

creative solutions

TO BUSINESS PROBLEMS

Ralph Kerle recommends that businesses adopt a more artistic way of thinking in order to extract full value from their most valuable asset – their staff.

MOST BUSINESSES, GOVERNMENTS and statisticians use words such as productivity, efficiency, and effectiveness to define and describe the popular notion of ‘value’ in organisations and industry. These words relate historically to tools of production and instruments of measurement that, in the main were, ways of evaluating and measuring value that were introduced in the Industrial Age.

The last two decades have been marked by the emergence of industries driven by knowledge and people rather than machines and production lines. There is therefore now a vital need for a set of values carried by a different language: one that can describe business as moved by its prime asset – its people.

Lotte Darso, Research Director of the Creative Alliance, the Learning Lab, Denmark in her ground-breaking book *Artful Creation - Tales of Art in Business* argues that the importance of this shift in terminology is immense. But she suggests organisations are too busy with ‘business as usual’ to really take this matter seriously. She claims that “when knowledge and competencies becomes the main asset, the real value of organisations is no longer material products controlled by business but knowledge in peoples’ heads and bodies”. She proposes that “product innovation is still important, but as Peter Drucker stresses in his 1994 lecture *Knowledge Society* at least 50% of innovation is social and concerns new ways of collaboration, new constellations (involving new types of people, eg artists) and new processes of learning and knowledge creation.”

The new processes of learning and knowledge creation have been made more complex by the rapid-reporting methods of information technology that has as its fundamental design genesis Industrial Age notions of accurate measurement as a means of assessing value.

Johnson and Broms in *Profit Beyond Measure* argue that organisations have separated the ends (financial targets and performance objectives) from the means (the process and practices used to create them). Ends have come to seem more concrete, more ‘real’ and therefore more valuable than means. They argue the task of managers is to stop treating results as a target one reaches by aiming better. Instead, results are the outcomes that emerge spontaneously from mastering practices that harmonise with patterns inherent in the system itself. In other words, manage the means, not the results.

Johnson asks the question, “Is it the financial and performance targets or the relationships among people and their patterns of working and thinking together that produce the outcomes in a knowledge economy that we should value?”

“For a business person, the numbers are the measure of success. If we don’t have the numbers, that’s the end of the conversation. But if we don’t have the conversations that’s the end of the numbers. It’s a paradox” says Yves Bastien, former president and general manager of Sanofi-Synthelabo, Canada. “You need to look at how alive the organisation is, how people interact and talk with each other – their relationships. That is a key part of the value-producing capacity of an organisation. It’s very difficult for people to measure that, since the only tool they have to measure is the number”.





The profound challenge for business and business education is the reshaping of a language to allow us to define the processes that can bring to the surface knowledge production and reveal its value. Knowledge cannot be controlled - we cannot control the how and when of the production of knowledge - who knows where it is going to come from, from whom, how, and when? These are the unknowns. What we can do is set up the environment for knowledge to be encouraged, discussed, recognised, and then valued.

Creating insight

There is an emerging body of work internationally that suggests arts-based processes together with immersive action learning experiences may be the key to producing knowledge at a fundamental organisational level.

The Springboard - How Storytelling Ignites Action in Knowledge-Era Organizations by Australian Stephen Denning, the former Programme Director, Knowledge Management, World Bank, shows how the simple art of story telling can transform a major international bureaucracy strategically and competitively. The case studies of facilitated conversations in business and organisations of all types contained in *The World Café* by Juanita Brown and David Isaacs are examples of how environments can support 'conversations as a core process, a fundamental means by which relationships are built, knowledge is shared and value is created'.

As innovation coach in the recent Leadership Learning Programme entitled *Leading Change Through Innovation* at the Banff Centre for the Arts in Canada, I was able to interact with senior executives of some of North America's major corporations while they explored new ways of thinking about specific business opportunities and problems by immersing themselves in an environment of creative and art-based practices. The practices included creative writing and journaling, music appreciation, visualisation, theatrical plays and improvisations.

Delegates on the programme were asked to bring specific business issues they wished to find solutions to and the problems they brought were powerful and substantial.

