

Creative strategy and strategic change

Some insights from the Polish study

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Objectives of the presentation

- To conceptualize and operationalize the construct of creative strategy
- To present some insights about creative strategy and strategic change in PL
- To find relations between dimensions of creative strategy and performance
- To measure the level of reconciling creative strategy paradoxes



Creativity and strategy

two contradicting concepts

- Strategic management focuses on planning, creativity cannot be planned
- Strategy avoids mistakes, creativity requires non-standard acting and thinking with room for making mistakes
- Strategic management is about classifying, typologizing, categorizing; creativity promotes paradoxes reconciliation, moving through domains and disciplines, crossing borders, thinking 'out of the box'
- Creativity requires holistic thinking (linking art and innovation), strategic management makes functional choices and is impemented by one-type organization
- Strategic management requires systematical work, consistency and effectiveness, creativity requires both hard work and relaxed time (illumination)







The concept of creative strategy

- Individual level linking art and abstract thinking with technological innovation (Boden 2004)
- **Dyadic and group level** creating workplace conditions for stimulating group creativity (*Tucker 2008*)
- Organizational level
 - Creative strategy = advertising concept of a product
 - Creative strategies (Kuhn 1989)
 - Linking individual and organizational creativity (Leigh 2012)
 - Creative paths for reaching top-down goals (McCrae 2013)



The concept of creative strategy

The sequence from idea to the commercial product supported by proper leadership, strategic change and organizational design

- Reconciling paradoxes in four dimensions (Bilton, Cummings 2010):
 - Strategic Innovativeness (discovering existing products vs. creating new products)
 - Strategic Entrepreneurship (diletantness vs. disciplined start-up/venture preparation)
 - Strategic leadership (creating strong vision vs. building networks outside organization)
 - Creative organization's design (centralization and top-down control vs. freedom of manouevre and bottom-up experimenting)
 - Strategic change
 - (evolution vs. revolution)



The concept of creative strategy





Empirical research

- H1: Creative strategy is a six-dimension construct
- H2: The researched organizations are able to reconcile paradoxes of creative strategy
- H3: There is a positive relation between creative strategy dimensions and performance

- 606 organizations, random
- Survey questionnaire using operationalized items of creative strategy; the paradoxes matrix
- Respondents top and middle-level strategic managers
- Seven-point Likert scale



Research results 1 elements of creative strategy

- The elements of creative strategy are in line with theoretical dimensions
- Close linkage between innovativeness and entrepreneurship in effective creative strategies
- Strategic change very close to organizational design
- Leadership assessed highest, entrepreneurship lowest
- The level of creative strategy dimensions does not depend on control variables (only stronger leadership in larger organizations)



Research results 2 – strategic change

- A new factor identified in strategic change: building climate of trust and teamwork
- Communicating strategy by images when introducing change
- Organizational climate stimulating creativity, disciplined venture planning, creating possibilities of commercialization
- Creativity associated with spontaneity, improvisation brainstorming and chaos matters in the first phase; then disciplined planning processes enter
- Organization members do not like introducing change just for the sake of change itself
- Strategic Change should be introduced in doses that are acceptable for organization members



Research results 3 – creative strategy and performance

- No significant correlations between creative strategy dimensions and performance measured with financial measures
- Strategic leadership and performance negative relation (-0.13)
- Strategic change and performance positive relation only between moderate level of change and performance (+0.22)
- Relatively high correlations between dimensions of creative strategy and performance measured with non-financial measures



Research results 4 – creative strategy paradoxes reconciliation

- Generating vs. discovering ideas most organizations discover, re-use, imitate
- Diligence vs. Diletantness diligence prevails, no time for improvising, trying new things
- 'Desk' strategy building vs. social networks quite a good reconciliation
- Informal vs. formal structures, strong vs. adaptative culture formal over informal
- Revolutionary and evolutionary change organizations prefer evolution and incremental change. Revolution, or radical and concentrated change is not preferred



Limitations and future research

- Sample, method and measures limitation
- One-off vs. longitudinal research
- Survey vs. financial data
- Cultural issues concerning entrepreneurship, change



Thank you

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Appendix



Can you conquer the market by using opportunities in business changes?



How to calculate the profile?

Question





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 $P = \sqrt{(5-1)^2 + (5-3)^2}$

The best result =0 The worst result = 5, 65



Strategic risk profile

0 – 2, 53 The company is able to reconcile strategic contradictions

2, 54 – 3,66 Organization is in the strategic alert situation

3,67-5,65 Organization is in the situation of strategic threat



• Generating vs. discovering





Diligence vs. diletantness





Strong vision vs. network building





Evolutionary vs. Revolutionary change



