

# Leadership for Creativity, Innovation and Entrepreneurship\*

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People, organisations, communities and societies face challenges ranging from global warming and climate change to the impacts of disruptive technologies and new business and operating models. More than incremental adjustment may be required if we are to cope. For Schumpeter (1961), the sustained profitability of commercial enterprises is a consequence of innovation, which can require a combination of creativity and entrepreneurship. Creativity and innovation are also required in the public and voluntary sectors if, despite resource constraints and the changing and growing demands being placed upon them, they are to deliver acceptable services to the citizens who depend upon them (Dimock, 1986, Coulson-Thomas, 2012b).

## Professionalism and Accountability in Leadership

This article considers professionalism in contemporary leadership in relation to creativity, innovation and entrepreneurship. It highlights certain factors, such as openness and diversity, that have emerged as particularly significant in the author's engagements with directors and boards who are seeking to transform the prospects of their organisations by challenging inherited assumptions and looking beyond the incremental improvement of what already exists. George Strauss (1963) associated expertise, autonomy, commitment and responsibility with professionalism. The degree of autonomy or discretion leaders and others are given can depend upon expectations and trust.

Leaders should periodically reflect upon their own expertise and that of those for whom they are responsible, the degree of freedom and autonomy they are prepared to give to others, their commitment to innovation and radical change, and to whom they should feel responsible when seeking and helping to bring them about. They should also consider whether their own approaches to leadership, their values and the values they encourage and seek to instil in others are conducive of creativity, innovation and entrepreneurship. For example, might a democratic style of leadership be more appropriate than an autocratic one (Yuki, 1989)? Where people can be trusted to innovate responsibly and excessive interference might be counter-productive, should greater freedom be allowed (Coulson-Thomas, 1997a)? In some contexts leaders may need to define the nature of the creativity required as well as understanding how best to stimulate and manage it (Banks et al, 2002).

In relation to accountability, a degree of cynicism and distrust has resulted in calls for business leaders to look beyond shareholders and their own interests and pay more attention to the interests of other stakeholders. In the UK, Prime Minister Theresa May (2016) has raised the questions of whether certain interests and communities are being overlooked and whether governance arrangements should be changed to include representation for employees and customers on corporate boards. Increasingly, contemporary leaders may be expected or required to consider a wider range of interests when deciding when, where and for whom to be creative, innovative and entrepreneurial (Coulson-Thomas, 2017a).

A combination of developments require creative and innovative responses and much rethinking of individual ambitions and corporate aims and purposes. For example, repetitive, structured and, increasingly, knowledge-based activities and professional tasks may be automated and handled by robots, drones, artificial intelligence and other digital solutions (Ford, 2015). Such challenges and corporate reactions can have differing implications for various stakeholders. Many leaders may need to consider and periodically reconsider the choices, priorities and trade-offs they make in relation to both those who are impacted and those to whom they feel accountable or responsible.

## Values for creativity, innovation and entrepreneurship

For many leaders and followers, being values-led and endeavouring to do the right thing in terms of what is ethical and moral may seem highly desirable. However, they are not always easy to implement, and the “right” course of action is not always clear cut (Trevino and Brown, 2004). One's view of a situation and options can vary depending upon one's position, perspective and preferences. Are there particular qualities such as openness and tolerance and their associated values that are favourable to creativity, innovation and entrepreneurship and which leaders should encourage, support and reward? How are they perceived by the various social and ethnic groups, cultures, religions and nationalities within an organisation and among its stakeholders?

Archie Kleingartner (1967) identified some 30 goals or values which professionals seek in their work and careers. He categorised these into those concerned with individual satisfaction and career development; autonomy, economic security and enhancement; and occupational integrity and identification. The supply of disinterested counsel and service to others appeared in Sidney and Beatrice Webb's (1917) definition of a profession. One acid test of professionalism could be the relative emphasis one places upon personal as opposed to client or organisational interests when the going gets tough (Coulson-Thomas, 2015c). More recently, are leadership values and priorities adequately reflecting areas of concern such as sustainability, inclusion, transparency and fairness? Might a failure to respond lead to regulatory and/or other forms of intervention?

