills in the absence of the other two skills, it results into a powerful and critical, but not creative, thinking. If we use synthetic skills in the absence of the other two skills, it results into new ideas that are not subjected to the scrutiny required to improve them and make them work. At last, if we use practical–contextual skill in the absence of the other two skills, it will result in societal acceptance of ideas not because the ideas are good, but rather, because the ideas have been well and powerfully presented.

2. Knowledge. It is essential to know to the system or field of study in which we want to expand our creativity. This does not mean that one ought to know everything about the field because it might generate some waste thoughts and not allow us to go beyond established limits of that field. Knowledge thus can help, or it can hinder creativity. In a study of expert and novice bridge players (Frensch & Sternberg, 1989), it is found that experts outperformed novices under regular circumstances. When an ordinary change was made in the surface structure of the game, the experts and novices were both hurt a little in their playing, but they quickly recovered. When a profound, deep-structural change was made in the structure of the game, the experts initially were hurt more than the novices, but the experts later recovered. The reason, presumably, is that experts make more and deeper use of the existing structure and hence have to reformulate their thinking more than novices do when there is a deep-structural change in the rules of the game. Thus, one needs to decide to use one’s past knowledge.

3. Thinking styles. It refers to how people can use or explore their own intelligence. An individual may have certain qualities but his way of thinking determines the correct use of those. Regarding thinking styles, a legislative style is suits better to be creative, i.e., a preference for thinking and a decision to think in new ways (Sternberg, 1988; 1997). It is important to differ it from the capacity to think creatively. An individual might like to think about new methods or processed, but not in deepness or in their outcomes. The legislative style also helps to elicit an improved level of thinking. If an individual is able to think globally as well as locally, he is able to recognize the priority of favourable points.

4. Personality: A level of creativity that an individual can reach is one of the fundamental parts of his personality, way of feeling, thinking, being and behaving.
Some attributes are required to obtain a creative personality. These attributes include, but are not limited to tolerance of ambiguity, perseverance, willingness to grow or to overcome obstacles, individuality and courage. Firstly, tolerance of ambiguity (Barron and Harrington, 1981), is necessary during these periods of creative endeavour in which things are not quite fitting together. In this type of situation, lack of experience and patience might prevent the intellectual processes from having a sufficient opportunity to get control over the issue. Secondly, perseverance (Golann, 1963), is essential in any kind of efforts when one is going against the stream and ideas accepted by the environment. With perseverance, the problem solver might become tired and stop the investigation at early stages. Thirdly, a willingness to grow is relevant when one tries to go beyond limits and make new ones. Fourthly, individuality and a supporting courage of one’s convictions (Barron and Harrington, 1981). An individual needs to evaluate his new ideas and differentiate between these and other people’s ideas. To achieve a creative personality, a person needs to believe in his own ideas whether the crowd is against them. These aspects of personality lead to high level of creative performance over long duration of time.

5. Motivation: Creative people usually do something they like or have interest for. They feel a special motivation when it comes to facing problems urged and tackle them easily. It is almost impossible to be creative when a person hates the company he works for or the task he needs to develop. According to the research of Amabile (1983) and others, task-focused motivation is important for creative work. His research also suggests that people rarely are creative unless they love what they are doing and focus on the work rather than materialistic rewards. Motivation is not included in one’s personality. It is injected by one thing or another. Usually, when people have to perform a certain task and it is not of their particular interest, considering the importance of that task, they try to find a way to make it interesting for them. They try to look at it from some angle they need to work on and that makes that task appealing removing boredom.

6. Environment: The previous five factors are related to people but there are some other factors which might nourish or vanish creativity. For the generation of new ideas, it is important to have an atmosphere which permits and encourages further idea growth and developments (Finke, Ward and Smith, 1992). The environment is the resource which provides a subjective evaluation of an individual’s creativity.
For example, a product or service created by an employee could be appreciated very creative by the company but not by consumers, who might regard it too difficult to use. Thus, it is the environment which sets standards of creativity which individuals need to consider every time.

According to Amabile & Grykiewicz (1987), there are 9 qualities of environments that serve to promote creativity and other 9 that serve to inhibit creativity.

**Qualities Of Environments That Promote Creativity**

- Freedom: It refers to the decision making power an individual has over his own work and ideas. The most important type of freedom is Operational Autonomy (Bailyn, 1985), which describes freedom in the day-to-day conduct of one`s work, freedom in deciding how to achieve the overall goal or mission of a project.
- Good Project Management: Managers must serve as a good role model. They ought to be enthusiastic, have good communication skills, protect the team from outside distractions and interferences, match tasks to employee`s skills and interests, lend responsibility to them.
- Sufficient Resources: Workers need access to required resources, including facilities, equipment, information, funds and human resource.
- Encouragement: Enthusiasm for new ideas, creating an atmosphere free of threatening evaluation.
- Various Organizational Characteristics: It is a mechanism developed for considering new ideas, a corporate climate designed by teamwork and collaboration across different rankings and divisions, an environment where innovation is prized and failure is no big deal.
- Recognition: a general sense that creative work will receive with appropriate feedback, recognition, and reward.
- Sufficient Time: employees need time to think creatively about the problem, to look for different and innovative solutions rather than applying a determined approach.
- Pressure: There are pressures and fears which may have both positive and negative sides. Positive pressure is when the task becomes a challenge. However, sometimes it is considered as an excessive workload which affects employees negatively.
- Challenge: a sense of challenge is arisen when the task has a significant importance to the organization.
Qualities Of Environments That Inhibit Creativity

