

“Dynamics of Creative Leadership in Modern Context: An Analytical view”

Asst. Prof. Supriya Bhagat Ashoka Center for Business and Computer Studies University of Pune, Nashik, India. Supriyabhagat02@gmail.com	Asst. Prof. Ajay H Shukla Ashoka Center for Business and Computer Studies University of Pune, Nashik, India ahs.nsk@gmail.com,
--	---

Key Words: *Creative Leadership, Business dynamics*

Abstract

In a progressive change-driven world, leaders are called upon to evolve their mindsets and skill-sets to reflect and serve the demands of the new millennium. A novel leadership concept, creative leadership, is introduced and defined and then placed in context within the history of the field. Additionally, skills and behaviors related to leading creatively, which are immediately applicable to leadership practice, are outlined. Creative thinking and problem solving are shown to be indispensable to leaders who want to thrive in times of complexity and change.

Key words - creativity, leader, innovation, personality, business, environment

1. INTRODUCTION

.It is a process by which one person influences the thoughts, attitudes, and behaviors of others. Leaders set a direction for the rest of us they help us see what lies ahead they help us visualize what we might achieve they encourage us and inspire us. Without leadership a group of human beings quickly degenerates into argument and conflict, because we see things in different ways and lean toward different solutions. Leadership helps to point us in the same direction and harness our efforts jointly.

According to *Peter Ducker*, a leader is someone who has followers

Warren Bennis defines Leadership as a function of knowing yourself, having a vision that is well communicated, building trust among colleagues, and

taking effective action to realize your own leadership potential.

Applying creative thinking to your challenges as a leader is one step in creating an innovative organizational response to change and challenge. But developing a culture of innovation, where others throughout the organization apply innovative thinking to solve problems and develop new products and services.

1.1 Pre-requisites for organizational creativity & Leadership:

- **Organizational Encouragement-** An innovative organizational culture has a shared vision for innovation; demonstrates fair, constructive judgment of ideas; rewards and recognizes innovative work; and has mechanisms for encouraging and developing an active flow of ideas.
- **Lack of Organizational Impediments-**A culture that encourages innovation is one whose leaders actively remove organizational barriers to innovation. Internal political problems, harsh criticism of new ideas, destructive internal competition are minimized or eliminated. Other impediments to innovation include: an avoidance of risk, a fear of failure, and existing processes that crush new ideas.
- **Leadership Encouragement-** Innovative leaders show support and confidence in the work and value individual contributions. They nurture and promote creative people. Leaders encourage innovation when they protect and participate in the innovation process by neutralizing negative people, watching out for corporate systems and responses that quash innovation and by using innovative thinking in their own work.

- Sufficient Resources- Innovation becomes a priority only when people are given access to appropriate resources, including funds, materials, facilities and information.
- Freedom- Innovation expands as people feel a sense of freedom in deciding what work to do or how to do it.
- Challenging Work-A sense of being challenged by work on important projects is conducive to both innovation and productivity. Set big outrageous goals and assign difficult work but be sure the systems and structures that support innovation surround the work, too.
- Teamwork and Collaboration-People in innovative organizations communicate well, are open to each other's ideas and support each other in shared work. Set up space and processes that encourage interaction, easy exchange of ideas, fun and serious play.

2.0 BACKGROUND OF STUDY

Aristotle is said to have believed that *from the hour of their birth some are marked out for Subjugation and others for command*. In today's pluralistic society, which acknowledges the many types of ability possessed by human beings, the outmoded Trait Theory—the belief that *leaders are born and not made*—has long been regarded as a fallacy. Creativity has always been at the heart of business. The ability to create something novel and appropriate, creativity is essential to the entrepreneurship that gets new businesses started and that sustains the best companies after they have reached global scale.

Leaders know in their gut that creativity and innovation are the lifeblood of their organization. New ideas can lead to programs that are superior to those that are already going on or planned in the organization and which would have been divested or never initiated had a better idea or program come along. So, the mission of every leader should be to search continually for ideas and programs that are superior to the ones the organization is currently committed to.