For Duxbury (2012) creativity is the generation of novel solutions to relevant problems, the first stage in the process of innovation, and a stimulus to opportunity discovery and new venture creation. Factors that might be conducive of creativity and innovation could include qualities such as independence, intuition, wide interests and non-conformism, behaviours such as critical, creative, imaginative and independent thinking, values such as openness to new ideas and tolerance of diversity, and beliefs such as the importance of challenge, discovery, experiment, exploration and trial. Certain factors are also conducive of innovation which is concerned with the successful development, adoption and commercialisation of creative ideas, for example by turning them into a tangible offering or an acceptable solution, a process that can require entrepreneurial skill.

Sir Alexander Carr-Saunders and Paul Wilson (1933) included adherence to an ethical code as a characteristic of a member of a profession. Such a code is usually underpinned by a particular set of values, Palchoudhury (2016) has expressed the view that “an ethical work environment is highly motivating and bound to increase productivity” and a “highly valued and ethical workforce” is likely to be “highly productive”. Can values and related factors also be linked to creativity, perhaps because of the extra trust that results and which might give people the confidence to challenge, try alternatives and take risks? Simply formulating ethical standards and compliance programmes may not be enough (Megan, 2002). When supported by ethical commitment and understanding, strong beliefs and supportive values, they may be more effective (Stevens, 2008; Tyler et al, 2008).

One needs to ensure that policies, rules, guidelines, standards and codes and compliance and other processes and practices are compatible with creativity, innovation and entrepreneurship. Leaders need to be alert to defensive responses and attempts to protect vested interests. As options, choices and possibilities multiply and new business and economic models emerge, traditional and past strengths can become sources of weakness and vulnerability. When and where rapid and creative responses depend upon breadth of awareness, wider relationships with stakeholders and the ability to make links and connections across specialisms, narrow skill sets and organisational divisions can become outdated, even irrelevant. Flexibility, openness to links, patterns and relationships, and the attributes of the alert and intelligent generalist may well become more significant (Mikkelsen and Martin, 2016). In the search for creativity, will there be greater demand for polymaths and will the creative and liberal arts experience a renaissance? Might a wider range of people and organisations

benefit from programmes such as those offered by the School for the Creative Arts to encourage and develop creativity, innovation and entrepreneurship for leadership in the creative arts (Coulson-Thomas, 2017b)?

### Changing Leadership Perspectives and Priorities

Some organisational leaders enjoy the wielding of power and regard themselves as “in charge”. They visualise themselves at the top of organisation charts, providing direction, issuing policies, taking decisions and monitoring the extent to which those for whom they are responsible are “on message” and falling in line. Their appointments may well have been based upon their past achievements in a previous era when expectations and possibilities were more limited and a different business model applied. Yet some of them still insist on calling the shots. Delegation may be perceived as a dilution of power and related authority. Some justify holding onto the reins of power by referring to their broader awareness and a more holistic perspective than others who are further down the organisation and who have more limited responsibilities.

In reality, those in senior management roles with heavy workloads may be preoccupied with the internal issues and challenges of a particular organisation. They may be further removed from stakeholder interests than, for example, front-line staff who are closer to customers and users and more involved in local communities. Stakeholder expectations can and do change (Oritzky et al, 2003). Leaders need to ensure they are aware of what is happening in the environment and context in which an organisation operates, and that the people for whom they are responsible are aware of shifting requirements and priorities and have sufficient understanding of an organisation's purpose, situation and capabilities to inform their choices and decisions about what is important, when and where to question, challenge and innovate and which opportunities to pursue for what ends.

How many directors remain current and vital? What proportion are beyond their “sell by” dates? Remaining open to new ideas and possibilities in the present, and being willing to question and challenge prevailing assumptions, explore alternatives and create new options, are important qualities for both directors and entrepreneurs (Coulson-Thomas, 2001). For some, disruptive technologies may be a challenge, but for others they represent an opportunity (Stuchtey et al, 2016).