- Various Organizational Characteristics: These include inappropriate reward systems in the organization; excessive red tape; a corporate climate marked by lack of cooperation across different rankings and divisions and little regard for innovation in general.
- Limits: It refers to the lack of decision-making power and sense of control over one’s ideas and work.
- Organizational Disinterest: Some organizations do not support or demonstrate interest in their employees’ individual projects unless they see financial results.
- Poor Project Management: Managers with poor technical or communication skills, who control every movement of their team or allow distraction and fragmentation of their team’s hard work.
- Evaluation: Inadequate evaluation and feedback methods, unrealistic expectations, an atmosphere focused on criticism and external evaluation.
- Insufficient Resources: When workers do not obtain appropriate funds, facilities, equipment or human capital.
- Time Pressure: Insufficient time to think about creative and innovative solutions, too much workload in a limited and unstructured timeframe.
- Overemphasis on the Status Quo: When managers and employees resist change in their way of doing things and do not prefer to take risks.
- Competition: Lack of teamwork and collaboration. Workers with a self-defensive attitude.

Sternberg’s Eight Types of Creativity

"A creative contribution represents an attempt to propel a field from wherever it is to wherever the creator believes the field should go" (Sternberg, 2006). With Sternberg’s argument, we can understand that creativity moves a field from some point to another. It is also essential to exercise leadership and be aware of consequences. The attempt may or may not obtain positive results. He suggests that there are eight types of creative contributions that can be made to a field of endeavour in a specific duration of time. For these eight types, there is no fixed a priori way to judge the amount of creativity generated. Seeing that, creativity also involves a quality of work and the type of creativity does not make any predictions regarding quality of work. The eight types of contributions are divided into three main categories, contributions that accept current
paradigms, contributions that reject current paradigms, and paradigms that attempt to integrate multiple current paradigms.

**Types of Creativity which accept current paradigms and try to develop them:**

1. **Replication.** This type of creativity allows to demonstrate that the field is in the right place and it moves forward, it stays in the same position. This type of creativity is represented by stationary motion. For example: tyres of a car which move when the car is in motion but staying in place.

2. **Redefinition.** This type of creativity is an intent to redefine where the field of study is. It allows to see the current status of the field from different points of view. This type of creativity is represented by circular motion. The results of creativity lead back to the field’s original base but with a different perspective.

3. **Forward incrementation.** This type is an attempt to move the field forward in the direction it is already going. It is represented by forward motion.

4. **Advance forward incrementation.** This type is also an attempt to move the field forward in the direction it is already going but with a slight difference. It moves the field of study beyond where others are ready for it to go. This type is represented by a forward motion where the motion is more accelerated.

**Types of Creativity which reject current paradigms and try to replace them:**

5. **Redirection.** This type of creativity tries to redirect the field into a different direction. It is represented by a motion which diverges the field from the way it is currently moving.

6. **Reconstruction.** This type of creativity tries to move the field back to its initial position so that it may move forward but in a different direction from the one it took from the point before. The motion to represent this reconstruction creativity is backward and redirective later.

7. **Reinitiation.** In this case, there is an attempt to move the field of study to a different and unreached position, starting from the initial point and moving forward in varied direction. The motion to represent this creativity is restarting and moving to a different direction from that the field previously pursued.
A type of Creativity that synthesizes current paradigms:

8. Integration. In this last type of creativity, it is tried to join or integrate two different ways of thinking about the field into a single way of thinking. In this way, two diverse approaches are linked together.

These eight types of creativity, if compared to each other, are very different qualitatively. However, there can be some quantitative differences. For example, a Reinitiation can restart the whole field or just a major part of it. A forward incrementation may represent a slow progress towards the desired direction. Thus, the author differentiates between both qualitative and quantitative types of creativity.

What do we pretend with creativity?

One must not establish limits between "beautiful-ugly" or "I like it-I don’t like it". There must be a thirst for the interesting, new and efficient. It is also important to know the intentions behind a project. Maybe the intention is just to make some major changes or simply provide a vision with personality and way of thinking over a specific concept. There is also another case where one might want to propose a new and creative idea with a distant way of thinking. In the first case, we can obtain something important and sometimes a masterpiece in its own field. In the other one, second option could suppose the birth of new ways of exploring things.

"It's splendid that one day someone found out that we could add onion to omelette. From that day there was an onion omelette. But the real important thing happened much earlier, with the creation of omelette, which allowed, besides creating onion omelette, the discovery of other recipes with the most disparate ingredients. The biography of a simple omelette with some onion has a beginning and an end; the one of the omelettes is infinite."

We can say that the sum of factors mentioned earlier help us to reach a proper definition of creativity and its importance. It is also essential to know that the level of creativity depends upon company’s culture. The concept may vary in every society, which determines its validity.

