

Executive **EDGE**

CREATIVE JUICES

Creativity will become a key playing card in the 1990s, as businesses face greater changes with fewer staff. But managers who fail to nurture the creative oddballs in their midst risk losing them to competitors.

Sixty years ago, H. L. Mencken described the chief rewards for creators as "freedom, opportunity, and the incomparable delights of self-expression." Whether in suits or berets, creative employees are self-motivated risk takers who thrive on ambiguity

and novelty. Most creative people do not consciously apply techniques that lead to innovation, but managers can take some steps to foster creativity in their most talented workers and every other employee as well.

- *Accommodate.* Creative persons can be ornery, unpredictable, and nonconforming. Nurture ideas by being flexible in terms of work hours and policies and supporting workers through the inevitable failures that accompany the creative process.

- *Stimulate.* Bring in

speakers, make lunches a time for schmoozing and sharing ideas, make sure employees take vacations, and allow them the luxury of staring out of windows.

- *Recognize and reward.* Creative people may not care as much about money as getting recognition from their peers and seeing their ideas executed well. But they are proud of their work, and managers must never try to hog credit.

- *Direct (lightly) and give feedback.* Do set deadlines and some guidelines for creative work, but avoid explicit direction that undercuts a sense of autonomy. One solution is to

allow creative staff to spend time with customers to learn about their needs first-hand.

- *Be creative yourself.* Managers can better understand the creative challenge if they take it on themselves. For example, Hallmark

sends 80 executives a year through a creative leadership course in which they are asked to design and produce a line of cards.

From Alan Farnham, "How to Nurture Creative Sparks," Fortune, January 10, 1994, pp. 94-100.

STRATEGIC FALLACIES

Although the business world's infatuation with strategic planning has waned, it continues to be useful in ensuring that an organization's employees are moving in the same direction. But there are tasks strategic planning cannot accomplish—indeed, never was intended to accomplish.

In the strategy-making process, managers take what they learn and synthesize that learning into a vision, a direction in which the organization should go. Strategic planning, on the other hand, is the articulation and elaboration of strategies that already exist. Equating strategic planning with strategy making is a grand fallacy, based on three fallacious assumptions:

- The first assumption is that prediction is possible. But events like technological innovation or price increases cannot always be predicted, so strategic plans may soon be off the mark.

- Premise two holds that strategists can be detached from the subject of their strategies. Although managers need hard facts, studies have shown that effective managers also turn to soft information such as gossip and other intangible scraps of information.

- The third fallacy is that strategic plans should be formalized. Although formal procedures can provide some guidance, human intuition and creativity play an important role in making strategic planning a learning process.

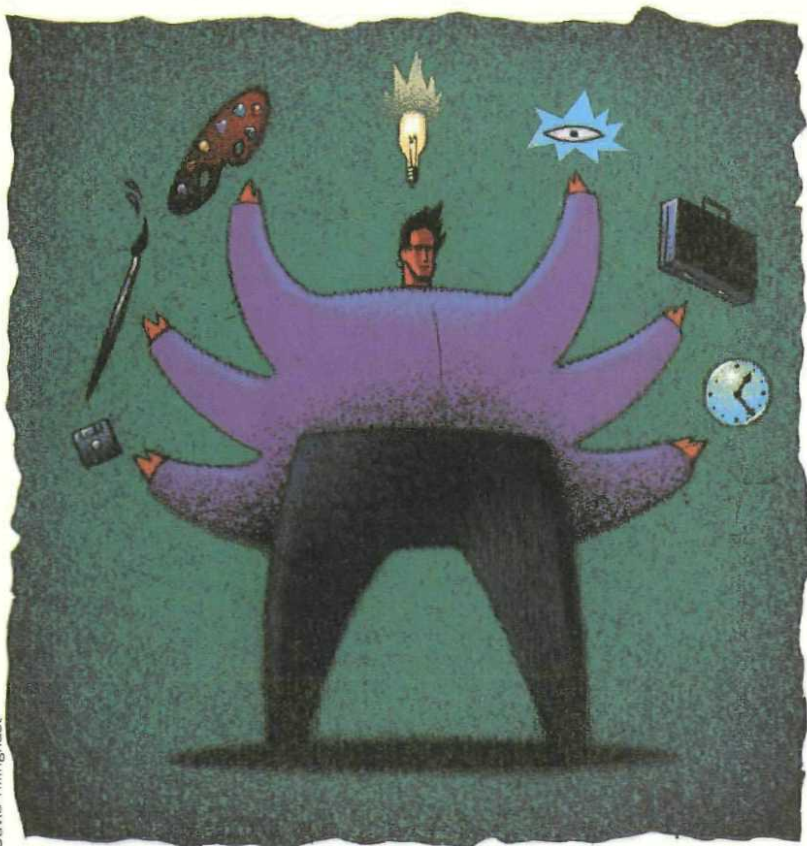
Strategic planners concerned that their jobs may be terminated as a result of strategic planning's diminished popularity should stop worrying: Someone in the organization has to have the skills to make strategies operational. They can do this in three steps:

- Codify the strategies, interpreting nuance, subtlety, and qualification.

- Elaborate on these codified strategies, breaking them down into action plans and specifying how to realize them.

- Convert strategies into their effects on operational documents such as budgets and procedures.

From Henry Mintzberg, "The Fall and Rise of Strategic Planning," Harvard Business Review, January-February 1994, pp. 107-114.



David Tillinghast