Directors and senior managers are sometimes far removed from the coal face. They can lack awareness of what is happening in emerging sectors, especially when those involved as customers and users are from different communities and generations. Hence, they may not be aware of requirements, possibilities and/or where innovation might most add value for key customers. Directors whose role is to provide strategic direction are generally dependent upon others for creativity and innovation. Even where a latent potential for creativity, innovation and entrepreneurship may exist, they might not spontaneously arise.

In the late 1980s and early 1990s in certain companies such as Rank Xerox efforts were made to emphasise the importance of people in front line sales and service roles by inverting organisational pyramid diagrams (Coulson-Thomas, 1992). The board now appeared at the bottom. Directors perceived themselves and various layers of management as supporters of front-line staff, the main creators of value. Some chief executive officers (CEOs) renamed their roles as “chief coach” to emphasise the importance of supporting others and helping them to improve their performance. More recent investigations have shown that performance support can increase flexibility and speed of response, allow senior management to let go, empower and trust others, and be conducive of innovation and the dissemination of new ideas and offerings (Coulson-Thomas, 2012 a & b, 2013). It can allow people more scope for innovation, while simultaneously delivering multiple benefits for people, organisations and the environment. Collaboration and co-creation can also be supported.

## Importance of Openness and Diversity

Few companies are democracies. In recent years, while directors might talk about involvement, engagement, empowerment and participation, the focus of many boards has been upon driving people behind aligned objectives and a common purpose, renewing the attack upon variety, and standardising in order to reduce costs. Some boards have even tried to introduce a particular set of values and a common corporate culture into organisations that employ and serve people from a diversity of nationalities, religions, ethnic groups and political backgrounds and involved in very different of roles and activities. How desirable is this when what people do is important, and when many behaviours can be changed by performance support independently of corporate culture, structure and legacy systems (Coulson-Thomas, 2014a & b, 2015a & b)?

In the meantime, while many companies are aiming to constrain diversity and variety, just as many if not more of their customers are seeking a bespoke response to their personal requirements. They want to be treated as individuals rather than as a category or statistic. Many markets also appear to be fragmenting and, as mentioned already, possibilities are multiplying and a variety of new business models have emerged. Sir Karl Popper (1945) warned of enemies of the open society. Are those who are excessively concerned with standards, slaves to particular management approaches, intolerant of diversity, and reluctant to let go and trust others, enemies of the open company?

Openness to new ideas and a constant willingness to explore opportunities to improve, including when at the height of success, can be essential for staying at the cutting edge (Catmull and Wallace, 2014). Openness, curiosity and non-conformity are also associated with creativity and entrepreneurship (Duxbury, 2012). While creative artists might view each commission as an opportunity to build and enrich a portfolio, push against boundaries, and try something new and distinctive, in many businesses creativity cannot be assumed. It has to be fostered or released and then sustained. Directors should encourage people to be open about issues and problems, willing to suggest solutions and to learn from mistakes and failures, and to build upon achievements.

If realities are to be confronted and issues addressed, openness may need to be accompanied by candour. A key finding of the final report of the Mid Staffordshire NHS Foundation Trust Public Inquiry chaired by Robert Francis (2013) was the importance of candour in relation to failures and problems, so that issues can be brought into the open and addressed if improvements are to occur. Concealment is an enemy of progress. At Pixar, significant effort was devoted to creating a culture of candour that allowed open, honest and constructive questioning and comment, and encouraged a search for better approaches (Catmull and Wallace, 2014).

Creativity may be a necessary requirement for innovation, but on its own it may not be sufficient to guarantee business success. It usually needs to be accompanied by business acumen and a degree of entrepreneurial nous and flair. At Pixar, attention was also devoted to practical business issues such as brand building and rights, acknowledgements and other contractual matters to ensure the studio derived the maximum of credit and benefit from its creativity and promising ideas (Levy, 2016).

### The Requirement for Greater Diversity.

As the number of possibilities that deserve exploration increases, and as windows of opportunity narrow, centralised evaluation and decision making in the time-scales available may no longer be possible. Local and more varied responses may be required. Many contemporary organisations would benefit from greater trust and more delegation. In many cases a more accommodating and supportive form of board leadership that not only tolerates, but actively encourages diversity would also be helpful. The quest for diversity could extend to the board itself in relation to the gender, experiences and thinking of its members. For example, women remain under-represented on boards

worldwide, when their presence might have an influence on whether to grow organically or by acquisition (Chen et al, 2016).