Innovation and its relation with creativity

Creative people tend to have characteristics as following (Ivancevich et al., 1994, p. 608):

- They tend to have knowledge of their specialty and be more or less intelligent.
- Be extravert, sensitive to problems and highly motivated.
Creativity is about generating new ideas meanwhile innovation is about using them. Their backgrounds partly differ. Innovative people tend to have characteristics as following (Schöllhammer and Kuriloff, 1979, pp. 10–14; Ivancevich et al., 1994, p. 564):

- They tend to have a high level of knowledge.
- Be sociable, embrace challenges and be energetic.
- Be independent, persistent, self-confident and optimistic.
- Take calculated risks and be open to new ideas.
- Be flexible and creative.
- Desire responsibility, need achievement, value money and have a future orientation.
- Be a dynamic leader, take initiative and have organizing skills.

Both lists have much in common, the main difference can be seen in the second last points which demonstrate that to be an innovator, it is essential to have a dynamic and authoritarian personality.

"Creativity, as an engine of innovation, is not enough, if the creative people do not take the responsibility for implementation, considering that ideas that are not implemented are useless as a source of innovation" (Levitt, 1963). With Levitt’s argument we can understand the importance of resource organising in companies so that they could be more creative in the innovation processes and achieve competitive excellence.

Innovation can be defined as the introduction of new and beneficial ideas, process or products (Fay, Borrill, Amir, Haward, & West, 2006), which is a critical organizational ability. It has has been consistently linked to sustained competitive excellence in complex and dynamic environments that characterize present contemporary markets (Gumusluoglu & Ilsev, 2009; Sarros, Cooper, & Santora, 2008; Teece, 2010).

Innovation in small or medium sized firms may depend on growth, increasing productivity and profits (as indicators of success). An innovation can take place in a new product or service (product innovation), changes in the production process technology (process innovation), new methods of marketing (marketing innovation), and changes in research and development (R&D innovation). Product innovation includes both the presentation of new products and services to market and major improvements in the functionality or user characteristics of existing goods and services.
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(Oslo guide, 2005). Process innovation includes major changes in methods, equipment and/or software. A new type of production method can be an example of innovation. To increase the company’s sales, marketing innovations aim to respond better to customers’ needs. These innovations open new markets or relocate a company’s product in the market. Organizational innovation can be defined as implementing a new organizational method in commercial practices, workplace organization or external relations for a company (Antonioli, et al., 2004). Generally, process innovations seek to achieve lower operating costs and higher product quality, and discourage variation to control operating costs. It tends to go along with low profits or losses meanwhile, market-driven product innovations seek novel solutions to attract more customers towards the products and high profits.

Types of Innovation: Radical Innovations and Incremental Innovations

We can identify many kinds of innovation, and classification might vary according to the object of innovation. For instance, there are categories which include innovation of socio-cultural systems, of ecosystems, of business models, of products, of services, of processes, of organizations, etc. Classifications might also vary according to the drivers of innovation (technologies, markets, design, users, etc.), or to the intensity of innovation. In this paper we focus on two categories of innovation for products or services:

- Incremental innovation: improvements within a given frame of solutions (i.e., doing better what we already do).
- Radical innovation: a change of frame (i.e., doing what we did not do before).

The major difference between these two is whether the innovation is perceived as a continuous modification of previously accepted practices or as a new, unique, and discontinuous. There are three criteria which help to identify innovation as a radical one (Dahlin and Behrens, 2005):

- The invention must be novel: It needs to be dissimilar from prior inventions.
- The invention must be unique: It needs to be dissimilar from current inventions.
- The invention must be adopted: It needs to influence the content of future inventions.

The first two criteria define radicalness whereas the third one indicates success. Although the first two can occur at any time in any organization, the last one only occurs if the sociological, market, and cultural forces are in favour and compatible at that specific moment. If not, a great innovation released at a wrong time will fail. For
example, Apple Inc.’s Newton, a personal digital assistant in the early 1990s. Despite fulfilling first two criteria, the product could not attract a big market share and failed at the criteria of adoption.

Most radical innovations take much time to become accepted (Norman and Verganti, 2014). Moreover, a completely novel innovation is impossible: All ideas have predecessors and are always based on previous work—sometimes through refinement, sometimes through a novel combination of several pre-existing ideas. As Apple’s introduction of gesture based cell phones illustrates, ideas do not spring out of thin air. Apple’s development of multi-touch interfaces and their associated gestures to control hand-held and desktop systems is one of today’s radical innovations. However, Apple did not invent either multi-touch interfaces or gestural control. Multi-touch systems had been in computer and design laboratories for more than 20 years, and gestures also had a long history. Moreover, several other companies had products on the market using multi-touch before Apple did (Buxton, 2007). Although Apple’s ideas were not radical to the scientific community, they did come as a major shift in the world of products and how people interact with them and give meaning to them.

Incremental innovation refers to the small changes in a product that help to improve its performance, lower its costs, enhance its desirability, or simply result in a new version of the product (i.e., improving what we already do). Most successful products go through a continual incremental innovation, intended to lower their costs and enhance performance. This type of innovation is not as exciting and risky as radical innovation, but it has the same importance. Radical innovations seldom live up to their potential when they are first introduced. At first, they are often difficult to use (consumers are not used to them and they need time to learn), expensive, and limited in capability. Incremental innovations, meanwhile, are necessary to transform the radical idea into a form that is acceptable to the consumers who follow the early adopters.

