Creativity, Innovation and the Perspectives of Management

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ABSTRACT

This paper aims to analyse the perspectives of management starting from the current challenges and the future environmental conditions. Business models will facilitate the disappearance of the border between professional and personal life and companies will consider the improvement plan regarding the welfare of the employees and improvement measures for the monitoring, control and evaluation processes to help boost performance. Thus, the importance of the share capital and the interpersonal relationships will increase, and the human resources departments will redefine their priorities given the fact that it will be possible for the organizational network of tomorrow to be made up of employees belonging to a global network. Therefore, companies' employees will take courses and programmes regarding the learning and development of the organizational culture, and the companies' management will have permanent access to the evolution of employees. Actually, the main issue to be discussed here is represented by the ratio between corporate behaviour and noncorporate behaviour and the way in which the combination between these two will contribute to the increase of the organisational performance. Technology will facilitate the disappearance of the demarcation between "life at work" and "life outside of work". Complex strategies that will identify the competence sets needed by the company will contribute to finding candidates suitable for company tasks. In the future, we can talk of people management specialists who will need increasingly more financial, analytical, marketing and risk management competences. Companies will seek to promote and support networks of people and "The Y Generation" (which considers individuals who desire "not to get lost in the crowd", but, on the contrary, they wish to be noticed, to matter within the contexts where they evolve and, at the same time, to have a harmonious development), a fact which will require the use of technology as an interface between professional life, social life, personal life and spiritual life with an emphasis on options, the antimonopoly thinking and the process of encouraging the use of innovation within the management field.

KEYWORDS: technology, innovation, management, creativity, change

JEL CLASSIFICATION: F63, F66, M11, M12, M54

1. INTRODUCTION

The future evolution of management is linked to the variety of issues that arise within the development of socio-economic systems. Also, a careful analysis of the demographic indicators demonstrates that in the Western world there is an aging of the workforce and this is the reason why the increase of the global mobility of the workforce is required having

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implications on the organizational culture but also on the changes that take place globally. It is clear that the organizational management need to adapt to an environment that is more and more turbulent and therefore its future development is difficult to foresee.

Management also should keep in mind the components of the workplace in the future as well. In order to foreseen the evolution of the organizations and people as well, it is imperative to create scenarios that can provide possible solutions related to the perspectives of the management. We must define a very clear relation between what "happens to us" and what we create. When referring to "what happens to us", we are highlighting the things that we cannot anticipate and when referring to the things that we create, we are emphasizing the things we are trained for, things for which we think of possible solutions. The process of exploring the future of the socio-economic systems, the environment, the business and the workplace offers visions regarding the way in which people and social groups must prepare themselves so they can respond to the unknown variables thereof.

The changes taking place at a society level will be influenced by technology, globalization, demographic changes, as well as other factors that may decisively influence the organizational management. Among the possible scenarios for the organizational models of the future some of them might be:

- The transformation of large corporations into "small countries" which will play a decisive role in society.
- The increasing of the collaboration networks starting from specialization.
- The fundamental changes of the business strategies due to some rigorous environmental programs.

The lack of qualifications will be the reality of tomorrow's world and this is the reason why companies will coordinate people so they can qualify and become an effective workforce. The management of the future is marked by the appearance of the "Y generation" that was educated in the digital era where the role played by Internet becomes decisive. This generation radically changes its value system because it no longer works based on the longterm plan but rather starting from the immediate opportunities emphasizing primarily the value of comfort and personal development. The development of various special attitudes and competences will lead to their involvement in enjoyable activities with a reduced number of working hours as possible as it can be. The lifestyle of this generation requires the development as individuality rather than the development within community. The new world will entail another type of education that will represent, among others, the process of storing the information and experiences resulted from travelling. Business out of passion becomes a command of the youth from the "Y generation" because they are able to learn from their own observations in relation to their parents' activity that the effort for a special financial status has the effect of postponing the personal achievement. We can actually talk about the changing the ratio between the quality of the carried about activities and their quantity in the favour of the latter. From the perspective of this generation, personal development may be the best combination between education and volunteering to provide young people the opportunity to influence society.