How many boards are actively concerned with the possible impact of technological developments and increased automation upon their people, customers and business partners (Schwab, 2017)? Are they helping them to adopt new and more individual ways of working? Are they welcoming and accommodating the greater diversity that might result? Activities such as inspiring, reconciling different viewpoints, enabling, listening, reflecting, thinking, learning and encouraging creativity, innovation and entrepreneurship have become keys to success in uncertain contexts and shifting situations. Calls may also need to be made for new choices and better options and approaches.

Greater diversity in ways of thinking may also be required to confront challenges and generate novel solutions to certain problems. Over two generations ago, C P Snow (1959, 1961) warned in an influential Rede Lecture of the implications of what he perceived to be a growing division between science and the humanities and the emergence of two distinct cultures. Within many companies today, is there a growing division between those who think in a logical and structured way and prefer order and standardisation, while others are more tolerant of uncertainty and favour variety and diversity, look for links, patterns and relationships, and are willing to simultaneously explore in different directions? To what extent might greater exposure to the creative arts stimulate creativity?

#### Encouraging Greater Diversity

At the Palo Alto Research Centre of Xerox Corporation in the 1980s it was found that breaking up the subject, functional, professional and experience homogeneity of research groups by introducing certain graduate degree majors from disciplines that approached problems differently increased creativity. Throughout history significant breakthroughs in thinking have often been caused by relative outsiders who have challenged complacent orthodoxy (Kuhn, 1962). Inspired and successful leaders are sometimes those who are open to contributions from new sources and directions. They look beyond the “normal suspects” and are alert to curious and restless explorers.

The nature of the creativity required can vary according to priorities, the situation and particular roles and tasks. One may need a variety of work environments and support arrangements depending upon the creative task and the people undertaking it. Creative people in the creative industries are among those who can benefit from a diversity of spaces (Hoff and Oberg, 2014). Many organisations and their work environments are characterised by a dull and monotonous uniformity. It is little wonder that the origins of so many creative ideas lie outside of a normal place of work.

What about competing research teams, streaming, or applying different strategies, policies, processes and practices according to requirements, circumstances and possibilities? Earlier we considered values that might be conducive of creativity, innovation and entrepreneurship. Leaders vary in the extent to which they are tolerant of a diversity of values. Some insist upon championing particular corporate values, even though an organisation's stakeholders may represent a range of cultures, nationalities and religions whose values may vary in the extent to which they are aligned and compatible. Stakeholders can vary in terms of what they consider to be right, wrong, appropriate or best in a particular situation (Trevino and Brown, 2004).

#### Assimilating Greater Diversity

People can also vary in terms of what they seek from work. Autonomy has already been mentioned. A degree of freedom at work is appreciated and “interesting work” emerges along with “good pay” as a dominant work goal in a study by Harpaz (1990). This suggests that a level of diversity, variety, discretion and freedom that is conducive of creativity, innovation and entrepreneurship and which

also makes work more “interesting” might benefit both an organisation and its people. However, pushing people too far, putting them under pressure and increasing levels of uncertainty may trigger differing reactions. Excessive diversity sometimes leads to a lack of unity, insecurity and division.

Contending interests and competing solutions are perceived as healthy by those who believe the encouragement of differences of opinion and internal debates are more conducive of innovation and creativity than imposing single solutions. What is needed can mirror the requirements for how an effective and well chaired board should operate. Invariably, balance is required. Some organisations may take more time than others to adjust and to assimilate those who challenge traditional approaches and who think and operate differently. A group that is too disparate may not be able to hold together. Differences can sometimes become irreconcilable.

The effective director is sensitive to tipping points and to how far one can go. Choices may still need to be made in terms of which innovations to back. Designs, models or prototypes can be compared. Surveys can be undertaken and consumer panels consulted. Play-offs and competitions can be staged, but views expressed may need to be challenged. Significant innovations have sometimes been opposed by those who felt threatened by them, or who did not understand them or their potential. Boards should ensure that evaluations of innovations are objective and balanced.

