



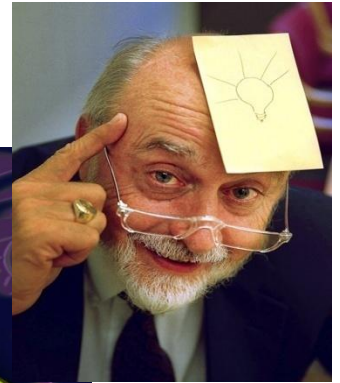
Beth ✓

## Topic 2: Creativity, Innovation and Entrepreneurship



# Creativity

- The ability to develop new ideas and to discover new ways of looking at problems and opportunities. (Thinking new things.)
- Example: you have to kiss a lot of frogs to find a prince - Art Fry.
- The creative idea must fulfil a need in the marketplace and generate profit.



# Creativity (cont.)

## Creativity techniques

- Problem reversal - the action of viewing a problem from an opposite angle by asking questions such as "What if we did the opposite?" and "What is everyone else not doing?"



# Creativity (cont.)

## Creativity techniques

- State the problem in reversal



- Figure out what everybody else is not doing

- Change the direction or location of perspectives

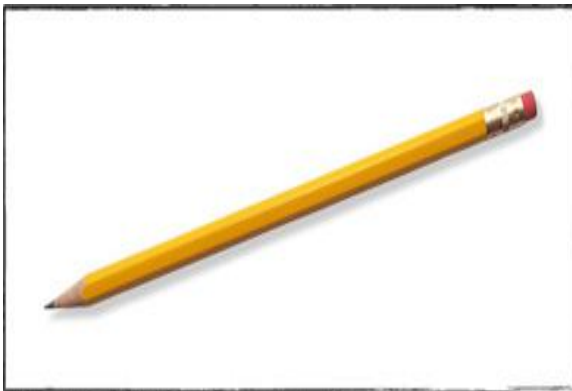


- Turn defeat into victory

# Creativity (cont.)

## Creativity techniques

- Forced analogy - also known as forced relationship, the action of making an association between two unlike things in order to obtain new insights.
- Example: In what ways might I improve my relationship with my manager?



- Eraser
- Cheap
- Yellow

# Creativity (cont.)

## Creativity techniques

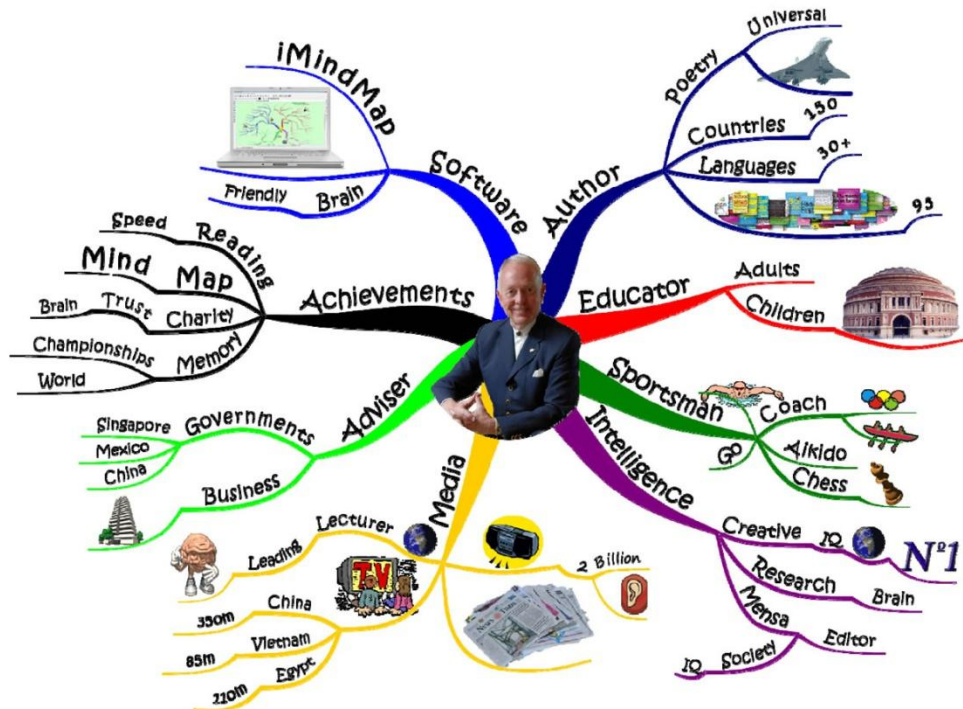
- Attribute listing - the identification and listing of all major characteristics of a product, object or idea. A very useful technique for quality improvement of complicated products, procedures or services.
- Bulb → glass ↔ plastic
- Casing → plastic ↔ metal
- Weight → heavy ↔ light