2. INNOVATION AND CREATIVITY IN MANAGEMENT

The perspectives of management are linked with creativity and innovation thus offering organizations the opportunity to create new technologies, products, services and operational methods. The process of generating new ideas and the process of translating thereof into new

products and services require the training of creative and innovative personnel. Transforming the creative talents in results can be achieved through an efficient management where exploring new ideas and their implementation and putting into value are encouraged. Given the fact that bureaucracy tends to inhibit innovation, solutions must be found to encourage the creativity of all employees so they take risks that are not accepted by bureaucracy.

In the future evolution of management, an optimal relationship must be defined between valuing some administrative innovations and some technical innovations. It is profitable for those not to be adopted at the same time as they might lead to conflicts that emerge from the reality that administrative innovations are specific to the top level management and technical innovations are specific to the execution level of the hierarchical structure. In fact, one can ascertain that the process of flattening the organizational structure favours the technical innovations and the emergence of the new products, while the activity of centralizing decisions facilitates the emergence of administrative innovations.

The anticipation of the way in which the organizational structure will evolve takes into account several factors: the labour force, the market, the suppliers, the social and political contexts, etc. The management of the future is considering more "actors:, such as: managers, specialists, consultants, consumers, suppliers, competitors, etc. The reality of the future will require permanent changes that will take into account three objectives: structural, technical and human objectives. The activity of regrouping tasks, redefining control systems, upgrading equipment, requires new ways of organizing and management through which the organization members who are willing to invest their capabilities in the changing process are attracted.

In an innovative society, individuals must contribute to their own development by taking responsibility for self-training. The education system will have to change in relation to the environmental challenges, but also in relation to the challenges of individuals. Then we shall be able to speak of a genuine industry of continuous training. We can speak of a veritable industry of continuous training. The future of evaluation schools' management is to taking into account many different areas of the school performance, incorporate into assessment local and environmental context (Chodakowska, 2015).

The very high levels of digitalization will facilitate the increase in efficiency but will also increase the vulnerability of the world we live in. The event management will influence the management of the future, and the events, in their development, will require "innovative" ways of organization and the ability of individuals to adjust within their relationships with the real world, as well as the virtual world. Actually, there is the risk that individuals or project teams to fail to separate between the real contexts and their extension within the virtual world. In the coming years, event management will not avoid the growing introduction and use of so-called wearable technologies or wearables. At present it is mainly the Google Glass (and reproductions of competing companies), or smart watches (smartwatch) in many designs. Presumption for the future is that these elegant, smart and highly efficient technology accessories will increasingly influence the world and direct the world towards higher levels of digitization (Rey, 2015).

The sustainability of the business behaviour will be influenced by the manner in which companies will regenerate and develop resources for maintaining balances within the systems, but also between systems. The companies of the future will move from "craving" resources to the rational consumption of resources because beyond the need to obtain a bigger profit such companies will face environmental issues, employee training and qualifications, competition and financial possibilities of consumers. If companies engage themselves in regenerating and developing the resources that they themselves consume today and will need in the future – by maintaining the systems and relationships from where these resources originate from – this can be called sustainability and lead to sustainable business behaviour (Ehnert, Harry, 2012). The quality of education, but also the particularities of the business world that will require employees to be genuine change agents at work influence the perspectives of management. The crisis of the current system is related to the lack of information but also to the ways in which the media often shows in a distorted way the economic reality because of lack of information, on the one hand, or political partisanship, on the other hand. In thinking about the future of management education we must first consider certain realities about the business world and whether or not we must simply prepare our students to enter it as it is, or whether we should be thinking of educating change agents to work toward its rehabilitation. The underlying premise informing my perspective is that the system IS in crisis and the ills we see erupting daily across the business press are not aberrations but logical consequences of the system as it has grown (Nirenberg, 2012).

The quality of the leaders as well as promoters of the collective learning in which creativity will play an important role will influence the quality of tomorrow's management. Business development by launching new products or services will require both individual and team activity by valuing the competences and the global financial resources networks. Change-oriented leaders encourage and facilitate collective learning and major changes. The creative way of learning could probably be more suitable when organisations work on developing their business towards more experience-oriented products or services, an approach which is a necessity to be competitive in the future (Backstrom, Ingelsson, Wiklund, 2011).

The management of the future will develop itself in relation to the evolution of business schools but also to the manner in which business education will be implemented at school level but also at the family level in general. Management studies will develop themselves in relation to the economic, sociological and cultural models and theories. Reflecting these trends, some have in turn labelled the economics, sociology, and psychology disciplines as 'foundational' or 'mother' disciplines for management research. One could think of many other similar sounding metaphors and descriptions. There is no need to go into detail on any of those labels here, but in essence such descriptions do point to what is, knowingly or not, seen as a future and direction for management studies, a future that actually on closer reflection may have significant consequences, and not all good, for the discipline and likewise for business schools and business education as a whole. (Birkinshaw, Healey, Suddaby, Weber, 2014).