The bottom line is that both forms of innovation are necessary. Radical innovation brings new domains and new paradigms, and it enhances the capacity for major changes. Incremental innovation is how the value of that capacity is captured. Without radical innovation, incremental innovation reaches a limit. Without incremental innovation, the capacity enabled by radical change is not captured (Norman and Verganti, 2014).
Analysis

The company which was analyzed to obtain results related to creativity and related concepts is an English academy called Valencia Language Club. This company is situated in Avenida del Rajolar 7, Burjassot - 46100, Valencia. This academy belongs to Group P of CNAE (Clasificación nacional de actividades económicas/ National Classification of Economical Activities) in Spain. Inside Group P, we can find various subgroups which are referring to secondary education, senior secondary, auxiliary activities related to education and others. Valencia Language Club enters in subgroup 8559. This subgroup refers to activities as following:

- Education without a certain level.
- Tutoring services.
- Schools which offers classes for recovery/improvement.
- Revision courses for professional examination.
- Language courses and oral expression techniques.
- Computer classes.
- Education for religion.

Therefore, Valencia Language Club will enter in this category as they offer language courses and tutoring services for adults and children. One can learn English, Italian, French, Chinese or Spanish in this academy. The company also helps people with professional orientation and international interexchange. In this sector, there are two ways to open a company, legally or illegally. Valencia Language Club is a recognized academy by British Council whereas the majority of similar businesses have false recognitions where their only objective is to cheat costumers and gain profits.

One of the reasons for choosing this company was the increment in number of firms present in Group P. In last five years, the rate of new entrants has been equal to the rate in last 25 years. With the current economic recession, languages play an important role as a job filter. Those who have got fluency over more than two languages get access to the interviews. Also, people who are unemployed are giving a lot of importance to learning and increasing their professional skills. Another reason could be its competitive excellence in the market. The academy offers classes from 09:30 to 21:00 on weekdays and 10:30 to 12:30 on Saturdays. It works with a tariff plan where people pay 60 € per month and can assist every single class. The majority of language academies charge more than 100 € and offer two to three hours per week. Another point could be the contract. There is no contract with clients which allows them to quit the academy whenever they desire. There is also not any specific syllabus because
every week the timetable is changed. This changed timetable allows students to learn about some new things and not learn same lesson again. They also have a suggestion box where students can ask for any term they want to learn. The two big reasons which are the base of their competitive excellence are tariff plan and guarantee of obtaining official titles. This guarantee makes them the only centre in Spain offering so many services. The only company with similar functioning is situated in city of Barcelona called "What`s up!".

Normally, creativity in this company is generated at an individual level. However, it is proved that a company can help in obtaining a certain level by creating an organizational atmosphere. In this part of the paper, we will explain the main results obtained from Valencia Language Club.

Creativity Promotion

Creativity promotion may refer to the activities carried out to achieve a certain level of creativity. These activities can be related to promotion the development of personal characteristics, such as, the spirit of initiative, risk-taking, responsibility, self-awareness and empathy.

Q What are the steps taken by the organization in order to make its employees more creative?
A Firstly, the main objective of selection process is to choose profiles which seem more creative than others. To demonstrate their creativity and personal skills, candidates are asked to give a small presentation about them. Secondly, once the candidates are recruited, they are allowed to participate in the weekly planning of the company as it is important to take into account their preferences and ideas.

Q What are the methods applied by the organization to promote creativity?
A The principle method used by the organization is to give them freedom to express their ideas, to create and innovate, to hear all their suggestions or complaints and see where is the gap to improve.

Q Are there any specific goals in order to achieve a certain level of creativity?
A Although there is not any specific goal related to it, company’s vision is to be innovative in every field and to achieve it, at the end of every month there is a brain-storming session proposed by the directors to improve both financial and academic results.
Q How does the company react towards risk-taking?
A To obtain a creative culture, it is necessary to act with patience and calmness. This attitude can be seen in every peer of the company because they know that the company was founded in times of recession and with limited resources. If the employee hired by the firm is participative, it is worth to take risks as it leads towards success.

Q Is there any specific criteria to evaluate creativity and performance of each employee?
A The only criteria used to evaluate the creativity is to check financial gains. If a useless or weird idea lends profit, then it is a good idea for the firm.

Q Are the employees motivated to have individual creativity or collective creativity?
A Currently, they are motivated towards having individual creativity. Although, the company has plans to hire more people in future. Once the objective is fulfilled, further plans are to promote collective creativity and team work. Such plans will provide a better peer evaluation and company’s sustainable growth.

Q How does the company help the employees to be more confident? Are there any policies in order to avoid fear towards awkward situations?
A Since their very first day, the firm and every old employee tries to guide them for every project. The informal communication in the firm helps new peers to have a feeling of their own friend circle. There are not any written policies but the firm tries its very best to help them to be more confident and to avoid fears towards awkward situations.

Q Is there intrinsic motivation or extrinsic rewards present in the company? Is extrinsic reward important to achieve certain level of motivation in employees? Are there any employees who desire incentives to provide new ideas?
A The majority of the peers do not require any extra bonus to be creative because they consider themselves a part of the company. Meanwhile, there are others who might need the sort of reward to provide more creativity and ideas. Currently, there are no extra incentives, although every good idea will be rewarded in a different manner (gift, cash, etc.)
Q Regarding supervisors, do they set reliable objectives? How is the communication between supervisors and peers? Can they be taken as a role-model?
A All supervisors try their best to set a bunch of objectives which are reliable and achievable for every member of the company. There are various types of objectives with a different time line. Some of them can be annual or monthly, whereas others are weekly. It is also important to have a good to-and-fro flow of communication between supervisors and employees. It is very helpful when it comes to communicate and make them realize the importance of every objective. The presence of informal communication reduces differences between different rankings and provides a chance for the peers to take supervisors as their role-models.