The contexts in which leaders have to function are characterized by high levels of diversity and flux. These post-modern environments require leaders with new mindsets and skill sets; leadership must be

flexible enough to not simply permit change to occur, but to help initiate and then manage it. The seemingly disparate fields of leadership and creativity are linked together by change; leadership is requiring it, and creativity helps leaders achieve it. Ultimately, creative leadership is about establishing a climate that encourages our innate creativity, and provides leaders with the skills to facilitate processes, such as problem solving, in new and useful ways

2.1 Principles of leadership

U.S. Army, 1983, stated eleven Principles of leadership which are as follows.

1. **Be technically dexterous** As a leader, you must know your job and have a solid familiarity with your employees' tasks. At a time when the idea of "business blogging" was brand new (and usually feared), IBM encouraged their 320,000 employees to start company blogs. IBM leadership drafted a corporate blogging policy that encouraged employees to be themselves, speak in first person, and respect their coworkers. The result? A marketing bonanza for IBM. Their company blogs are some of the most trusted technology blogs and generate tons of page views and links back to IBM. Instead of fearing the new technology, IBM embraced it, making their customers and employees very happy.
2. **Seek responsibility and take responsibility for your actions** - Search for ways to guide your organization to new heights. And when things go wrong, they always do sooner or later — do not hold responsible others. Analyze the situation, take corrective action, and move on to the next challenge.
3. **Make sound and timely decisions** - Use good problem solving, decision making, and planning tools. This concept can be well understood by the following case of *Bill Ford's* Global Policy Decision where Ford Motor was in making of low cost gas guzzling F-150 pickup truck. But in 2007/08 oil crisis escalated gas prices at that point *Bill Ford* made an important decision of

think small, think fuel efficient, and think global. Ford was fortunate the company had successful fuel efficient models which became the basis for his new policy of downsizing the cars.

4. **Set the example** - Be a good role model for your employees. They must not only hear what they are expected to do, but also see. *Sudha murthy* the wife of the chairman and former CEO of Infosys is known for her philanthropic work through the Infosys foundation. Where she initiated that the government school in Karnataka provides library facilities and computer education
5. **Know your people and look out for their well-being** - Know human nature and the importance of sincerely caring for your workers. This perspective is well adapted by *RITZ- Carlton hotel*. Here not only customers but also employees are well treated with dignity and respect as illustrated by the company's slogan "ladies and gentlemen serving ladies and gentlemen."
6. **Keep your workers clued-up** - leadership demands information about what is really going on in the organization to know how to communicate with not only favorable subordinates but also with other people. A similar practice is called "management by wandering around" at *Hewlett- Packard* is followed in a belief that manager will improve informal communication channels by walking through the plants.
7. **Develop a sense of responsibility in your workers** - Help to develop good character traits that will help them carry out their professional responsibilities. The above stated principle can be well illustrated in *Ritz Carlton hotel* where employees are encouraged to propose recommendation for quality improvement
8. **Ensure that tasks are understood, supervised, and accomplished** - Communication is the key to this responsibility which was well understood and applied by *Toyota's motor corporation* under global production strategy.
9. **Train as a team** - Although many so called leaders call their organization, department,

section, etc. a team; they are not really teams...they are just a group of people doing their jobs. The above stated principle can be well understood by the work done by *Mumbai Dabbawala's*. By using their creative network they are performing their task in a team and for that they are ISO certified.

10. **Use the full capabilities of your organization** - By developing a team spirit, you will be able to employ your organization, department, section, etc. to its fullest capabilities. The style was well adapted by *S. Robson Walton Chairman* of Wal-Mart. Walton says it is the job of leaders to "listen to employers, and listen to customers" and thereby establishing a service spirit for the whole company.