Many innovations do not sell themselves. Their advantages may not be immediately obvious to those who are distanced from intended beneficiaries. On occasion, those championing innovations may need to be tough and display qualities of single mindedness, tenacity and ruthlessness that might seem a throw back to a previous era (Pfeffer, 2015). Some companies would benefit from initiatives to stimulate curiosity, encourage persistence as well as flexibility, and develop enterprise and entrepreneurial qualities across their organisations.

#### Understanding Factors that Hinder Creativity, Innovation and Entrepreneurship

In many companies, are policy makers and standards helping or hindering innovation-led growth? Are we on the threshold of fast-and-furious technological development? If so, might existing laws, policies, rules, codes and guidelines limit the extent to which we benefit from them? Scientific and technological breakthroughs are both encouraging and promising in many fields and arenas. However, despite the opportunities Fredrik Erixon and Bjorn Weigel (2016) suggest that in Western economies innovation is being hampered by government regulations and corporate practices. Any such obstacles and barriers to creativity and innovation need to be understood and addressed if related and subsequent entrepreneurship, implementation and adoption is to occur.

Enforcing compliance with policies, rules, regulations, guidelines and practices that reflect past views, priorities and understanding can stifle questioning and challenge and inhibit the search for new and better alternatives. Even where people disagree with their purpose, relevance and value they may still comply because of their fear of the consequences of non-compliance, which could include formal and informal sanctions (Johnston et al, 2015, Sharma et al, 2015). Most policies, rules, regulations, guidelines and practices are likely to have been originally introduced to serve a beneficial purpose, such as protecting those affected or helping those impacted (Jennings, 2015). Hence, leaders need to ensure that their rationale and purpose is understood and that people are rewarded rather than punished for considering better ways of achieving their original objectives.

Many people's experience of education, life and employment inhibits or limits the exercise of their innate creative potential. They are taught about what has been found by others. They are informed about or simply told what is approved. They learn acceptable answers and are rarely encouraged to seek their own solutions. As a result they lose confidence in their own ability to be creative and may lack the courage to release their inner creativity (Kelley and Kelley, 2012, 2013). Directors and

senior managers who seek to maintain control can stifle creativity in the people for whom they are responsible. They need to let go so that the latent potential of others can be released.

Some people search for external advice, for example a collection of hints and tips that might help them to become more creative (Kleon, 2012). Others look within themselves for what is blocking their development of new ideas, whether its the motivation to explore alternatives, the confidence to try out new experiences, or the courage to advocate a new direction. For some people in certain situations both may be required. While positive external support and other forces might encourage them to go forward, negative internal factors may hold them back.

### Establishing Creative Communities and Collaborations

Many of the most pressing challenges facing many companies and mankind are unlikely to be addressed by a succession of modest enhancements of existing activities and/or “excellence” in the performance of them. More imaginative and innovative responses are required. A key function of leadership is to encourage and support the inquiry and creativity that will enable them to occur. Leadership is often associated with activities such as judging and selecting, yet creative thinking might be best enabled by standing back, inviting challenge and encouraging diversity and debate. Tolerating risk, well intentioned failure and uncertainty, providing reassurance when imaginative exploration fails to bear fruit, and avoiding a blame culture can also help (Klein & Knight, 2005).

The case for innovation and viewing it in a positive light may need to be put. A challenge for some leaders is that people around them see innovation as a threat rather than an opportunity. As Kodak found with digital technology, innovation itself can indeed be a threat to established businesses, but as was demonstrated by Canon's response, it can also present a route to rejuvenation, remaining relevant and competitive, and building market share (Christensen, 1997). Where the adoption of certain disruptive technologies or a new business model is relentless the choice may be between being a beneficiary of change or being one of its victims.

Many corporate contexts, communities, cultures and environments are not conducive of imagination and creativity. There are rules and procedures to be complied with and manuals setting out how things should be done. Those who are cocooned for most of their active hours within a particular organisation and preoccupied with its internal issues and priorities may be unaware of ferment and unrest outside. Going out and about and into the market and local communities to observe and experience the lives of customers, explore alternatives and obtain insights from different situations can open one's eyes to changing requirements and new possibilities. It can spark ideas.