Q When it comes to team formation, what should be the appropriate configuration of the team? Rather heterogeneous or homogeneous? How do team members interact with each other? Are there different roles within the team?
A The firm believes that heterogeneous configuration is better than homogeneous configuration because the main objective of team formation is to bring people together who are experts at performing different tasks. Such diversity also helps other peers of the team to learn about new functions and generate new ideas. Every team member interacts with others in a friendly manner. According to them, it is important to have a friendly atmosphere because it helps to remove differences between them and learn from their mistakes with some help. Normally, different roles within the team depend upon the personality of every peer but they try to apply an equalitarian rule so that everyone would feel comfortable working on a new idea. With this equalitarian rule, they elicit an informal and free way of communication.

Q Is the organization proud of the skills and achievements of its employees? In your perception, do they feel proud to be a part of the company?
A The company is not only proud of their skills and achievement but also their mistakes. Here, it is believed that human beings are ought to commit errors. These errors help to learn and improve in every field of life. With such philosophy,
employees feel more comfortable performing their tasks and occasionally demonstrate that they are proud to be a part of the company.

**Freedom and autonomy**

Creativity increases when the teams and individuals control their tasks and idea.

**Q** Do freedom and autonomy really encourage creativity? If yes, how?

**A** They do encourage creativity because they oblige employees to take many decisions. The decentralized structure helps them to work in a less strict way and not follow the standardized norms.

**Q** A relaxed atmosphere in the company with spontaneity, relaxed atmosphere and mood in front of seriousness and solemnity is a good symptom for generating creativity. Is it true?

**A** It is true that a relaxed atmosphere helps for generating creativity as it provides a good mood, comprehension and spontaneity. These features let one have a clear mind which can reach new heights.

**Q** How often employees are allowed to have time they need to develop their creativity?

**A** Their current schedule doesn’t allow them to have free time to develop their creativity but we are trying to improve in this aspect.

**Q** In the company, how resource allocation affects creativity?

**A** It is believed by the firm and employees that resource allocation doesn’t affect at all in creativity generation. For them, a good idea can change a process which has no solution.

**Q** There are four types of resources: installations, personnel, financial and intangible resources. Which one of these help to increase creativity in the organization and which one can be inadequate?

**A** The personnel and intangible resources are the ones which help the most in increasing creativity. On one hand, it is important to have employees with rich experience and training. People who are concerned with high-performance are generally self-improving. On the other hand, concept clarity and know-how are also fundamental. Although, it doesn’t matter whether they are experts in various fields because the guidance they get in their team helps them to achieve benefits
for them and also for the company. In many occasions, lack of financial resources or material could be an obstacle towards next level of creativity.

Q  Do the employees have access to the resources they need?
A  This question was asked directly to a few employees. According to them, they have enough resources to grow themselves in the company. They believe it is good to start with limited resources. Elliott Daniells, an employee in Valencia Language Club said, "It is like playing with legos’. If you have many of them, you will try to build a big tower which might fall. If you have less pieces to start, you will try to build the same tower but with good balance. So, less is more for us."

Pressures and fears

From a theoretical point of view, there are pressures and fears which may have both negative and positive sides. Positive pressure or fear is when the work goes on to become a challenge. However, pressure can be misunderstood as an excessive workload which has a negative influence over the workers, especially if the workload is imposed from outside as a form of control.

Q  How the pressure is promoted to affect creativity in a positive manner and without changing it into something negative?
A  It is promoted in a very simple way. Since their first day, all of the employees know that their promotion or salary raise depends upon their hard work and participation. If they strive and generate outcome for it, they will get promoted rapidly and become an important part of the firm. That is how one can spread fear in a positive way. If they show better results, they will surely become the supervisor of the next franchise.

Q  Is it better somehow the fact that some employees have sufficient time to develop their daily tasks? How is the pace of work, slow or fast?
A  It is better to have enough time to develop their daily tasks. Employees try to give a fixed standard of quality in their performance. Sometimes, when they have limited time to complete a process, they try their best to render the same performance. The speed of process completion is fast, which occasionally helps them to finish their tasks before the time limit.

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1 Lego is a line of plastic construction toys that are manufactured by The Lego Group. Data obtained from: http://en.wikipedia.org/wiki/Lego
Q  What situations generate more creativity?
A  Any change or failure in the daily schedule makes employees take decision by themselves or improvise with the circumstances.

Organizational obstructions

Q  Which elements hinder creativity?
Elements which hinder creativity can be:
A) Structure  
B) Conflicts  
C) Processes  
D) Culture  
E) Resources  
F) Creative climate

Q  How is the creative process? At what moment creativity becomes an innovation? Does it begin with people, later in teams and the company ends it?
A  The creative process start with meetings between department of marketing and academics where brainstorming sessions take place to arrive to an idea of reliable characteristics. Later, all pros and cons of that idea are analyzed to decide if the process is worth taking risk or not. It is very important to think about creativity and innovation as one because since the very start processes require maximum level of innovation possible. It starts within the people. Later, they share their idea with their team and finally, it is the company raising bets on their ideas and taking risks.