The President of the National Library Association of Canada wished to redefine the role and value of libraries in contemporary society; the Director of Emergency Services of one of the largest energy producers in the world needed to establish a national prioritisation system for the production of energy in Western Canada in the event of a catastrophe; two senior executives from one of Canada's major freight institutions needed to find new ways of dealing with a small group of intransigent unions inside their distribution system who were severely hampering their ability to compete in a deregulated market. And in a conflict between ancient and modern civilizations, the general manager of one of Canada's

largest diamond mining companies, an indigenous Canadian, was being confronted by land-rights issues that involved his own tribe and was being forced to negotiate with his Council of Elders lead by his father, who was demanding more royalties or no mining.

These types of complex business issues in complicated systems require the investment of intellect and human emotion to come to some form of understanding and resolution that will provide knowledgeable outcomes. They require research and critical and cultural analysis. They require vulnerability, compromise, and as Yves Bastien says “a clean slate – zero based mentality that is not encumbered by preconceived ideas and values”. Today, business problems are couched in the legalese of regulation and corporate governance. On resolution, they are often accompanied by media savvy communication confirming the problem has been resolved appropriately ensuring any further in-depth reflection is not explored in any meaningful way.

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Human emotions are ‘soft’ topics in the view of business and business schools. The notion of human emotions being a ‘soft’ topic is ironic given that perhaps the hardest thing in life for most people is to talk about their emotions in circumstances where the outcomes and causes of those emotions are unknown and uncertain. Yet most executive decisions are at their core emotion-driven: this is the insight of decision science that claims that cost-analysis is a tool used to justify decisions already made at a gut level by leaders of industry.

As Stephen Denning observes, senior management’s approach, learnt at the right business school, is to take “the standard management manual written in the rigid grip of theory (that) relies almost entirely on analytical thinking. Fix the systems. Re-engineer the processes. Streamline procedures. Bring to our difficulties a fix-it attitude, as though our past errors can be easily corrected with straightforward explanations. Reform and *flatten* the organizational structure.” (my italics)

However, theories do not provide tacit skills. They are like plays that require skilled actors to interpret them and bring them to life emotionally and practically – skills that are found in aesthetic practices.

Steven Taylor and Hans Hansen in their paper “Finding Form: Looking at the Field of Organizational Aesthetics” in the *Journal of Management Studies* (September 2005) suggest “aesthetics is concerned with knowledge that is created from our sensory experience. It also includes how our thoughts and feelings and reasoning around them inform our cognition.

If we look carefully at the distinction of aesthetic/sensory knowing versus intellectual/propositional knowing which has been a prime driver through the Industrial Age, we find a distinction that is not just about how we know things, but why we know them.

Intellectual knowing is driven by a desire for clarity, objective truth, and ultimately instrumental goals. On the other hand, aesthetic knowing is driven by a desire for subjective, personal truth, typically for its own sake”.

Aesthetic knowing and practice is what drives that creativity, and it is through tapping into those rich personal narratives of aesthetic knowing that a new popular language will emerge.

We operate daily in a complex and chaotic ecology where our very survival and personal identity is tied up in improvising knowledgeable answers to problems using iterative processes we have adapted intuitively over time.

The business artist

This is essentially the ecology of the artist. The artist must ask himself every day he turns up to work in front of a blank canvas, a blank sheet of paper, or rehearsal room, “What is the problem to be solved? How can I solve this problem?” And he works at it until the immediate problem is defined and solved – he then reflects on the overall value and quality of his work before proceeding to the next stage, and so on. It is an endlessly reflective process. This is why art and philosophy are closely linked. In the business setting, the CEO and her team are presented with a set of problems in a complex and chaotic environment; they seek advice in whatever manner they feel is appropriate. They also seek and assess knowledge solutions using techniques such as scenario planning and make a decision to act. This entire proposition could also describe the domain of the theatre director in his daily rehearsals.

The paradox lies in the gap between disciplines. The operation of industry in the contemporary world very much reflects the ecology of the artist, yet it continues to use Industrial-Age notions and language to gauge results.

The language of aesthetics seems currently to be confined in the corporate world to a discussion on the economic value of the art pieces on the wall, when it could be employed to reveal the hidden value of what business describes as its greatest assets: its people and their ability to be thoughtful and creative in solving problems. ●

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