

Creativity and Innovation as a competitive advantage: Are B-schools doing enough?

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Popular and scholarly literature support the notion that creativity and innovation is becoming the new core competency of corporations (Nussbaum, 2005, Alsop, 2003) and that a company's greatest asset may be its creative capital. (Nussbaum, 2005) Headhunters and recruiters suggest that the most critical attributes he or she is looking for when recruiting new MBA's or other mid-level management candidates are: To be good communicators, to have the ability to solve problems and to be good team players. (Alsop,2003) Creativity plays an enormous role in each of those attributes. Innovation in organizations starts with tapping into the creative potential of all employees and their knowledge about customers, competitors and processes. (Leavy, 2005) Organizations should be creating a Creativity on Demand Environment (C.O.D.E.)

Individuals need to grow in order to meet the needs of corporate America. They also need to grow to satisfy their own needs. Their greatest potential for growth is in the use of their creative capacity to think up new ideas and to take new approaches to life. (Steinmetz, 2003)

The development of a Creativity on Demand Environment involves the interaction of three key variables or pillars. These are People, Process and Environment. It is the interaction of these variables that lead to creative problem solving, new products and services, and competitive advantage.

Are business educators doing enough in their classrooms to develop these three pillars? Do MBA programs address these adequately? Our experience is that most MBA programs do a fair job with environmental issues although they do not address architectural influences on creativity. Environmental issues impact the creativity on demand environment. The focus of many advanced business degree programs is on the process issues that may impact creativity in organizations. However, little is done to develop the creative skills of individuals. For instance, most programs do not discuss how to use the right tools and techniques to generate ideas and then apply tools that are appropriate for judging the ideas and carving the path towards innovation.

How do B-schools teach people to develop their creative capacity? Is there a trend to produce a product (MBA graduates) that meets the market demand, or are B-schools still putting out a product that the market sees as obsolete?

To address these needed attributes a course was created in 1999 by the Creative Focus Institute in conjunction with Emory University's Business school. The success of this course has led to the development of similar courses at 5 other Universities. One of the most successful is at the Coles College of Business at Kennesaw State University in Atlanta where the course is offered twice a year. It is a 5-day seminar on Business Creativity and Innovation and focuses on models and tools to teach creative thinking and Creativity on Demand. Demand for the course is extremely high with the classes filling up on the first day of registration.

Responses from student evaluations are overwhelmingly positive. Many students report that this course is one of the most valuable courses they take. Often they wish that they had taken it before they started their MBA. The skills learned would have made their individual and group projects focused and unique. They report immediate benefits in applying the tools learned to their personal and professional lives.

In a business environment where creative thinking may be the only sustainable competitive advantage, B-schools should be addressing all of the pillars of a Creativity on Demand Environment. The authors are involved in one such project as described above. We were curious as to what was happening at other universities and colleges. An exploratory study was conducted. The purpose of this study was to explore to what extent MBA programs and EMBA programs are teaching the personal tools of creativity. A survey was posted in SurveyMonkey.com and a link given to Administrative Directors and Faculty Directors of MBA and EMBA programs worldwide. Email lists of these directors were provided by the MBA Roundtable and The EMBA Council. A total of 119 people responded. Results of the survey follow.

Almost one-half of all MBA (47%) and EMBA (53%) do not have a course or module (unit(s) devoted to creativity within another course) in creativity and innovation. Only 29% have freestanding courses in creativity and innovation. This is surprising because of the arguments stated above that popular and scholarly literature point to a growing interest in these areas in order to remain competitive. Encouragingly, in the past 5 years the number of programs offering these courses or modules seems to have doubled. Also, nearly 92% of those who did not have a course or module reported that they were somewhat likely to Very highly likely to offer a course or module in the next 5 years.

Why do only one-half of the schools responding offer a course or module in creativity and innovation? At an AACSB conference in 2003 in Washington, DC on Curriculum Development, program directors and deans of business schools were asked "what's keeping you from having a creativity and innovation course in your school." The top two responses were 1) Not really a recognized field, and 2) No faculty to teach such a course. In our study, results show that a third of all EMBA programs (37%) and nearly half of all MBA programs (47%) offering

courses in creativity and innovation use external faculty to teach these courses. This is consistent with the comments made at the AACSB conference in Washington, D.C.

