

Balancing Creativity and Conformance in Decision Making

1. Introduction

Creativity and conformance can be seen as uncomfortable bedfellows, given the fact that these two concepts moves towards opposite directions all the time. Hence, it is a challenging task for some one to balance the effects of creativity and conformance in day to day decision making activities in organizations. This journal entry will attempt to identify these two key concepts, and try to strike a balance between creativity and conformance, when making effective decisions at organizations.

2. What is Creativity?

Creativity is a mental process involving the generation of new ideas, concepts, or new associations between existing ideas or concepts. Creativity breaks existing patterns to clear space for original thinking geared toward achieving valued outcomes (Kindler, 2004: 17). In most of the literature on creativity, it is discussed mainly about the creativity as in music or arts. But, here we have to focus our discussion more towards creativity in business sense. In business sense, creativity should be converted into action, which should later yield business results. Therefore in the remainder of this journal, creativity would be referred as synonymous with business creativity and strategic creativity.

3. Creativity and Strategic Thinking. A Case Study from Maliban and Munchee

Craig Loehle identifies creativity as an essential component of strategic thinking.

Because strategic thinking deals essentially with complex problems, uncertainty, and ambiguity, and involves finding solutions that others have overlooked, it is essential that the practitioner be creative in approach.

...Those [management] professionals who are technically competent but not creative are limited to doing what everyone else already knows how to do. They can run an organization that is already running smoothly, but will not encourage or even allow innovation (Loehle, 2000: 09)

What Loehle try to put emphasis on, can be further elaborated with a recent example from the competitive strategies of Sri Lanka's two largest biscuit manufactures; Maliban and Munchee. Historically, Maliban used to be the trend setter in the biscuit manufacturing and marketing industry in Sri Lanka, where everyone else including Munchee wanted to copy their strategies. Munchee, on the other hand, historically played

the role of “market follower”. Munchee’s strategy was to match the packaging colors of Maliban products, and try to disguise in the market shelves. Without knowing the difference in the brand, customers and retailers always used to pick whichever brand of Cream Cracker (Red package) or Lemmon Puff (Yellow package) they first see on the shelves, when they wanted to purchase/sell one of these two biscuit types. During early years of its operation, Munchee managed to generate a considerable amount of sales, by using this “me too” strategy.

However during late 1990’s, Munchee started investing heavily on their plants and machineries, and put higher emphasis on international standards (ISO certification) and quality. As a result of this, Munchee managed to improve the quality of their products by a large margin. By this time, new generation customers started to prefer the Munchee’s flavors over the long standing Maliban brand in the market. Munchee’s market share of absolute sales, started to increase gradually. But they realized (through market research), still in the society, Maliban is deemed as the most preferred brand of biscuits. They started to note that “me too” strategy of matching the Maliban packaging colors has backfired on them. People are now more attracted to the taste of Munchee products, but still Munchee loses a certain amount of sales, due to the fact that people are indifferent about the two brands in the market, which are of the same color.

This triggered Munchee’s management to think strategically and creatively at the same time. They decided to break away from their long standing strategy of being the market follower to Maliban (by imitating their products), and move towards a new strategy differentiating their brand from Maliban, in the market. Munchee changed their packaging colors of both Lemmon Puff and Cream Cracker products, to white & yellow. It was a major paradigm shift in biscuit manufacturing industry, where “Red for Cream Cracker and Yellow for Lemmon puff” was the accepted norm by almost all the big and small biscuit manufacturers in the country. Munchee’s strategy paid them dividends when they managed to win brand excellence award several times (Muncheelk.com/aus.html) and more importantly capturing more than 60% of total biscuit market in Sri Lanka (Sunday Observer, 2005). Maliban on the other hand, with competent managers, but yet lacking the strategic creativity, are maintaining the same type of business operations they used to master for years, without adapting to the new market environments.

4. Importance of Conformance, when Making Decisions: When to be Creative and When to be Conformant?

Conformance refers to adhering to the established standards and practices. In an organization where the level of conformance is high, the room for creativity will become smaller. In contrast, when the creativity is paid high emphasis, the room for conformance becomes smaller. This is why we see a very little emphasis is given on traditions, standards, and work hours, in organizations like advertising agencies and media institutions. In such organizations, stimulating creativity is more important than maintaining uniform standards or work habits. In the case of Maliban and Munchee, we can identify Munchee as an organization which gives high emphasis on creativity and low emphasis on conformance. But Maliban failed to survive the competition from Munchee, because they were giving high emphasis on conformance to the existing standards.

How ever giving high emphasis on creativity will not always yield business results for everyone. Sometimes, being conformant would be better off for some types of organizations. This is more evident in the new internet economy, where established offline business organizations (Bricks and Mortar type) try to compete with newly formed dot com companies. A classic example is the Barnes & Noble's attempt to compete with Amazon.com. Barnes & Noble was a well established brand in bookselling for years with it's own traditions and standards. Amazon.com changed the rules of bookselling industry, when they started the world's first online bookstore. B&N responded by setting up their own online store under the same brand, but never managed to compete well against Amazon.com. Several well established companies failed when they tried to start eCommerce businesses; as a result their failure to figure out properly their strengths and weaknesses in the new economy. They thought, anything creative would simply work out well, in this new economy. Internet Marketing guru, Seth Godin (2007) describes this as the "Meatball Sundae" syndrome, where old organizations try to embrace few attractive elements of the new economy, and try to be successful. Meatball; a food well established for more than a century in western culture is deemed as a main course meal. On the other hand Sundae is a sweet topping on desert items. We get a new flavor of Sundae toppings almost every week, if not every day. Meatball represent the "conformity" whereas Sundae represent "Creativity". If you put a Sundae topping on a Meatball dish, what you get is a totally distasteful meal (Godin, 2007). Therefore, Godin suggests, the old and well

