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# 1. A framework for creative management and managing creativity

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The test of a first-rate intelligence is the ability to hold two opposed ideas in mind at the same time and still retain the ability to function. (F. Scott Fitzgerald, *The Crack-up*, 1936)

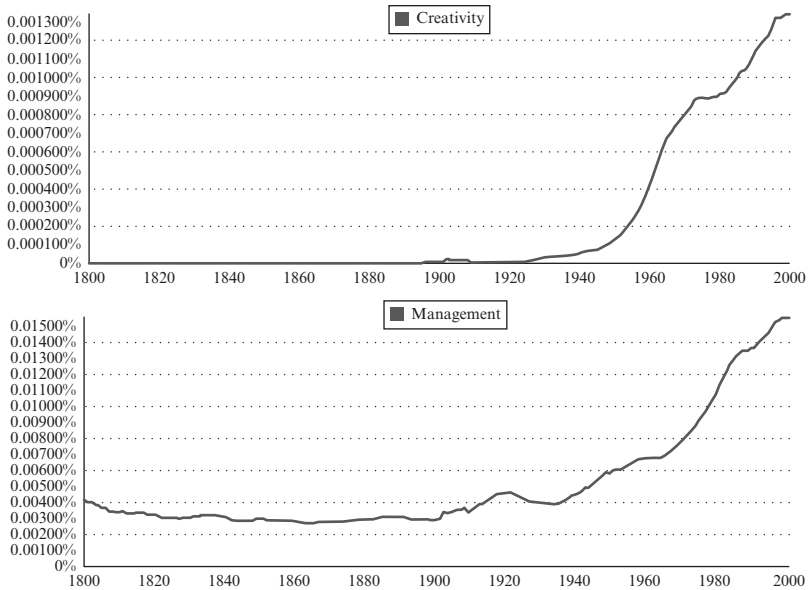
Arsenal Football Club was recently beaten, very badly, by Bayern Munich in a European Champions' League match. As part of the after-match malaise (a malaise that was deepening during a disappointing 2012/13 season), one Arsenal fan posted a comment on the BBC Sport website. It said, 'Obvious, just look at the two boards . . .' (he then provided links to the club webpages that listed and described the board members).<sup>1</sup> Arsenal's board comprised bigwigs from the world of business and high finance. Bayern's had a few of those too, but their number was matched by a collection of some of Germany's greatest ever footballers. 'Nuff said,' the fan concluded.

Everyday people, if they are optimists, opt for the former of the two contradictory common sayings: 'you should seek the best of both worlds,' rather than 'you can't have your cake and eat it too.' Academics, business and creative people, often operating in silos, have generally defaulted to the latter position. This handbook seeks to develop an approach that takes the best from management and creativity research and put them together, around the same table.

We are not alone in this. Creativity and management are two words whose use has expanded exponentially (see Figure 1.1 below). While they are traditionally considered as opposites, they are increasingly used together and seen as complementary. Management, we are told, needs more creativity (Cox 2005, Lampel et al. 2000, Sutton 2001); the creative industries, and creative pursuits more generally, can be better harnessed and deliver greater social value with better management (Hewison 2004).

And yet, while creativity and innovation in management are now recognised as key assets and management practices in the arts, and cultural industries have become increasingly strategic, promising a twenty-first-century alternative to 'business (or art) as usual', little in the way of holistic (i.e., advice from across the spectrum of creativity and management research) or strategic advice as to how effective creative

## 2 Handbook of management and creativity



Source: [books.google.com/ngrams](https://books.google.com/ngrams)

Figure 1.1 Google N-Gram viewer showing frequency of words 'creativity' and 'management' in books published 1800–2000

management can be achieved exists. The *Handbook of Management and Creativity* aims to do just this. It seeks to provide a holistic and comprehensively strategic approach to bringing the world of creativity and management together.

In so doing, this handbook's approach may be new, but it builds upon two old but underappreciated ideas at the outset. The first is the only one of eight principles that were said to be followed by excellent organisations that has stood the test of time, in the first popular (and still the best-selling) book on management: Tom Peters' and Robert Waterman's *In Search of Excellence* (1982). This principle is that excellent organisations exhibit 'simultaneously loose and tight characteristics'.

The second old idea is taken from one of the first modern treatises of creation: Arthur Koestler's *Act of Creativity* (1964). This is Koestler's idea that creativity generates lasting value as a result of a process of 'bisociation' – making connections or moving between different frames of reference to address situations or problems in new ways or take advantage of emerging opportunities. In this way, to paraphrase Koestler, the creative act, by connecting or 'shaking together' previously unrelated dimensions

of experience, is an act of liberation and defeater of habit, assumption or norm.