It is the authors experience from anecdotal comments regarding their class that students would like to have this type of course offered earlier in their program so that they could use the tools and techniques on their various and numerous projects and case studies. However, based on our survey, it appears that only 3% of MBA programs and 12.5% of EMBA programs offer a course or module in creativity and innovation at the beginning of their programs. Perhaps this is because administrators think that students would not be ready for the content of such courses early in their program. It is our experience that they are not only ready, but they benefit, by learning more and producing more creative solutions to projects and case studies, in their other MBA classes by taking this class early in their programs.

According to our survey, the top 4 responses to the question of what should be taught in a course or module in creativity are:

1. Introduction to creativity
2. Tools of creativity
3. The creative thinking process
4. Innovation initiatives

In terms of how to teach this material, the vast majority of respondents, 90% of MBA program Directors and 86% of EMBA program Directors, think that face-to-face instruction is the best method to teach these skills.

Almost all programs use a project as the main evaluation tool for courses in creativity and innovation. These projects overwhelmingly required the development of a plan for a product or business applying a creative problem solving methodology.

Interestingly, the top reason for deciding to include a course in creativity and innovation in a program is student demand, followed by employee demand and then the opportunity to apply this knowledge to new ideas. It appears that for B-schools that have programs in creativity and innovation, they do in fact listen to their customers. Perhaps they are practicing what they teach.

Program directors rank highly the value of a course in creativity and innovation to the students for:

1. Its entrepreneurial value
2. Taking an idea from conception to execution
3. Integration of traditional curriculum and creative problem solving for competitive advantage

Almost 9 out of 10 MBA program directors agree or strongly agree with the following statements.

1. In today's market one of the most important traits for an MBA graduate is to be an excellent team player.
2. In today's market one of the most important traits for an MBA graduate is to be an excellent presenter.
3. In today's market one of the most important traits for an MBA graduate is to be an excellent problem solver.

This indicates that they would agree with the popular and scholarly literature currently in vogue on the importance of team players, presentation skills and problem solving. Why is it, then, that almost one-half of all schools responding don't teach courses or modules that would arm the students with such skills? The most common answers were that they did not have the faculty to teach these courses, that their curricula was not flexible and that there was not enough time in their program for these courses, and finally that there was/is no money in the budget for these type of courses.

As stated earlier the three pillars of a Creativity on Demand Environment are people, process and environment. B-schools have, for the most part, done a good job with teaching process and environmental issues. There is some question as to how well we teach individual people skills of creative thinking and innovation. This study was an exploratory study to answer the question to what extent MBA programs and EMBA programs are teaching the personal tools of creativity.

In summary, it appears that B-schools are slowly realizing that the current business environment is demanding organizations to be more creative and innovative. They are reacting to that demand by implementing courses and modules in creativity and innovation into their curriculum. However, the development of these courses and modules are painstakingly slow. B-schools just can't react fast enough to market demands. The problems seem to be the inflexibility of their curricula and the unavailability of qualified faculty to teach these courses. Inflexibility in curricula has always kept B-schools from reacting quickly to the marketplace. It will continue to widen the gap between what organizations want from MBA graduates and what most B-schools are able to deliver. As for the inability to find qualified faculty, perhaps we should turn to practitioners who are currently teaching the skills and knowledge of creativity and innovation to the companies that have realized it can be a competitive advantage.

This study begs for further studies. A more detailed study into what exactly should be taught in terms of the personal skills, team skills and knowledge of creative thinking and innovation. Also, if B-schools are going to

have to find room in already crowded curricula, what must give way to make room for these courses and modules? Are B-schools reviewing the curricula for relevant topics and making room for more current demands of the marketplace? What about faculty development in the area of creativity and innovation? Are graduate schools reacting to the market and producing qualified faculty in the right disciplines? The answers to these questions will enable B-schools to develop curricula relevant to the needs of the business community.

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