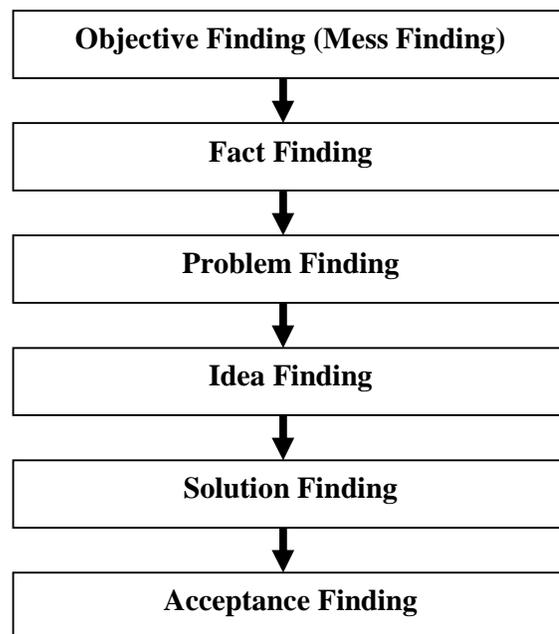
established organizations are better off with being conformant in the new economy, unless they have a willingness to entirely change themselves. A half hearted attempt to be creative would kill a well established business in no time.

Corporations, political parties, nonprofits, job-seekers, and yes, even people looking for love are all scrambling around, trying to exploit the power of these new tools. People treat the New Marketing like a kid with a twenty-dollar bill at an ice cream parlor. They keep wanting to add more stuff-more candy bits and sprinkles and cream and cherries. The dream is simple: "If we can just add enough of [today's hot topping], everything will take care of itself."

Most of the time, despite all the hype, organizations fail when they try to use this scattershot approach. They fail to get buzz or traffic or noise or sales. Organizations don't fail because the Web and the New Marketing don't work. They fail because the Web and the New Marketing work only when applied to the right organization. New Media makes a promise to the consumer. If the organization is unable to keep that promise, then it fails (Godin, 2007).

5. Where Does Conformance fit in the Osborne and Parnes's Six Step Process of Creative Decision Making?

Osborne and Parnes (1963) proposed a six step process on creative decision making.



According to them, creativity is important in all of these six steps. As defined earlier, creativity not only deals with totally new ideas. In fact, even new associations between

existing ideas can also seem as creativity. In that sense, one could use his creativity in identify a problematic situation. And he can further extend his creative thinking, in collecting the facts and finding the exact problem. At the next step, it is more important to use creativity for finding alternative solutions (idea finding). Next we have to pick the best solution out of the alternative ideas, and finally to find an acceptance among all the stakeholders to the problem. In all these areas, creativity plays a role less or more important, depending on the situation.

However, even though creativity plays a role in all the steps in this process, conformance should come into play only at solution finding and acceptance finding stages of the process. It is during the evaluation of creative ideas that one needs to be serious, not in their generation. And if you don't shape up your creative ideas properly by conforming to existing guidelines and standards, you would face difficult in implementing the solution in practical world. Therefore in conclusion we could say, conformance play an important role in solution finding and acceptance finding stages of Osborne and Parnes (1963) creative decision making process.

6. Conclusion

Great ideas need landing gears, as well as wings. If not, even the greatest of the ideas will never become a reality in practical world. Wright brothers were creative enough to think out of the box, and design their flying machine. At the same time, they were realistic enough, to make it a workable solution. Before them many other inventors designed draft plans for flying machines, but none of them were workable solutions in the practical world. If creativity gives wings to the ideas, conformance is putting the landing gears when necessary. One would survive in today's competitive business environment, only if they manage to strike a balance between the wings and the landing gears. That is, you need to have a good balance between creativity and conformance, in order to make most effective decisions in today's business world.

Author: A.S.Amarasinghe

Disclaimer:

This document is a part of a student journal compiled by the author as an academic requirement of an MBA program. This work is licensed under a [Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 United States License](http://creativecommons.org/licenses/by-nc-nd/3.0/). You are free to copy and re-distribute this document for non commercial purpose, citing credit to the original author as <http://amisampath.com>

References

Business News., “Munchee wins Product Brand of the year for fourth time” **Sunday Observer**, 30 Oct. 2005, Online edition retrieved on 10th May 2008 from <http://www.sundayobserver.lk/2005/10/30/bus14.html>

Certo, SC., **Modern Management**, New Delhi, Pearson Education, 2003.

Godin, Seth., **Meatball Sundae**, Retrieved on 10th May 2008 from <http://www.squidoo.com/meatballsundae>

Kindler, Herb., **Clear and Creative Thinking**, Melon Park: Crisp Publication Inc., 2004.

Loehle, Craig., **Thinking Strategically**, New Delhi: Cambridge University Press, 2000.