These notions of simultaneously loose/tight elements in management and bisociation in creativity are useful to the creation of this handbook. They help us see creativity and management in an unconventional light, one that highlights their similarities in a world where most focus on their differences. Where creativity is categorised as loose, to the point of frivolity, and management seen as tight, to the point of moronic rigidity, or where creativity lives in the right side of a brain while management logic resides in the left (as if the brain consisted of two chambers!), in our experience, examples of good practice in both the worlds of business and the arts, exhibit both looseness and tightness in a bisociative manner.

This handbook consequently builds a more holistic idea of management and creativity by seeing both as requiring oppositional elements traditionally ascribed to the other. But this requires redefining, at the outset, what we mean by 'creativity' and 'management' and the relationship between them.

## CREATIVITY

The conventional combination of creativity and management tends to be about injecting or overlaying 'fresh' looser thinking into the tightly wound routines of management practice; or about bringing structure to the wild and zany world of creativity through management best practice. In turn, far too often, 'creatives' and managers are attracted to stereotypical versions of each other, which in the end can reinforce divisions instead of challenging them. Rather than each being dazzled by the other's outward appearance, we argue that both managers and artists can learn from tracing their own reflections as creative managers and self-managing creatives.

In this introduction we aim to provide working definitions which can frame the relation between creativity and management. In particular, what is the alternative to the pop-management stereotypes of 'thinking outside the box' or 'breakthrough thinking' which tend to dominate managerial discourse around creativity?

Most of the academic literature on creativity (Weisberg 2006, Sawyer 2006, Sternberg 1999) emphasises that creativity must meet two criteria. First, creativity must result in something that is new. Second, creativity must produce something that is valuable (or 'useful' or 'fit for purpose').

We can make two observations on this academic attempt at defining creativity. In the first place, novelty and value are relative terms (Novitz

1999). What is new to me may be common knowledge to you. And what is useful in one situation – a way of improving the cornering on a racing car – may be entirely useless in another context (attempts to tackle climate change, for example). Consequently most creativity scholars highlight the importance of context, both in narrow terms of ‘fitness for purpose’ or ‘problem-solving’ and more broadly in terms of contributing to a field or domain beyond the immediate subject (Weisberg 1986, Sternberg 1988). Margaret Boden defines these two qualifications as ‘P-creativity’ (that which is new or valuable to the individual) and ‘H-creativity’ (that which is new or valuable to the world). Yet the process for both forms of creativity is the same – and the difference between them is unpredictable, even random, like the difference between a successful film or a hit record and another that is adjudged a failure. Boden suggests that the only way of determining ‘H-creativity’ is a jury of one’s peers – but even here, an accurate assessment is easier in hindsight than in predicting future outcomes (Boden 1994: 75–117).

A second observation is that a pursuit of ‘novelty’ and ‘value’ may well push the creative process or idea in opposite directions. Something that is entirely new, unprecedented and ground-breaking may well be too novel for its own good. If we are fixated on being new or different, we risk ignoring markets, logistics, organisational capacities, personal strengths. We can put a positive spin on this by defending a failed idea or an eccentric innovator as ‘being ahead of one’s time’. The reality is that novelty that does not build on and extend existing terms of reference or norms is unlikely to be valued or valuable in our own time; and while future generations may modify this assessment, retrospective recognition is of limited value to the innovator, and could be considered a social phenomenon rather than an intrinsic quality in the artefact or originator (Wolff 1993).

Similarly, an attempt to harness creativity solely to the problem in hand or to a preconceived notion of ‘added value’ is likely to stifle independent thought and result in predictable outcomes and a failure to innovate. It may also remove the incentive to try new ideas or to take risks, and encourage us to discard a challenging prospect because it (or she/he) does not fit with our agenda at the time. Value and purpose without an injection of newness or originality result in endless repetition and a cycle of ever diminishing returns.

The pursuit of novelty for its own sake is likely to distract us from considerations of value and purpose – and vice versa, focusing only on the immediate solution to a problem is likely to stifle original thought. In management terms, there is a problem here of directing creativity in one way or another, resulting in a perception that creativity is inherently opposed to management or ‘unmanageable’.