Governance arrangements that encourage creative multi-actor collaborations can also enhance innovation (Torfing and Triantafillou, 2016). As the nature of the creativity required changes, new links and relationships may be required and new forms of co-creation and collaboration might be needed. Warren Bennis (1968) and Robert Waterman (1990) have pointed out the advantages that adhocracy has over bureaucracy. Flexible and responsive organisations that are evolving networks of relationships can often grow organically. They can mutate and adapt more quickly than more structured and bureaucratic forms of organisation that may be periodically subjected to costly re-engineering, disruptive restructuring or complex transformation programmes (Coulson-Thomas, 1992). As markets change, they ride the waves while others play catch up.

### Establishing Creative Working Environments

In the creative industries as well, the nature of the workplace context and environment can influence creativity (Banks et al, 2002). More boards should be concerned about the extent to which work, corporate and local environments are conducive of innovation and creativity. Physical layouts,

furnishings, facilities and technological support may have been designed and optimised for certain ways of operating. Some environments are oppressive, dark and depressing, while others are lighter and more uplifting and inspiring. One can consciously and specifically create an environment that encourages flexibility, dynamism and change, for example working and learning spaces with supporting technology that can be reconfigured for different purposes, whether open to encourage interaction or providing the private space needed for quiet thought and reflection.

Leaders should question whether their organisation's working and learning environments and related arrangements inspire and enable the innovative thinking and developments required to address environmental issues, challenges and opportunities. Are risk management and other practices viewed as a cost or as adding value? Are they seen as an inhibitor of innovation or as a positive enabler of it? Are support arrangements, processes and tools conducive of responsible innovation, while at the same time ensuring compliance (Coulson-Thomas, 2012a & b, 2013)?

People may need a degree of freedom if they are to challenge, question and be creative (Williams, 2016). Some might welcome the opportunity to experiment with new ways of operating and the space to develop and test their ideas. The author has set out ten essential freedoms for removing organisational constraints and liberating latent talent by allowing people to work, learn and collaborate in ways, and at times and places, and with the support that best allow individuals and teams to give of their best and be creative and productive (Coulson-Thomas, 1997). When conditions are right for the people and relationships involved they can flourish and be fruitful.

#### Focusing Creativity and Innovation

Leaders should be open to the ideas of others. They should also discuss, consult and consider where creativity and innovation should be encouraged and sought and what they should be applied to and for what purpose. Discovery and invention may not be required if one can make better use of existing know-how (Perrin, 2000). Some companies seem to lose sight of why people purchase their products and services. The changes they introduce can sometimes be over-elaborate and disruptive. They may overlook or ignore what customers and users seek to achieve. Rather than be obsessed with internal corporate objectives, boards should encourage the people for whom they are responsible to focus on the aspirations of external stakeholders. For example, they could focus upon the jobs customers want done and what a company could do to help them (Christensen et al, 2016).

One needs to think about the purpose of creativity, and particularly its significance and value for customers and prospects. Can one have too much creativity and over-design a product? Might customers prefer fewer options from a simpler and more affordable product that is easier to use? Galbraith (1958) suggested that some forms of creativity such as advertising that fuels "want creation" can be wasteful and irresponsible. Expenditure that others might consider unnecessary could represent the conspicuous consumption identified by Veblen (1925). Innovation that creates less wasteful ways of personalisation and standing out might make such practices more sustainable.

On occasion, bigger challenges are easier to tackle than more modest ones. They may also require breakthrough thinking and larger steps rather than slow or erratic adaptation or incremental improvement. For established organisations the creative entrepreneurship required for sustained success, continuing relevance and significant impact can involve imaginative thinking and improvised responses to address issues as they evolve, as well as transformational thinking to address some of the most pressing problems facing cities, communities and society generally.