3.0 RESEARCH METHODOLOGY

Data Collection: The Paper is more of based on live example and cases taken from industry. For the purpose secondary data was collected from

- Newspaper,
- Books,
- Journal ,
- Cases study,

Objectives:

1. To study the classification of styles of leadership
2. To study the differentiating traits of creative leaders
3. To study and propose process of practices creative leaders.

4.0 OBSERVATIONS

The basic condition for a creative act is to combine known elements into new combinations or perspectives that have never before been considered. *Perkins* writes of the utility of deliberately searching for many alternatives so that many combinations and perspectives can be considered. He stresses that superior creative effort involves deliberately searching for many alternatives. Creativity is much

more likely to emerge when a person considers many options and invests the time and effort to keep searching rather than settling for mediocre solutions.

4.1 Leadership styles in Modern Corporate Scenario:

Leadership style refers to a leader's behavior. It is the result of the philosophy, personality, and experience of the leader. In 1939, a group of researchers led by psychologist *Kurt Lewin* identified different styles of leadership which are as follows.

I. Autocratic or authoritarian style

This is the commanding style—“Do as I say, because I am the boss.” This style is based on the power of the position. . Authoritarian leadership styles examples can be found in the real world in people like *Bill Gates* and *John F Kennedy*. *Bill Gates* followed the authoritarian leadership style and steered Microsoft towards unbelievable success. According to *Bill Gates*, he had a vision when he took reins of the company and then used all the resources available to make that vision a reality. His success can be judged from the way personal computers industry has advanced in America today. Another concept in this type of leadership style is Benevolent autocrat in which an autocrat uses reward power to persuade rather than coercive power. Though still an authoritarian leader, he shows active concern for the welfare of his subordinates, and allows involvement in planning, though; he retains the actual power to make and executive decisions.

II. Democratic or participative

Democratic or participative (sometimes called authoritative) this is the style that includes participation and greater equality between leader and followers. This leader asks, “What do you think?” and may make some decisions by majority rule. leader uses a lot of influence, allows autonomy and avoids commanding his will on subordinates. Authority here is decentralized. He Believes that people are motivated by higher-level needs for social interaction achievement and self actualization he tries to make subordinates’ duties challenging Apple -*Steve Jobs* and Whole Foods - *John Mackey* are examples of participative business leaders today. Another famous example of a participative leader is *Narayan Murthy* founder of Infosys.

III. Laissez-faire or free reign

This style is unengaged in leadership, and simply lets people do their own thing with the leader exerting few controls. This is a French phrase meaning “lead it alone” subordinates, here, are given total liberty to select their own objectives and monitor their own work. The free reign style can be good or bad, depending on whether the followers are high performers or not. Good performers need free reign to perform best, but for beginners and marginal performers this style is completely ineffective. *Bill Hewlett*, cofounder of Hewlett-Packard liked to roll up his sleeves and inspire engineers by walking the floors and listening to their concerns. Another example for the same is the V.S.S. Mani founder and CEO, Just Dial

IV. Transactional leadership

In this kind of leadership, a clear chain of command is established. The leader motivates his subordinates by presenting them with rewards and punishments. All requirements for a subordinate are clearly stated with corresponding rewards. If they fail to satisfy those requirements, they will receive a corresponding punishment. *Adolf Hitler*, *Joseph McCarthy*, *Charles de Gaulle* were all known to be transactional leaders.

V. Transformational leadership

In this, the leader leads by motivating their followers. Leaders appeal to their followers' ideals and morals to motivate them in accomplishing their tasks. Basically, these kinds of leaders empower their followers using their own beliefs and personal strengths. Simply put, they inspire their followers. The development of computing technology by Apple, IBM, Intel, Microsoft and others in the late 1970s and the early 1980s was a transformational event. Apple co-founder *Steve Jobs* and others transformed business processes through software applications and high-speed microprocessor. Famous transformational leaders include *Martin Luther King Jr.* and *Walt Disney*. *Vijay Subramaniam* the Chief Executive Officer, International Business Group of *Marico* says Innovation, creativity and thought leadership are the fundamental building blocks of *Marico*. The spirit of innovation in *Marico* is demonstrated in its unique product designs, the Saffola range of functional foods

or Parachute Therapies (hair oil that promises to reduce hair fall). Then new 'sensorial' like Parachute Advanced Night Repair Crème and the Kaya product range.