Q  Are there any suggestion boxes or brainstorming sessions to encourage creativity? Is there any formal procedure?
A  There is not any formal procedure to encourage creativity but as mentioned earlier, there are brainstorming sessions taking place in almost every meeting. There is also a suggestion box for the clients and employees. By the end of this year, we want to make creative meetings a part of our company´s culture.

Q  Do workers try to promote creativity in the company?
A  Yes, they do.
Q Are there many different creative departments in your company?
A There is not any particular department to encourage creativity. Company’s aim is to have a different type of creativity in every single one of them.

Q How do you measure the results obtained by creativity?
A The only way to measure creativity is to check the profits generated by the idea, doesn’t matter whether they are for short or long term.

Q During past three years, has the company introduced any of the following innovations? Who developed theses innovations?: (1= Company; 2= Company with collaboration of other institutions; 3= Other companies or institutions)

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<tbody>
<tr>
<td>Yes</td>
<td>No</td>
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</table>

**Product Innovation:**

1. New products and services or improved products which competitors already had.
   - 2 2 2 3
2. New products and services developed or introduced in market before competitors
   - 2 2 2 3

**Process Innovation:**

3. New or improved production methods
   - 2 2 2 3
4. New or improved delivery or logistics system
   - 2 2 2 3
5. Process supporting activities
   - 2 2 2 3

**Organizational Innovations:**

6. New practices or procedures applied in the company
   - 2 2 2 3
7. New methods to improve responsibility distribution and decision making power.
   - 2 2 2 3
8. New methods to handle external relations with other companies or institutions.
   - 2 2 2 3
9. New systems for handling internal and external knowledge
   - 2 2 2 3

**Marketing Innovations:**
10.- Important modifications in design or packing of the product

11.- New techniques or channels to promote the product

12.- New methods to gain a firm position in the market

13.- New methods used for establishing prices

These innovations were mainly developed by proprietary of the company. Although, innovations related to marketing were developed with the help of company’s director in command. These innovations are a result of experiences suffered in the sector and individual creativity.

Q In past three years, has the company established any type of relation with the following agents? With what frequency: (1= Low; 2= Medium; 3= High)? What are the locations of these agents: (1= Local/State level; 2= National; 3= UE; 4= Other countries)? Also, think of an important agent and name the city where its central office is situated.

<table>
<thead>
<tr>
<th>Agents</th>
<th>Frequency</th>
<th>Location</th>
<th>City</th>
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<tbody>
<tr>
<td>1.- Other companies with same business activity</td>
<td>Yes 1 No 2</td>
<td>.1 1 .2 2 .3 3</td>
<td>.1 1 .2 2 .3 4</td>
</tr>
<tr>
<td>2.- Providers</td>
<td></td>
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<tr>
<td>3.- Clients</td>
<td></td>
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<tr>
<td>4.- Competitors</td>
<td></td>
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<tr>
<td>5.- Consultants, laboratories, private R&amp;D institutes</td>
<td>Yes 1 No 2</td>
<td>.1 1 .2 2 .3 3</td>
<td>.1 1 .2 2 .3 4</td>
</tr>
<tr>
<td>6.- Universities</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>7.- Public organisms of investigation</td>
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Analysis Explanation

All information gathered in previous part from the interview, will help us to analyze more deeply the concept of creativity and illustrate creativity’s application in education sector.

How to achieve Creativity?

In every firm, it is important to select appropriate candidates. Candidates who are creative, outstand by their enormous work capacity and intelligence used to find an easier way to perform a task. Patience can also be fundamental for such job profiles as they need to express their preferences or ideas and wait till their company accept those. A good control of emotions also helps to develop individual creativity because creative processes require high level of energy which is obtained by focalization and redistribution. Although, when it comes to team work or collective creativity, high tolerance to ambiguity might provide the tranquillity necessary for company’s and employee’s sustainable growth.

Any methods used to achieve creativity?

According to what the company said, they give them freedom to express ideas, to create and innovate, to hear all their suggestions and complaints and see where is the gap to improve. Freedom must be present as one of the relevant qualities of environments in order to provide an individual power over his tasks or ideas. For this, it is also important to have a good project management. The enthusiasm of directors and their way to protect employees from outside distractions or interferences can help their organization to be innovative in every desired field.

Knowledge, Confidence and Risk taking

Solid knowledge in a field can become a barrier to creativity. In order to make something new, for instance, a revolutionary product, one does not need to think about it. It's about taking risk but with patience and calmness. A creative and confident employee is a must-have but only when he knows which risks are worth taking for success. Many times, the workers are not ready which is company’s own fault. If the individual is not ready, it is the company who has to guide them in every project. The
informal communication might help to avoid fear towards strange situations and to be more confident.

**Recognition**

Every employee needs a feedback or reward to be more creative. In some company’s they do not require any because it is not a part of their mentality. Meanwhile, in other firms, some employees might need some type of reward because they need it to develop their creativity. According to the firm, its employees do not need any extra bonus as they consider themselves as a part of the firm.