Could the business community learn from the approaches and practices of creative artists? For example, within some of the performing arts in the place of rigid rules and standard and prescribed responses, there may be scope for interpretation. In the case of Jazz, improvisation and creativity

may be actively encouraged (Barrett, 1998). Both creativity and innovation involve doing as well as thinking. They should be about achievement rather than just wishing (Roth, 2015). To have a dream can be inspiring. To have a relevant offering at an affordable price can provide an income flow.

## Creativity, Innovation and Entrepreneurship

Understanding the nature of creativity and its relationship to innovation, and the characteristics of creative people and how they can be encouraged and managed is important for entrepreneurs as well as for leaders (Duxbury, 2012). In both cases, one needs to be aware of the distinction between individual and team creativity, the relationship between them and how each can be best supported (Pirola-Merlo and Mann, 2004). Are people free to form ad hoc teams of complementary, relevant and diverse talents as and when required by a particular problem, task or venture? Team creativity can be more or less than the aggregation of individual creativity according to organisational factors such as the helps and hinders that we have been considering.

When selecting leaders to run a highly structured corporate machine and enforce compliance, a premium may be placed upon rationality and the ability to be cold, hard and ruthless. Where the focus is short-term and upon the achievement of targets imposed from above, promising ideas may be seen as a distraction and regarded as a potential threat to a limited budget. In more exploratory, fluid and uncertain situations, where alternatives and a wider range of contributions to thinking and creativity are required, and the perspective is longer-term, one may look for other qualities. People may be encouraged if a leader or leaders care about them and their questions, ideas, suggestions and proposals for new offerings, solutions or ventures. Showing that one cares may be both acceptable and desirable (Hochschild, 1983).

Innovators and entrepreneurs often invest emotion and passion as well as intellect and energy in what they are seeking to achieve. More supportive environments can be created if leaders know how to harness and commercialise these feelings and this commitment (Hochschild, 1983). If empathy is to be built, a display of interest, caring and/or concern needs to be more than just an act (Grandey, 2003). Where people are cynical or reluctant to believe or trust, it has to be genuine (Scott and Barnes, 2011). A leader who is intent on innovation and entrepreneurship should display genuine and deep interest in, and support of, those who question, challenge and push the boundaries, and listen to their concerns, suggestions and requirements (Coulson-Thomas, 2014c).

In relation to entrepreneurship, the freedom to fail is an important one. New product and venture teams often need to react quickly to ideas, feedback and responses from customers and users and address their concerns and suggestions. Leaders who adopt servant and more supportive approaches should encourage people to learn from their mistakes, be flexible in their reactions and imaginative in ways of recovering trust and overcoming obstacles and barriers (Winston and Patterson, 2006). Iterative development, co-creation and collaboration with customers and users can enhance collective adjustment and learning and speed up adaptation.

Co-creation and collaboration may be more likely to occur if the motivations, personalities and traits of those involved are compatible. Those of leaders and followers may be different to a varying degree (Burns and West, 1995). Where and as organisations become significantly more innovative and entrepreneurial, leaders need to ensure that the characteristics of leaders, led and any external parties involved are sufficiently aligned for the empathy required to sustain collaboration and innovation to remain and be rekindled if necessary. Where both innovation and entrepreneurship are involved, the commitment, passion and persistence to hold people together in the face of obstacles and challenges may also be required (Cardon et al, 2005). A key issue for entrepreneurs and entrepreneurial leaders is the extent to which they can transmit, transfer and share their passion for a cause, challenge, offering or venture vis-a-vis the people of an organisation (Cardon, 2008).

Given the range of possible approaches to leadership, does what is needed depend upon the requirements, situation, circumstances and context and the state of relationships between leaders and followers (Maurik, 2001)? In democratic organisations, joint ventures or where co-creation, collaboration and collective action is required or under way, might a form of joint or collective leadership be required? Maybe, it is a case of horses for courses, with leadership within a creative community or entrepreneurial venture being shared or rotating according to a project's stage of development, collaboration opportunities, a changing focus and new priorities.