# Creativity (cont.)

## Creativity techniques

- Mind maps - a visual method of mapping information to stimulate the generation and analysis of it.





# Creativity (cont.)

## Creativity techniques

- Brainstorming - a conference technique by which a group tries to find a solution for a specific problem by amassing spontaneous ideas from its members.
- Suspend judgment
- Think freely
- Encourage people to build on the ideas of others
- Quantity of ideas is important



# Creativity (cont.)

## Factors influencing creativity

- Encouragement of creativity
- Autonomy
- Resources
- Pressures
- Mental blocks

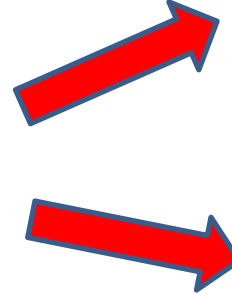


# Innovation

- The ability to apply creative solutions to problems or opportunities to enhance or to enrich people's lives. (Doing new things. )
- Incremental innovation - improvements of existing products that enhance performance in dimensions traditionally valued by mainstream customers.

# Innovation

- Extension



- Duplication



- Synthesis



# Innovation (cont.)

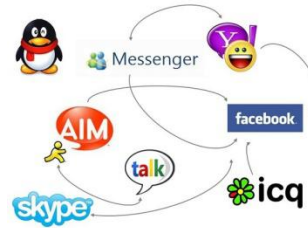
Disruptive innovation - creates a new market and value network, and eventually goes on to disrupt an existing market and value network (over a few years or decades), displacing an earlier technology.





# Innovation (cont.)

- The back-scratcher:  
s c r a t c h   a n  
unscratched itch



- The extreme makeover:  
make an ugly business  
attractive

- The bottleneck  
buster: democratize  
a limited market



# Innovation (cont.)

## Cost innovation

- Selling high-end products at mass-market prices.



- Offering choice or customization to value customers.



- Turning niches into mass markets



# Innovation (cont.)

## Sources of innovation

- Unexpected occurrences
- Incongruities
- Process needs
- Industry and market changes
- Demographic changes
- Perceptual changes
- New knowledge

# From Creativity to Entrepreneurship: Screening Opportunities

- The creativity-innovation-entrepreneurship process essentially entails identifying and evaluating opportunities
- During this process, business ideas will be assessed to determine if they represent an entrepreneurial opportunity — a situation where sustainable value and wealth can be created



# From Creativity to Entrepreneurship: Screening Opportunities (cont.)

## Product Feasibility

Is it real?

- Is it novel?
- Is it patentable?
- Is it technically feasible?

## Market Feasibility

Is it viable?

- Is it better than rival products?
- Does somebody want to buy it?
- Can we make it with our resources?

## Economic Feasibility

Is it worth it?

- Is there a sizeable market?
- Are forecasted returns greater than costs?
- Are the risks acceptable?

# Idea Generation

- Quantity rather than quality matters.
- Steps to bring out any creative potential:
  - Allow unofficial activity
  - Encourage spontaneous activity
  - Create diverse stimuli
  - Crowdsourcing

# Incubation and Commercialisation

- During the incubation phase, it is important that the technological feasibility of the venture is fully tested.
- This stage of testing may lead to at least three different types of outcome:
  - Positive
  - Negative
  - Mixed result
- Commercialisation marks the point at which a business plan progresses from theory into practice.





# ENTREPRENEURSHIP

## Topic 2: Creativity, Innovation and Entrepreneurship