For the purposes of this book, the contradictory nature of creativity – new *and* valuable – is precisely the point at which creativity resonates with management. Managers too have to deal with seemingly contradictory, but potentially bisociative, processes. They have to manage tensions between product-led and market-led innovation, between entrepreneurial opportunism and strategic purpose, between leading an organisation from the top and encouraging initiative and engagement from below, between providing a coherent and consistent organisational culture and squeezing out organisational diversity and individualism. And good managers seize opportunities therein.

Similarly, the contingent nature of our definition – the fact that creativity always depends on context, that our measure of newness and value are relative terms – is also important to the overall shape of this book. Rather than attempting the impossible – a global definition of creativity which fits all scenarios, cultures and purposes – we will seek to identify different scopes and purposes within which creativity can add value to management. We will highlight the different cultural norms through which creativity can be identified and defined – by individuals, organisations, nations and cultural traditions. Above all we will seek to map the relationship between creativity and management; this is after all not a book about creativity, it is a book about creativity and management and the relation between them.

To summarise, we define creativity as a set of loose and tight processes, personal qualities and product attributes which lead to new and valuable outcomes. We further define creativity as a bisociative, paradoxical concept which requires organisations and individuals to pull in different directions and to reconcile apparently contradictory concepts, purposes and frames of reference. This in turn requires an adroit ability to switch focus between frames of reference, and a tolerance for contradictions both conceptually (in our thought processes and perceptions) and organisationally (in our relationships and interactions with others).

## MANAGEMENT

If definitions of creativity can only be understood in relation to a context, we need to turn to the other half of this book's title. In relation to creativity, what exactly do we mean by management?

Again for the purposes of this book we are not seeking a universal definition, but an understanding of management in relation to creativity. Two rhetorical shifts in management theory and practice are worth noting here. First of all, from the late twentieth century it has been recognised

in the literature (and long before this by good managers) that predictive, routinised or scientific approaches to management are not very effective in dealing with discontinuous change. And, from the late twentieth century, there has emerged a perception that businesses face increasingly unpredictable markets, processes and behaviours both inside and outside the firm. Management literature has attempted to address this unpredictability by referring to chaos, complexity, narrative sense-making – and creativity. A related shift has seen a growing emphasis on individual potential and the human side of enterprise. Rather than designing perfect systems and models, today's managers are increasingly concerned to adapt collective systems to individual behaviour (from employees, but also from consumers) and applying looser controls geared towards maximum human potential rather than maximum organisational efficiency.

'Creativity', then, has been seen to offer a panacea to some of these management problems because, stereotypically, creativity is considered by many managers to represent individual, unpredictable or spontaneous qualities which challenge old-fashioned, top-down and habitualised approaches to management. Yet as we have seen, this is a narrow stereotype of creativity which misses out some of the dualism and complexity referred to in our discussion of creativity. There is a similar stereotype in assuming that management has switched over from tight to loose, from predictable logic to spontaneous imagination. Surely practical management has always encompassed tensions, compromises, paradoxes and contradictions. Managers every day must face choices between too much control and too little, between favouring the individual or the collective, between certainty and chaos. If creativity has anything in common with management, it is not that it represents a new paradigm of individualistic spontaneity, sweeping away the lumbering juggernaut of scientific management. Rather, good management, like value-adding creativity, requires us to bisociate different capabilities and mindsets. It is this point of similarity, rather than the conventionally assumed differences, which we intend to explore through this book.

So instead of positioning management and creativity as opposites, or indeed defining management itself in terms of opposing terms such as change vs. continuity, individual vs. collective, centralised vs. decentralised, we prefer to describe creative management as a complex process which incorporates all of these elements. Our 'creative' (novel, value-adding) starting point for this handbook then is that 'creative management' is a multifaceted process extending beyond creative and management stereotypes such as the individual genius, 'breakthrough thinking' and the 'seven habits of the highly successful . . .'. *Creative management* is management that develops and promotes, in a process that holds together or connects

opposing loose and tight aspects, ideas and other products or services that are at once novel and value-adding over time.

## THE IMPORTANCE OF INTEGRATION AND TEMPORALITY: A STRATEGIC VIEW OF CREATIVE MANAGEMENT

The previous paragraphs outlined how this handbook starts from a new and value-adding definition of the subject matter. In addition, it seeks to provide comprehensive and strategic coverage of the field by taking an approach that seeks to *integrate* the elements that contribute to successful creative management and examine how these elements contribute in different ways and at different stages to adding value from creativity over *time*.