The new technological applications will facilitate the optimization of the monitoring, control and assessment process and the development of a feedback of utmost accuracy as well. The classic concept of quality will be redesigned because from the perspective of the organization's future a product must provide utility but, at the same time, must encourage the acquisition of similar products. Starting from the moral obsolescence thereof, we are witnessing the development of some unique and specific models of quality management that will define a "more nuanced ratio of forces" between market players: producers and consumers. Certainly we will see an increasing number of new technological applications, including more automated monitoring and feedback. But the future of quality is dependent on the development of unique and specific quality management models. (Evans, 2013)

From Gary Hamel's perspective (*The Future of Management*) the management has slown down its ability to innovate because it fails to offer individuals who are non-conformists and creative the opportunity to manifest themselves, often the process of subordinating strictly to *rules and procedures* leading to: wasting significant resources, discouraging initiatives, building bureaucratic hierarchies. (Hamel, Breen, 2010)

Such restrictions are backed by realities that are specific to the newly created contexts:

- increasing the pace and speed of change in order to be competitive;
- decreasing control over the results by business development as ecosystems or networks of values;
- increasing the buying power via Internet.

From Thomas Kuhn's perspective (The Structure of Scientific Revolutions), "the real progress demands a revolution" and the adjustment will impose costs that are difficult to assess but are mandatory. (Kuhn, 1962) Thus, the transformation of the company will be enabled with the sole purpose of increasing performance, organizational cultures and process that are adequate and suitable to the entrepreneurial spirit, and, such an organizational environment will encourage the development and enhancement of entrepreneurial initiatives and projects at the level of each employee. Thus, employees are offered a new perspective to create value within their activity, to bring and add in a sustainable way great value to their job, in order to increase the value of the company on the long-term. The entrepreneurial revolution is represented by the deep transformation and change that is significant to the way of developing a business (managing a business, an organizational structure and culture) by creating great value at all levels.

The entrepreneurial revolution requires changing the organizational structure and culture by valuing the employees' imagination and initiative. And the development of the entrepreneurial spirit (the entrepreneurial attitudes and competences, at the level of all employees will contribute to the business development, changing the attitude of the company's own employees, the improvement of their working style, the increase of their efficiency and effectiveness.

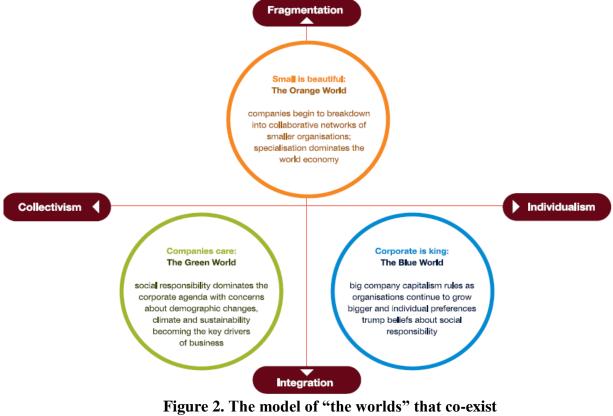


Figure 1. Business process change and management *Source*: http://vkompany.com/it-consulting.html

Business Process Management (BPM) represents a holistic management approach based on continuous improvement processes, change management theories, and support by modern information and communication technologies/systems. (Draghici, Olariu, Rozman, 2012)

The management of the future will facilitate the transition from meeting clients and colleagues face to face to virtual meetings. The teams dispersed in multiple locations will have to find social solutions as the individuals' tendency for isolating will impose social behaviours. We must also consider the ethical ideal employees would want to achieve that might come into contradiction with the organisational policies and practices. Actually, we can speak of an attempt to make the beliefs and values of the individual compatible with the beliefs and values of the organization. The decision makers of tomorrow must find solutions to make the social responsibility compatible with the human management. The evolution of society will require finding solutions to meet at a greater extent the interests of shareholders, employees, communities, customers and suppliers.