**Resources, Time and other organizational characteristics**

Not only in education sector but in every sector, a company needs to set some objectives which are reliable and achievable for their whole team of workers. For that, it is essential to know everything about company’s available resources and time limit. The second variable determines if employees have enough time to find different and innovative ways to achieve those objectives. An informal communication between various levels can help to reduce differences and make employees work together in an efficient way.

**Teamwork**

Making people work in team is a difficult task for any organization because every individual has got his own goals and objectives. He thinks that working with other people can stop or slow his progress. Although, in such dynamic business world, working in a team has become more essential. A team has to be composed of people with talent in different fields. Many firms believe that a heterogeneous configuration shows more positive results than a homogeneous one. In a heterogeneous team, employees get chance to learn from their colleagues about other fields or projects. For this, it is important to have a friendly and informal interaction between them because many of employees might make mistakes but a friendly atmosphere helps them to learn and overcome inferiority issues. Other characteristic of heterogeneous configuration can be the role differentiation. People having different roles in a team helps much for its proper coordination and to perform tasks in an efficient way. While making teams, it is also essential to consider the presence of just one leader, one hard worker, one communicator and so on. Having people of same personality also might create some barriers of communication or of progress. There must be a sensation of
equality present between these employees to obtain an informal and free way of communication.

Some teams get excellent results meanwhile others get poor one. Their company’s duty is to be proud of both types of teams and their hard work even if they display different outcomes. In such situation, partiality will make the worse team feel more uncomfortable performing future tasks and this is prejudicial for the company and also other teams.

**Freedom and Autonomy**

Freedom helps a lot to encourage employees. Its compels them to make decisions, either big or small, risky or safe. The presence of a decentralized structure is relevant when it comes to risks. It allows them to go beyond the rules or limits and find something extraordinary. Not following typical standardized norms does not mean that there is no space for a relaxed atmosphere. It is all the way around because a good mood, comprehension, spontaneity and time to develop their creativity are some important keys which can lead us to creativity production.

‘A clear mind can reach new heights.’

To reach new heights, we also need a high ladder i.e. resources. The personnel and intangible resources are the ones which help the most in increasing creativity. Employees need a good training and comfort to gain a rich experience. This comfort might help them to achieve high-performance levels. Furthermore, Clarity gains weight when it elicits benefits for team and the company. Although, people feel stuck on the same level when there is a lack of financial resources or material. Sometimes it is better to have insufficient resources than plenty of them. Every company faces a globalized market and in such markets it is better to risk with less.

**Pressures and Fears**

As we have mentioned earlier, people often understand pressure as an excessive workload, which is wrong specially when the workload is full of controlled steps. Workload is good but scaring employees with it since their first day is not. They should know that their promotion or any salary raise depends on their performance and results elicited. If an employee strives for success and generates spectacular results, then promotion is not far. Their pace of work has not to be stable. In other words it would mean that they must be able to understand the requirements of each tasks and must
be prepared mentally to give more and more. In case of any change or failure, does not matter whether it is a big one, their mental preparation can help them to improvise with the circumstances.

**Creative Process**

According to Geoffrey Petty (1997), the creative process must be composed of six working phases: Inspiration, clarification, distillation, perspiration, evaluation and incubation. Each phases should be experienced as many times as possible, their repetition order or period of time is not relevant.

1. **Inspiration.** This phase refers to the research in which one can generate a large number of ideas. It is often characterized by spontaneity, experimentation, intuition and risk-taking.

   Many people wonder how some individuals find good ideas or are creative. The answer is, they become creative with a large number of bad ideas and that one good idea is hidden between those bad ones. A creative idea is like a diamond in coal mine. One needs to dig a lot in order to find a big and shining diamond, but the time spent in digging is not a waste of time. People who can’t reach any idea face problems in this face. They might think that good ideas come to quickly or are very self-critic, which is nothing more than a misconception.

   We analyzed a company present in education sector which follows Petty’s creative process. According to it, brainstorming sessions help much to arrive to an idea which has reliable characteristics. In this phase, one cannot negative about idea’s practicality, quality or reliability. The focus should be on generating new ideas. If we think about characteristics since the beginning and reach to ideas that are workable, it will mean that we did not take enough risks or time.

2. **Clarification.** In this phase the aim is to clarify the aim of the work. It is easy to mislead towards wrong direction when there are some detailed difficulties. If an employee can’t move to the next level of his task, he needs to clarify where he wants to reach instead of searching for alternatives. It is essential to be logical and strategic, focussing on how the outcome will be.

3. **Distillation.** In this phase, ideas with reliable characteristics are chosen for further development, or are combined into even better ideas. This phase must be composed of a firm analysis instead of a spontaneous one. However, one should not be much critical to inhibit productivity. In other words it would mean that an
idea is not a solution and one must not expect much of it. The direction to which they take us counts more than their own value.

4. Perspiration. This phase is where the real work is done. An individual is involved in determined and persistent effort towards his aim. This often involves further inspiration, distillation and clarification phases.

5. Evaluation. In this phase, one has to examine his work to find out all of the strengths and weaknesses. Later, improvements are to be considered, removing weaknesses but also by capitalising strengths. After that, another perspiration phase is required to respond positively to improvement tips. Perspiration and evaluation are two phases which must form a cycle in order to achieve a solid idea. People might dislike the evaluation phase but it is important if they want a good outcome for their hard work.