Following from our arguments against one-dimensional views of creativity and management, we take the approach in this book that creative management is not just about innovative products or strategies, risk-taking, charismatic ‘creative’ leaders or stimulating structures and environments – it is about all these things working together, from innovation and entrepreneurship through to leadership and organisation. We take the view that effective creativity in management (and management in creativity) needs to integrate four elements that have been increasingly treated separately: innovation, entrepreneurship, leadership and organisation (Bilton and Cummings 2010).

Considering these elements in turn, the starting point for the creative enterprise is innovation. Innovation is concerned with change, with new ideas and initiatives. In the next phase, entrepreneurs provide the energy and impetus to launch innovation, connecting potential projects into viable outcomes and linking new ideas to potential markets – without the entrepreneurial push, innovation remains untapped and dissipates into pointless inventiveness or mere tinkering. Organisation and leadership embed the process of change into the ongoing life of the organisation. Leadership steers the enterprise towards a common purpose or direction. Organisation embeds the other three elements – innovative initiative, entrepreneurial energy and leadership purpose and direction – into a sustainable whole, connecting individual elements and behaviours into collective systems, values and cultures. In turn, organisation is continually reanimated by innovative ideas and individuals. And so the cycle (or curve) continues.

Moreover, our research has found that success in each of these arenas often has bisociation at its root. This is made possible because each of

these phases of innovation, entrepreneurship, leadership and organisation are themselves 'bisociative', meaning that they each require apparently contradictory or paradoxical elements. This bisociative quality frequently results in a combination of individual and collective processes, with diversified individual competences and inputs framed by collective resources and consequences.

Innovation is primarily concerned with change and with initiating new ideas – but this can be both an active process of making something new *ex nihilo* out of our own capability and will (*creating*) or a more passive process of responding to happy accidents, building on our own and other people's mistakes and allowing space for the unexpected rather than trying to force the pace of change (*discovering*). Bisociative innovation requires managers to connect together different phases of ideation, decision-making and execution, and to mobilise support from different levels of the organisation to release new ideas and energies.

Entrepreneurship too is bisociative. Successful entrepreneurs are alert to new possibilities, ready to take a risk on a new product or market where a more cautious competitor might hold back – they have to be *dilettantes*, moving between different frames of reference without becoming locked into one perspective or project. But on the other hand, they are also *diligent*, latching onto their chosen project and stubbornly (sometimes blindly) refusing to give up until they have seen it through to its conclusion. Entrepreneurs add energy and commitment to the open possibilities of innovation.

Leaders respond to and advance the changes wrought by innovation and entrepreneurship, providing a sustaining vision and purpose to the entrepreneurial launch. Here, too, leaders must combine an ability to look outside and beyond the organisation, while at the same time engaging with colleagues and subordinates. Leaders *envision* the future, whilst they *interact* with the pressing realities of the present. The bisociative nature of leadership may again result in a combination of individual and collective processes, either through the agency of individual leaders, or as a collective capacity distributed through the organisation. Leaders build on entrepreneurial energies and innovative ideas.

In turn, leaders are both dependent on and contributing to an overarching organisational culture and community which embodies the shared vision of leaders and followers. Organisations have to be *loose* enough to allow for new ideas and inputs to be released and thus regenerate them, whilst at the same time being *controlled* enough to draw these diverse inputs into a common direction. Organisation is a collective process and system within which the other elements of creative management can be both sustained and regenerated.



Creative managers move fluently through these phases of innovation, entrepreneurship, leadership and organisation rather than ponderously lurching between them. Because these four phases of creative management are bisociative, comprising tight and loose aspects, and connecting change with sustainability (echoing the ‘new’ and ‘valuable’ components of creativity), it is possible to flow between them over time rather than seeing them as opposing tendencies. In other words, we do not need to restrict our view to only one part of the process – seeing managers simply as leaders or organisers, for example. However, it is useful to see how these elements of creative management relate to each other over time, relative to the typical growth phases of an enterprise.

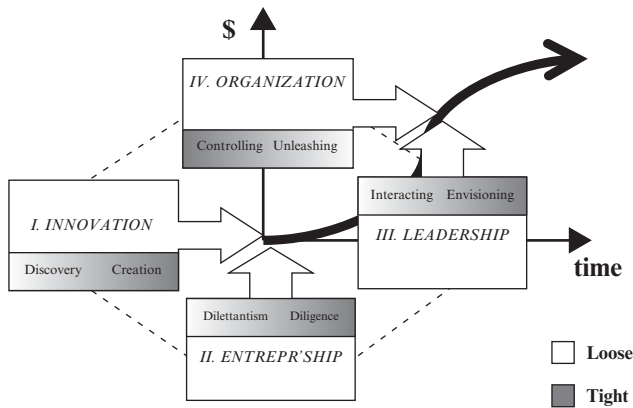
Management can, and creative management should, encompass contradictory processes just as in our earlier description of creativity. So, rather than describing a matrix of opposing elements (as is often the case in management – and creativity – textbooks), we represent these overlapping phases of creative management using another idea from the past: the innovation or technology S-curve.