VI. *Servant leadership*

The style called servant leadership is based on a term coined by *Robert Greenleaf* in the 1970s. This leadership style is based on strong values and personal integrity. In servant leadership, the leader takes care of the needs of his followers first before they take care of their own. Instead of acting like a king to their subordinates, leaders act as servants. The leader feels that they need to serve their followers rather than force upon them what they want. Famous leaders of this type are *George Washington, Mahatma Gandhi*.

VII. *Charismatic leadership*

This is the modern leadership styles in the changing world. In this, the leader uses charm to get the admiration of their followers. They show concern for their people and they look after their people's needs. They create a comfortable and friendly atmosphere for their followers by listening to them and making them feel that they have a voice in the decision making. Starbucks is known for its exceptional treatment of employees, offering things like insurance to even part-time workers. When tragedy struck the company, it's no surprise that their CEO was able to comfort a hurting store and community. In 1997 three employees were killed in a bungled robbery of one of their Washington D.C. stores. Instead of issuing a press release or calling legal counsel, CEO *Howard Schultz* flew straight to D.C. and spent the entire week with the employees and their families in the area. *Schultz's* compassion and incredible leadership helped heal those closest to the tragedy. Other legendary examples of charismatic leaders are *Bill Clinton, and Mother Teresa*

4.2 TRAITS OF CREATIVE LEADER

Creative leaders have some distinguish behavioral characteristic which make them different from others which are summed up as follows.

- *Creative Leaders Are Well Informed*
A profound knowledge of a problem area is needed in order to understand the limits of current dogma and to identify those areas where creative thought will be most fruitful. However, too much knowledge impedes the creative process; examples of some leaders can be *Steve job* at apple computer, *Bill ford* at ford Motors Company and *Bill gates* of Microsoft.
- *Creative Leaders Are Original Thinkers*
Original thinking is not the same as creativity but is obviously prerequisite for creative thought. Creative people tend to be too quick to judge or reject ideas. Creative people think out carefully what they are looking for, and they clarify the reasons for their reactions emerging ideas as challenges for some company can be opportunities for others. In late 1970 IBM was selling obsolete and outdated machines in India. *Wipro* which was a very small company that time under the chairman, *Azim premji* took advantage of the outsourcing trend and became India's low cost quality IT service provider.
- *Create the Right Environment*
Creativity Is Contagious though we may not fully understand the processes of creativity, we know that they are "contagious." Certain environments contain something that enhances the creativity process.
- *Challenge People*
Without challenge, there is not enough stimuli to elicit creative responses. But too much challenge burdens and overwhelms the emotions and the mind, shutting off the capacity for creative thought. arose. Productivity also increased when the scientists and engineers were given positive reinforcement and were en-courage to participate in policy making.
- *Get a System of Rewards for Creativity*
When workers know that management rewards new ideas, they will try to generate

them. The best way that management can make its wants known, and believable, is to provide tangible rewards for new ideas. Rewards can take the usual forms, ranging from more money (bonuses) as quality is a strategic weapon in the global marketplace. The traditional contributors to quality management are Deming, *Juran* and *Crosby*. The *Malcolm Baldrige national quality award* recognizes organizations for their excellent performance.

- **Get Rid of the Disincentives**
The most common disincentives for creativity and innovation arise in an atmosphere of fear—fear of being penalized for failure, fear of not getting adequate administrative support, or fear of not having enough time.

4.3 The process of creative leadership

The Creative Process has six phases...

Inspiration: In which you study and generate many ideas

Clarification: In which you focus on your goals

Evaluation: In which you assess your work and learn from it

Distillation: In which you decide which of your ideas to work on

Incubation: In which you leave the work alone

Perspiration: In which you work on your best ideas

The process of creative leadership is given by Kouzes & Posner in 1987. Following steps are as follows.

