

# The Development Vessel

## Creativity and Innovation

### Creativity Defining the Success of an Organization

Intelligence is a factor in performing in business; however, it is creativity of what is not here today and the risk attached to it that helps great organizations grow and prosper. Clearly, all insightful firms with imagination and drive are ahead of their time.

It is commonly believed that successful organizations sprout from their "genius" of real leadership and that it was their intelligence that brought them to where they are today. Examples often cited are: Sam Walton founding Wal-Mart, Steve Jobs with Apple, Bill Gates with Microsoft, Juliette Gordon Low with Girl Scouts USA .

"One day if I become as smart, perhaps I'll have a successful business" is a common theme among children and young adults looking at how these executives have built corporate empires.

#### **Avant Garde of Business**

Ahead of your time: This is the process in which all executives and managers need to be in: the daily operations of day-to-day and the future operations of tomorrow in order to establish a successful organization. Focusing on the future requires the business to have capital and the creativity and imagination needed in order to change what tomorrow will look like. Every injection of a new product or new idea into the marketplace in effect adjusts the course of the environment. An innovative idea like a successful automobile or hard-drive based MP3 player such as the iPod creates an environment where competitors will race to catch up and release something stronger and better.

Part of the downfall of the American automobile industry in the 1980s and post-2000 was in part that the American auto companies were focusing on what today looked of what the future would become (energy efficient vehicles, bigger is not necessarily better). While Detroit was building SUV's and large vehicles, they looked at Toyota and Honda building small vehicles and hybrids and were asking "Why aren't they getting with the times?"

That was part of the problem, GM, Chrysler and Ford were "getting with the times" while Toyota and Honda were "getting ahead of their time." In 2009, bankruptcy filings and massive debt loads resulted in taxpayers and government help bail out these American manufacturers that fell from their ivory tower. Now Toyota and Honda are wondering when the American automobile companies are going to even reach the "getting with the times" point as they close factories and re-structure their organizations with North American's taxpayer dollars.

The question is not "What innovative ideas and products can we come up with?" the question is "What do we want to see happen that is quite different from today? What is the right direction for our business a few years from now?" From 1996 on the Sony Discman was an integral part in portable music, manufacturers would then push ahead to "flash-based" MP3 players that would help convert CD's to MP3's and hold the songs on a smaller device. Out of nowhere, Apple releases the iPod in 2001 holding up to 20GB of music while other manufacturers had units that would hold a fraction of that (64 MB, 128 MB and 256 MB is 0.2 GB...substantially lower than Apple's Basic iPod at 5 GB).

Apple's thought process was not "Let's release the biggest and best MP3 player on the market", it was "Let's build a device that would hold an individual's entire music collection for use on-the-go anywhere, anytime". By the time other manufacturers such as Sony and Panasonic stopped building a line of Discman's and small MP3 players and moved into hard drive media, it was already too late as Apple reached dominant market share.

Creativity and being able to take risk into what the future will look like is one of the primary steps to become a successful business. The organization that takes the "risk-free" alternative is only doing what was done in the past and present which is outdated and done by everyone else. Only having "intelligence" and "genius" is not enough, there needs to be a level of execution and of a belief of where the organization is headed.

If the Japanese auto companies and Apple did not have the faith and the courage to dive into these new ideas with full support from the executive team to the line-level staff, the implementation of the creative direction would have stagnated both those organizations. Innovative ideas that turn into actions is how an organization begins the build the future today.

Jorrian Gelink

### Peter Drucker Quote of the Month:

*"The most important thing in communication is to hear what isn't being said."*

### Web 2.0 Company Profile and Business Benefit

#### Facebook



#### What is It?

An online social network to help you connect with friends, family and business contacts to share what you are about.

#### Business Tips

Post meaningful status updates that relate to your field of expertise. Include links, photos and videos for your network to see.

Restrain from posting anything you would not want on the front page of the newspaper. Professionalism should be maintained inside and outside of work.

Create a "Fan" Page and post details about you and your Company with photos, videos and news updates. Keep the content fresh to maintain traffic!

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## The Limits of an Institution's Social Responsibility

The first responsibility of an executive is to be responsible towards the institution. Every institution whether it is a business, hospital, university, military or other organization thrives in a society and a community. Community influences the inside of an organization and the organization influences the community around it. Institutions have a dedication to be socially responsible to succeed today and beyond. However, there are some limitations of being socially responsible. The executive that manages an institution that is performing poorly yet allocates resources to the social problems of the community is *not focusing on the priorities in turn negatively impacting society*.

The institution in society needs to perform in order to benefit the community. The first social responsibility of an institution is performance. The hospital must make sure all patients are attended to effectively, the university needs to make sure that their students are trained to be the leaders of tomorrow and the business needs to ensure profitability in order to continue to do business. *Performance of the institution means benefits for society and true social responsibility, the responsibility to perform.*

Executives also need to look towards the resources allocated toward the future. Profit is a means to keep a business running and operating; however, profits put towards social problems and events needs to be tracked and not mis-allocated. The manager's responsibility is to be responsible to the public and shareholders by making sure profits are allocated first to the institution before being socially responsible. Engaging in social activities, donations or charities without analyzing future profits may make you the idol of the community, but not for the stakeholders of the organization when the company is in financial turmoil.

Finally, an institution needs to look at the social tasks that fit into its mission and value statements. An executive team that makes cigarettes deciding to help fund an anti-smoking campaign or a university promoting events to help recruit for the military will not be successful, as they will not be passionate about the event and will unlikely assign good people to the task. An institution "dedicated" to a social event that goes against or does not properly fit the core values will end up doing more damage than good.

In conclusion, the first social responsibility for any institution is for the executive and management teams to be responsible for the institution *first*. It is understandable for the community to ask for more from the universities, the schools and the businesses, but the executive must always keep in mind the priorities needed to sustain the institution and in effect sustaining the communities around it. A bankrupt business can not hire employees, sustain their workforce or provide donations unless it is performing and *fulfilling the function of why the institution exists*.

Jorrian Gelink  
Management Architect



Jorrian Gelink is leadership coach and "management architect" in the continuous study and analysis of modern management. Providing free resources such as his non-profit management consultancy site, Jorrian.com, Jorrian wishes others to achieve a higher level of excellence and understanding in the field of management within their industry.

Following Peter Drucker's work (the father of management), Jorrian adapts Drucker's ideas and effectively teaches it out to others in a format that is actionable and up to date to current events. Jorrian Gelink wishes to be a thought leader in management and leadership throughout his career and share his wealth of knowledge with everyone!

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