With this simple shape at the heart of our four strategic elements of creative management we can see how, while nothing can happen without a novel and potentially value-adding idea, product, service or experience, entrepreneurship is an equally important partner in getting things ‘off the ground’. But even excellence in these two elements may not go very far without astute leadership that develops people and ideas through a combination of skilful interaction and providing a vision for further development. Further on, without a tightly defined organisational culture or structure, scale is difficult to achieve and sustain; but, at the same time, this organisation must also be loose enough in key dimensions to enable the space in which new innovations and entrepreneurs can take root and flight.

Each of these four elements or phases of creative management is connected and interdependent, containing traces of the others. Yet each will require different capabilities in practice and different theoretical frameworks to analyse and understand them. This is the challenge we have asked the contributors to this book to address.

## SHAPE OF THE BOOK

The remainder of the handbook follows the definitions and ‘shapes’ outlined below (Figure 1.2). The book is divided into four main parts: innovation, entrepreneurship, leadership and organisation. Each begins with a brief review of past and current thinking in this area and a scene-setting



*Figure 1.2 How the bisociation across the four strategic elements of creative management can drive the S-curve*

case study. Following on from each of these reviews are a number of chapters from leading figures in academia and a wide range of business and creative practices (music, theatre, art, dance, science, fashion, design, multi-media) and cultures, that explore the novel, value-adding, strategic and bisociative nature of the themes that make up that element of successful creative management and what their ideas mean for the management of creativity.

As we have already noted, each of these elements – innovation, entrepreneurship, leadership and organisation – are overlapping, both in terms of an overall cycle of cause and effect, and in the switching within each ‘stage’ of the cycle between opposing competences and mindsets. We, as editors, will seek to draw out the main themes, considerations and links at the beginning and the end of each part before we move on to the next element, showing for example how innovation connects to entrepreneurship or how leadership connects to organisation. We have also encouraged our contributors to consider the connections and bisociations within and between each phase of creative management and will attempt to draw together some of their considerations and connections in the final part and chapter of the book.

This connects back to our fundamental argument – that management and creativity represent complementary functions and processes. Each incorporates apparently contradictory elements. Creativity and management are not confined to two halves of a mental map or to two separate floors in a building; they cut across different categories. From a creativity perspective, innovative ideas only acquire substance and value if they are

acted upon and embodied into outcomes and actions, and entrepreneurial behaviours need direction and purpose. From a management perspective, sustaining the strategic vision of leadership requires core aims and processes to be continually reinvigorated by fresh thinking from below; and a collective corporate identity is only sustainable if diversity and difference can be reincorporated into the organisation rather than allowed to dissipate or simply denied. We believe that the key to effective creative management is an ability to tolerate, and even promote, contradictory perspectives, processes and frames of reference; to the extent that managers succeed in this, we believe that ‘management’ can be considered ‘creative’. We can seek to achieve the best of both ‘worlds’, if we think about it.

In keeping with our arguments above with respect to the effective management of creativity, this book is highly structured and ordered, but, we hope, in a way that will allow the reader to follow it in a linear fashion and/or to move around it in creative combinations. And within this tight structure there is a lot of diversity to combine: Eastern and Western views; writers from the Northern and Southern Hemispheres; practitioners and academics from the public and private sectors, from the so-called creative sector and the otherwise implied non-creative industries; perspectives from management, theatre, science, architecture, sport, gaming and play.

In the words of a writer on creativity who has been very influential to us, Ronald Finke (1990: 27), the most effective strategy may be ‘to imagine combining the parts in various interesting ways and then mentally “seeing” if anything meaningful emerges – what Einstein refers to [in the creative process] as “combinative play”.’ An introduction to the first of our four sections of this *Handbook of Management and Creativity*, on Innovation, follows.

## NOTE

1. At the time of going to press, these were <http://www.arsenal.com/the-club/corporate-info/the-arsenal-board>; <http://www.fcbayern.telekom.de/en/company/company/organe/index.php>

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