The global network of small-interconnected but separate communities will provide solutions for the emergence of network companies (virtual companies) that will be able to provide through online systems purchasing and selling possibilities, trading services and competences. As we are currently referring to portfolio products, also we will be able to talk about the career portfolio that each individual will develop on the short-term through contracts with unlimited duration (the human management from the Orange World – quote). The dream of a single global village has been replaced by a global network of linked, but separate and much smaller communities. The exponential rise in the efficiency of online systems for buying, selling and trading services and skills has debunked completely the old orthodoxy that economies arise from scale. Businesses are much smaller and roles are more fluid. (PWC, 2008)



Source: PWC (2008, p. 5)

From the perspective of the model presented in the PWC's report, "three business worlds" will develop and will evolve between integration and fragmentation, on the one hand, and between individualism and collectivism, on the other hand. From the authors' perspective, these three "worlds" are as follows:

- **The Blue World** long careers and career planning, corporation occupies the central place within the supplier-production-market relationship, such world is based on the rules of capitalism that has as a main focus the development capacity of business and the ability to enhance employees' predisposition to activities regarding social responsibility, the structure of rewards motivates employees thus favouring innovation and entrepreneurial behaviour. The Blue World is represented by 100 companies in top 500 where people want to work in the future. Such companies tend to hire the most talented specialists. These people prefer some stability and want to train and develop themselves at work.
- **The Green World** the holistic approach and the social responsibility dominates the corporation's agenda and its concerns are related to the demographic changes, the climate changes and sustainability, because these changes are influencing the business development, and companies agree and approve the changes in the corporate culture and encourage the changes in the employees' behaviour. Companies are concerned with environmental protection, and when they can substitute resources they do it in a way to avoid damaging the environment. Employees are working on projects with social impact, projects that are either paid or volunteer.
- **The Orange World** short-term careers, companies tend to divide themselves into smaller entities that later become collaborative networks because specialization will dominate the economic activity. Such companies are constantly adapting to new technologies (switching from classical company to the virtual company that is composed of a network of nodes) resizing themselves in relation to: the territorial distribution of workforce, the volume of its production and the relationships with professional associations, with suppliers, with competition and the market. The specific activities of these companies are based on flexibility and autonomy and entrepreneurs prefer to work for themselves as they have permanently flexibility and autonomy. In fact, these companies prefer to start up some small businesses and sell the old business when they begin to increase. The management of these companies takes into account a high mobility, a small number of employees and the ability to adapt to turbulent markets.

One can notice that there is a tendency of the multinational companies to lean towards the Blue World model and the energy industry (for instance) tends to turn towards the Green World. Even if the world is in an exhaustive change, it is noticed that many people want to work on a fixed schedule, but on the other hand, the environmental conditions require a permanent accommodation model.

Organizations of the future organizations must be creative to meet the challenges and to anticipate changes in relation to new technologies, the demands of markets that are increasingly turbulent and with respect to the new operational methods. Managing creativity requires tolerance from managers because they need to understand the creative process and to make a quick selection of people with creative ideas. Creative behaviour entails an organizational climate to foster creativity which facilitates the process of generating new ideas and supports innovation as an improvement and valorisation of the avant-garde ideas into new products or services. Switching from creativity to innovation requires the leap from "something new in reality" to "something new in us". The difference between the performances of the organizations of the future will be defined by how organizations will transpose the way in which they will use the talent of its members in creating new products, processes or services. Creating a climate conducive to creativity will encourage the process of exploring new ideas even if this type of attitude is yet unacceptable for many managers. From this perspective (a permissive atmosphere), there is the risk of decreasing discipline and cost control difficulties at all levels of the organization. The performance of the organizations of the future is influenced by the way in which is valorized the environment of the organization where innovation makes sense. Here we can: decode the elements that contribute to the organizational performance, identify sources for technical information and identify and access financial resources.

New technologies will have a positive impact on the development of management but on the other hand, unless used properly, they could lead to malfunctions at the level of the management of the organization. There is a close connection, within the cause and effect relation, between the new styles of leadership, the sources of value, business models and new types of customers and employees. Improving the economic activity of the company will depend on lowering the marginal costs and increasing the following: loyalty, marginal profit, the value of the revenues and the value of enterprise (in terms of image but economic performances as well). On the other hand, the new digital technologies (cloud technologies, social media, mobility and data access from everywhere, the internet of all things).

