

Understanding innovation & developing creativity

Entrepreneurship development

Understanding innovation and developing creativity

Innovation and the entrepreneur:

Innovation is a key function of an entrepreneurial process.

Economic innovation (defined by J. Schumpeter, 1934):

- ❑ The introduction of a **new product** or of a **new quality** of a product
- ❑ The introduction of a **new method** of production
- ❑ The opening of a **new market**
- ❑ The conquest of a **new source of supply of raw materials** or of semi-finished goods
- ❑ The carrying out of the new organization in a **new industry** (creating monopoly or breaking monopoly)

Innovation-creativity

Innovation is the specific function of entrepreneurship..... Drucker

Entrepreneur :

- creates new wealth-producing resources or
- Endows existing resources with enhanced potential for creating wealth

Innovation is a process by which entrepreneurs convert opportunities into marketable ideas

Innovation: more than just a bright idea

Entrepreneur blends:

- imaginative and creative thinking and
- Systematic and logical process ability

Entrepreneur analyzes a problem from every possible angle:

- What is the problem?
- Whom does it affect?
- How does it affect them?
- What costs are involved?
- Can it be solved?
- Would the marketplace pay for a solution?

Entrepreneurship in practice

Seismic isolator:

- Engineer Bill Robinson (New Zealand)
- Used in building for safeguard during earthquakes

Black box flight recorder:

- David warren (Australia, 1953)
- Used in large aircraft worldwide

Refrigeration:

Adaptive entrepreneurs vs Innovative entrepreneurs

Adaptors	Innovators
Employs a disciplined, precise methodological approach	Approaches tasks from unusual angles
Is concerned with solving , rather than finding, problems	Discovers problems and avenues of solution
Attempts to refine current practices	Questions basic assumptions related to current practice
Tends to be means oriented	Has little regard for means , is more interested in ends
Is capable of extended detail work	Has little tolerance for routine work
Is sensitive to group cohesion and cooperation	Has little or no need for consensus ; insensitive to others



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Can only be a genius be
creative????

Are some people born
creative????

Common idea stoppers

1 'Naah.'

2 'Can't' (said with a shake of the head and an air of finality).

3 'That's the dumbest thing I've ever heard.'

4 'Yeah, but if you did that ...' (poses an extreme or unlikely disaster case).

5 'We already tried that – years ago.'

idea stoppers.....

6 *'We've done all right so far; why do we need that?'*

7 *'I don't see anything wrong with the way we're doing it now.'*

8 *'That doesn't sound too practical.'*

9 *'We've never done anything like that before.'*

10 *'Let's get back to reality.'*

idea stoppers.....

11 *'We've got deadlines to meet – we don't have time to consider that.'*

12 *'It's not in the budget.'*

13 *'Are you kidding?'*

14 *'Let's not go off on a tangent.'*

15 *'Where do you get these weird ideas?'*

The nature of the creative process

Phase 1: Background and knowledge
accumulation

Phase 2: The mind incubation process

Phase 3: The idea exercise

Phase 4: Evaluation and implementation

Phase 1: Background.....

- read in a variety of fields
- join professional groups and associations
- attend professional meetings and seminars
- travel to new places
- talk to anyone and everyone about your subject
- scan magazines, newspapers and journals for articles related to the subject
- develop a subject library for future reference
- carry a small notebook and record useful information
- devote time to pursue natural curiosities.¹⁵

Phase 2: Mind incubation..

- engage in routine, 'mindless' activities (cutting the grass, painting the house)
- exercise regularly
- play (sports, board games, puzzles)
- think about the project or problem before falling asleep
- meditate or practise self-hypnosis
- sit back and relax on a regular basis.¹⁷

Phase 3: The idea experience


- ⌚ daydream and fantasise about your project
- ⌚ practise your hobbies
- ⌚ work in a leisurely environment (for example, at home instead of the office)
- ⌚ put the problem on the back burner
- ⌚ keep a notebook at your bedside to record late-night or early-morning ideas
- ⌚ take breaks while working.²⁰

Phase 4: Evaluation and implementation

- increase your energy level with proper exercise, diet and rest
- educate yourself in the business planning process and all facets of business
- test your ideas with knowledgeable people
- take notice of your intuitive hunches and feelings
- educate yourself in the selling process
- learn about organisational policies and practices
- seek advice from others (for example, friends, experts)
- view the problems you encounter while implementing your ideas as challenges to be overcome.²²

Developing your creativity

- **Lateral thinking** -- *generation of new ideas*
- **Thinking outside the box**– *giving up psychological comfort zone and exploring*
- **Recognizing relationships** (among objects, processes, materials, technologies and people)—*perceiving in relational mode*

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- **A creative exercise--** analyze and elaborate how a pair relate to each other
 - **Developing a functional perspective–** (*a butter knife to tighten a screw*)
 - **Going with a flow–** *the psychology of optimal experience*
 - **Using your brains–** (right and left)
 - **Eliminating muddling mind-sets--**