`Things do not get perfect at first time. Practice makes them perfect.´

6. Incubation. If there is a problem with the idea, it is recommended to leave it alone for a few time. That can provide subconscious time to work on any problem encountered and also distance us from it. This phase is particularly handy after an `inspiration´ or a `perspiration´ phase, or if a problem has been found.

These are the six phases which the analyzed company follows. We believe that it can be applied to almost every innovative company. Many people have tried to follow this model but they tend to start from the very first idea that comes to them, complete the work quickly, without revision, and without thinking seriously what they are trying to achieve.

It is essential to adopt the right phase at the right time. However, sometimes many creative people are not able to make a good use of each phase and do not get the desired results. The reason behind it is their mindset.

To be inspired, instead of being self-conscious and fearful, they need to be spontaneous, risk-taking, joyful and improvisational. The use of inappropriate logical thinking is important. They need to explore to the deeps and not accept first decent idea which came to their mind. In order to clarify what an individual is trying to achieve, he has to be strategic, unhurried and clear minded. People fail in clarification, they fail to achieve their goals because they do not know what they want and where they are
heading to. If employees want to improve their earlier work, they need to be critical in a positive way and must have a will to learn new things. People often see criticism as a threat and later, they fail to improve their work or learn. Creative people are positive about their desired vision and they see their weaknesses as opportunities to improve and to learn. Being positive is important, but when it comes to choosing the best idea being judgmental is also relevant. One needs to be realistic but also ready to take on challenges.

To add on, `copy-cats´ play a big role when it comes to be creative and generate new ideas. The concept refers to choosing ideas which are familiar and well worked out instead of those which suits an individual´s intentions. If there are difficulties, then it is good. One must expect those difficulties and trust his own talent to find a way out. Panicking in such situations and adopting a weak solution cannot be considered as an option. However, majority of people do not apply this way of thinking. They do not realize that sometimes good ideas take time to develop and difficulties or indecision is not a sign of failure or ridiculousness. To bring their ideas to another extent, those people must respond positively to any shortcomings. They have to be positive, highly committed and engaged to their aim.

To sum up, every person who wants to be creative and lead the company towards competitive excellence has to switch continually between earlier mentioned mindsets. Most people are stronger in some phases than in others due to their personality. Some people have a large number of ideas but do not know how to make them work to gain something. Meanwhile, others have difficulty in getting the ideas but they are skilful and persistent when they get a good one. This requires high flexibility as some mindsets are completely distant. People ought to find out their weakest phase in order to make improvements. It might require practice if one wants to make the best out of it. A better comprehension of each phase and mindset might help to remove blockages and fears which prevent the ability to perform in a stronger way.

**Conclusion**

We live in a globalized and competitive market where it is important for a company to adapt to the new conditions and progress. For this, it must offer something different to its clients and try to achieve the competitive excellence. Creativity and innovation is what the majority of companies need now in order to develop an idea with reliable characteristics.
In this project we have defined creativity, as the generation of new ideas, and innovation, as the implementation of those new ideas. Then we have explained instruments required to achieve creativity (intellectual skills, knowledge, thinking styles, personality, motivation and environment) to have a certain base to be creative, a base composed different and interrelated pillars. Also we have explained Sternberg’s eight types of creativity and innovation’s relation with creativity. Later, we analyzed Valencia Language Club to know in depth about the creative process (inspiration, clarification, distillation, perspiration, evaluation and incubation) and to know how the generated idea can be related to knowledge, confidence and risk-taking. This analysis also helped to understand more the importance of resources, time and teamwork. A further point can be freedom and autonomy, a sensation that can help much to encourage employees in decision-making process. Pressure and fear is another point which we have tried to resolve as many people believe that pressure is not good for their stability or they have fear to ridiculousness.

Our study derives us to a conclusion that all the phases of creative process are essential as they have different function and can be repetitive in a random order. Moreover, there are two types of innovation, radical and incremental, whose presence is necessary. On one hand radical innovation is to create new paradigms and amplifying the capacity for changes. On the other hand, incremental innovation teaches the procedure to obtain that capacity. They are incomplete without each other.

Besides, knowing the intentions behind a project is also necessary. If an individual has doubts, that might lead him into a wrong direction. Clarity helps to elicit something with great importance or extraordinary. Finally, qualities which promote or inhibit creativity are essential to explore more over resource limitation, poor or good project management, status quo, competition, challenge and so on. The majority of environment qualities mentioned in theoretical background can be found in our analyzed company. However, the only two qualities that we did not find were sufficient time and relaxed climate. Employees’ current schedule didn’t allow them to have free time to generate new and creative ideas. Meanwhile the absence of relaxed climate might provoke mood swings and erroneous spontaneity. We believe that the company will try to improve such weaknesses.

Limitations and Future research

In the end, we would like to acknowledge the main limitations of this study. The investigation has been limited to 1 company present in education sector so the conclusions about creativity are limited to the company reviewed. Another limitation is
the limited size of the present study. For further investigation we suggest few points as following:

- It would be relevant to investigate more companies of the same sector which started with just one creative idea.
- It would also be interesting to investigate creativity of this company from customer’s point of view. It might help us to see more points to improve.

References