- **Challenge the process** - Find a process that you believe needs to be improved the most.
- **Inspire a shared vision** - Share your vision in words that can be understood by your followers.
- **Enable others to act** - Give them the tools and methods to solve the problem.
- **Model the way** - When the process gets tough, get your hands dirty. A boss tells others what to do a leader shows that it can be done.

- **Encourages the heart** - Share the glory with your followers' hearts, while keeping the pains within your own.

Leaders should stimulate creativity for two very important reasons: to prevent obsolescence and to increase productivity.

5.0 SUGGESTION:

Our Proposed Model on working of creative leader:

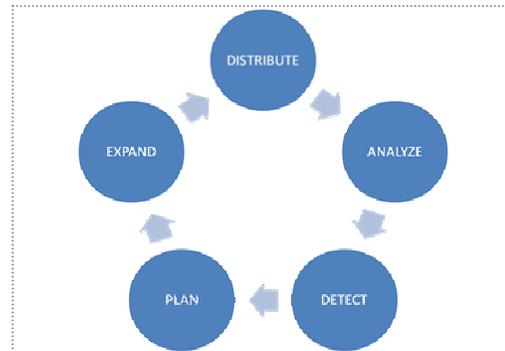


Fig 1: Proposed Model on Practice of creative leader

Analyze: An opportunity for innovation

Detect: Exact area to focus on.

Plan: How to implement.

Expand: The Idea to depth

Distribute: Involve people share idea, thoughts, plan and credit of success.

6.0 CONCLUSIONS

21st Century world demands leaders with creative mindsets and skill sets that allow them to initiate and manage change. As an emerging paradigm, creative leadership offers the ability to approach many facets of leading, such as solving problems and facilitating change processes. Creative leadership helps leaders to establish organizational climates that encourage and facilitate every person's innate creative ability. In addition, it provides leaders with the tools they need to actually facilitate change processes, allowing them to have a profoundly positive influence on their personal contexts, and, thus on the world.

AUTHORS PROFILE

REFERENCES

Bibliography:

1. Subbarao. *P Personnel And Human Resource Management- Himalaya Publishing House*
2. Saksena S .C ,*Business Administration And Management -Sathiya Bhawan , Agra*
3. *Sail Journal Of Management Training Institute*, Oct-Dec 2008 ,Vol36
4. Rowe, W. G. (2007). *Cases In Leadership*. Thousand Oaks, Sage Publications
5. C.K Prahalad And M.S Krishnan, *The New Age Of Innovation* (New York: Mcgraw-Hill-2008)
6. Mamoria C.B, *Personnel Management – Himalaya Publishing House*
7. Ivancevich, J., Konopaske,).*Organizational Behavior And Management*. New York: Mcgraw-Hill Irwin (2007)
8. David Horth ,*Innovation Leadership*. Center For Creative Leadership And [Http://Www.Ccl.Org](http://www.ccl.org)
9. Ahuja K.K. *Management And Organization-* Cbs Publishers And Distributors
10. Peter F Drucker, *The Practice Of Management* (New York: Harper & Brothers, 1954)
11. Harold Koontz- *Essentials Of Management: An International Perspective*. The Mcgraw-Hill.
12. Heinz Weihrich, *Essentials Of Management* The Mcgraw- Hill
13. [Www.Fas.Org/Irp/Doddir/Army/Fm6-22hill](http://www.fas.org/irp/doddir/army/fm6-22hill)

Supriya Bhagat: working at ACBCS as Asst.Prof since 1.5 years and total teaching experience of 2.5 years. Pursuing PhD from Nagpur university and Masters in Business administration specialized in Human resource.

Ajay Shukla: working at ACBCS as Asst.Prof since 1 year and total industry & teaching experience of 3.5 years. Masters in Business administration specialized in financial management.