### Creativity, Innovation and Employment

Peter Drucker (1985) suggested that over time human institutions can outlive their original purpose as situations, circumstances, perspectives, requirements and priorities alter. They can imperceptibly change from being a solution to a pressing problem to become a new obstacle to progress. Sometimes creativity and innovation have to destroy the old in order to create space for the new, a process Joseph Schumpeter (1975) called “creative destruction”. As already mentioned, innovation can be disruptive. It can allow new entrants and more entrepreneurial businesses to replace long established entities (Bower and Christensen, 1995, Christensen, 1997).

Developments in various technologies threaten to replace human workers with machine and/or digital alternatives. If sufficient self-employment or new employment opportunities are not created, disruptive technologies and new business models will reduce the availability of jobs (Ford, 2015). The areas at risk include the structured and rule based activities undertaken by many professionals (Susskind and Susskind, 2015). Such developments and their implications create opportunities, including for social entrepreneurs, as well as challenges for many organisations (Livingston, 2016).

Sharing available jobs equitably could become an ethical as well as a practical issue for responsible companies, but for many people less working time could mean more scope for creative, sporting and other leisure activities ( Brynjolfsson and McAfee, 2014). Arun Sundararajan (2016) believes “the sharing economy” could mean “the end of employment” and lead to new generations of micro-entrepreneurs. Creative graduates have been encouraged to become entrepreneurs and self-employed, i.e. to make a job or living for themselves, rather than rely upon someone else to give them a job (Barton, 2016). In developing countries, the informal economy can be an overlooked source of innovation, and can give rise to developments which could be supported by collaborators and backed by more established businesses (Kraemer-Mbula and Wunsch-Vincent, 2016).

### Entrepreneurial Leaders

In conclusion, entrepreneurship represents an arena of opportunity for many aspiring leaders, either within an existing organisation or in collaboration with compatible and complementary partners. It can provide an opportunity for many people to reassess what is important to them and what they are good at, and also enable them to change direction at different points in their lives (Coulson-Thomas, 1999). Rather than manage a business, keep it on track and ensure its survival, entrepreneurs often challenge an existing order and create new choices (Coulson-Thomas, 2001). There are many opportunities for individuals to offer services based upon data and information that is freely and readily available, and to which they could add value (Coulson-Thomas, 2003).

New business models and the sharing and barter economies are reducing barriers to entry and creating new opportunities for entrepreneurship. More flexible and responsive models of organisation, composed of evolving networks of collaborations, are better suited to the requirements of entrepreneurial portfolios of expanding and contracting ventures, as successive opportunities come and go (Coulson-Thomas, 1992). Their advantages include better ways of engaging, working

with and supporting individual entrepreneurs and entrepreneurial teams. In uncertain times, traditional activities such as annual budgeting and planning exercises may need to give way to intelligent steering, flexible adaptation and organic evolution. Bringing diverse but complementary and compatible people and organisations together can boost creativity (Bennis and Ward, 1997). It can spark ideas and enable collaborating parties to remain current, relevant, innovative and competitive. The requirements for effective leadership and successful entrepreneurship are converging. In certain contexts they may soon overlap to such an extent as to make them almost indistinguishable.

#### Note

This article is based upon theme and convention papers prepared by Prof. Colin Coulson-Thomas for the 2017 Dubai Global Convention on Excellence and Innovation and his plenary contribution at the event. The convention was organised by the Institute of Directors, India and held from 18<sup>th</sup> to 20<sup>th</sup> April 2017, at Hotel The Grand Hyatt in Dubai, UAE. Details of forthcoming programmes at the School for the Creative Arts to encourage and develop creativity, innovation and entrepreneurship for leadership in the creative arts will be available on [www.sca.edu.gh](http://www.sca.edu.gh).

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#### Abstract

The requirements for effective contemporary leadership are changing along with leadership perspectives and priorities as more creative, innovative and entrepreneurial responses are required in the face of multiple challenges, opportunities and possibilities. Openness, diversity and collaboration and understanding the nature of the creativity, innovation and entrepreneurship required, their interrelation, and the factors that help and/or hinder them have become more important. Changing business models, challenges and opportunities are creating new arenas for both leadership and entrepreneurship and their success requirements are converging to such an extent that in certain contexts they may soon be almost indistinguishable.

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