The markets of the future will demand the creators of networks the definition of some relationships between companies and employees through which companies invest in intangible assets, improve relationships with customers and suppliers, have the largest multipliers (price compared to revenue). The relationship between management, leadership and technology, is exemplified in Figure 3.



Figure 3 Disruption caused by new technology

Source: http://knowledge.wharton.upenn.edu/article/the-right-leadership-style-for-thedigital-age/

An analysis of management for a period of seven decades (1950-2020), enables us to identify four distinct stages (Figure 4):

- **The Industrial Corporation** (until 1950) - characterized by operational efficiency, people seen as mere employees / workers, corporation is the most important entity; promoters of this period - Andrew Carnegie and Henry Ford;

- **The Hierarchical Leadership** (between 1960 and 1980) characterized by the emphasis on increasing the profit and the company through financial engineering, focusing on Management by Objective and the crucial importance of the executive within companies, the leading promoters are Jack Welch and Peter Drucker;
- *Collaborative Management* (in the 1990s) the emphasis is on personalized customer service, employees are seen as leaders and they are encouraged to be leaders, teamwork is also encouraged, employees represent the most important resources of the company, personalities that have marked this period are Howard Schulz and Steve Jobs;
- *Networks of Teams* (today) companies focus on mission, purpose and sustainability, work teams are empowered to take decisions, teams and team leaders represent very important resources for the company, representative of this period are: Netflix, Google, Facebook and Amazon;
- Purpose, meaning and empowerment (2020) by 2020 a major change is predicted in management, change that will take into account the other types of organizational structures that will be essentially organizational networks with possibilities to adapt very quickly where nodes may occur in the organizational network and other nodes may disappear. This dynamic of the organizational networks will be facilitated by the revolution in ICT technologies but also by the specific needs of the global markets. There will be a switch from concentrating the workforce to its dispersion in relation to: the market needs, the network of suppliers, and the ratio between the national and global regulations. The virtual company employee will be able to conduct business from "home". Thus, the problem of spatiality will be solved, as the employee will be able to be "here and there" at the same time. The recruitment and selection of workforce will be possible to be made online so that the perception of space and time will radically change so that problems that occur among a node of the organizational network can be solved by working other nodes of the network. All the systems and processes that enable a company to attract, develop and keep highly qualified employees.

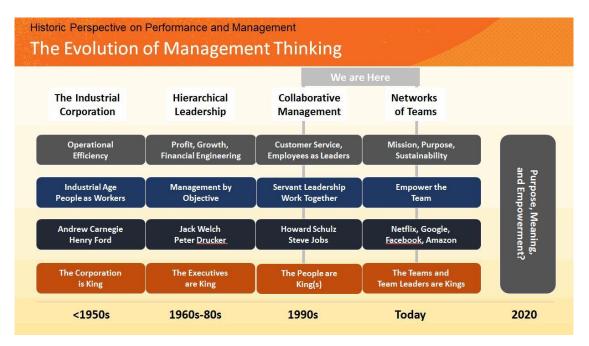


Figure 4 The Evolution of Management Thinking

Source: http://joshbersin.com/2016/03/the-new-organization-different-by-design/

Top companies have created worldwide selection networks through which talented people are recruited to be hired within such (Facebook, Google, Microsoft, Samsung, etc.). The budgets meant for identifying people with high potential are especially generous and therefore these companies have long-term collaboration with universities in various countries. The management of the future will have to adapt to: technology, diversity of cultures from which employees come from, the rapid changes in consumer preferences, environmental issues, resource limitations.

CONCLUSIONS

The deepening of the global competition requires the defining of some strategic directions of the development of management. Management will play an essential role both at microeconomic and at macroeconomic level because, ultimately, companies will reflect their activity in the living standards of citizens, people, in their dual capacity as producers and consumers. The fundamental issues for which the management of the future must find answers are related to: the evolution of the structure of corporations, the changing business practices, the creation and operation of the management teams, the efficiency of the computer networks, the level of consciousness and commitment of employees and the dynamic of the motivational packages, the evolution of the ethic components in business, the solving of the specific problems of protecting the environment.

The future will entail the establishment of an optimal connection between the mission, objectives, strategies and size / structure of the organization. It is obvious that environmental issues will condition the success of the company of the future because: the environment, the global warming, the technologies of the future, the exploitation of the planetary ocean will become conditions for the businesses of the future.

The businesses of the future will be successful projects to the extent that they will effectively use computer networks, wireless communication and the processing of information as distinct resources.

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