

# Good Leadership Demands a Combination of the Two

Nick Nissley

One often hears that leaders need to be creative. But I would like to be a bit provocative and question the role of creativity in the success of leaders.

What I mean is that creativity *by itself* is not as important to leaders as is creativity *in combination with* innovation. Leaders must be concerned with developing, both personally and organizationally, the dual capabilities of creativity and innovation. The success of a leader or organization cannot be realized by investment in either creativity or innovation alone. Rather, success can be realized only by investment in the two together.

As someone who has spent his life in a community of practice focused on the development of the creative and innovative capacity of leaders, I believe that effective leaders are people who are focused on the process of generating possibilities—thinking of new things and seeing existing things in different ways. Effective leaders enable creative processes so that new possibilities emerge—new products, services, programs, and processes—which in turn support an organization's desired outcomes and ultimate success.

But it's critical to realize that effective leaders don't live simply in

a world of possibilities. They must also transform possibilities into tangible products. These leaders understand that creativity by itself may not always add value to an organization. They recognize that an innovation process is required to transform ideas into reality. Together creativity and innovation are central to effective leadership because together they form a process of generating ideas and possibilities and transforming them into reality.

Imagination *and* implementation, possibilities *and* products, ideas *and* impact—these are the everyday terms used in talking about creativity and innovation.

## NOT OPTIONAL

Why is the combination of creativity and innovation so important to leaders? First, creativity and innovation are not adjuncts to organizational life. They should not find their way into a company's strategic priorities only when times are good, as if they were luxuries to be afforded only when the organization is doing well. Creativity and innovation *matter*:

Creativity and innovation create the future. They excite employees by focusing on what can be, anticipate customer needs, and build the confidence of investors.

Creativity and innovation are not optional leadership attributes that leaders can simply dismiss by saying, "I am just not one of those creative or innovative types." They are crucial

capabilities for successful leaders. The world's most successful organizations understand that creativity and innovation form a fundamental organizational process and together are a requisite capability for their leaders. The development of creativity and innovation in organizations has tremendous importance, not only for businesses but also for society.

Richard Florida, in his book *The Rise of the Creative Class: And How It's Transforming Work, Leisure, Community, and Everyday Life* (Perseus, 2002), asserts that creativity has emerged as the single most important source of economic growth. He heralds the dawn of the creative class, whose members include scientists, engineers, architects, educators, writers, artists, and entertainers. This class consists of those whose economic function is to create new ideas, new creative content, and new technology. Florida suggests that creative economies turn on one key factor—an openness to new ideas.

However, despite the growing recognition of creativity as the engine of the twenty-first-century global economy, there exists an interesting paradox: organizations need innovation but usually resist it.

Innovation and organizations have conflicting aims. Innovation aims to unsettle the established order of organizations. However, organizations, by nature, embody the established order, striving for efficiency. At its very root the entrepreneurial process of innovation is at odds with

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*Editor's note: In Focus is an occasional series that takes close looks at specific topics of importance to leadership and leaders.*

the administrative process of corporations, which is designed to ensure repetitions of the past. Innovation is controversial. It always involves competition with alternative courses of action. It poses a threat to vested interests.

So why are creativity and innovation so important to leaders? Today's leaders must leverage the creative energy of the workforce to compete in the creative economy and at the same time find new ways to make organizations less resistant to the change required to carry out the resultant innovations. We must begin thinking creatively about how we develop creative leaders and creative leadership in organizations.

## FOR ART'S SAKE

In an article in the December 2006 issue of the journal *Academy of Management Learning & Education*, Nancy J. Adler, a professor of international management at McGill University in Montreal, asserts that organizations, communities, and nations are calling on their people for more creativity and innovation. As we enter the new century, Adler observes, we're seeing increasing numbers of corporate leaders bringing artists and artistic processes into their companies, and we're beginning to think creatively about creative leadership in organizations. She asks readers to consider the following examples of cross-fertilization between artists and leaders, all with the aim of inspiring creativity:

- Prominent global companies invited poet David Whyte to address their senior executives.
- A Harvard Business School professor, Robert Austin, and a theater director, Lee Devin, collaborated to write *Artful Making: What Managers Need to Know About How Artists Work* (FT Press, 2003).
- The 2004 World Economic Forum, held in Davos, Switzerland,

offered a workshop titled "If an Artist Ran Your Business."

- Denmark's Copenhagen Business School has opened a Center for Art and Leadership.

- Top business schools worldwide are adding arts-based courses to their curriculums. At the Wharton School of the University of Pennsylvania, an M.B.A. workshop titled "Leadership Through the Arts" is facilitated by the dance company Pilobolus. During the Massachusetts Institute of Technology 2003–2004 school year, three Sloan School of Management leadership courses had arts-based components, including "Unconventional Leadership: A Performing Advantage" and "Leadership as Acting: Performing Henry V."

These examples offer a glimpse of the emerging future, in which leaders and artists will work collaboratively, seek creative inspiration from one another, and make use of artistic processes to think creatively and bring about innovative new products and services.

Adler is not alone in her observations of this phenomenon. Lotte Darsoe, author of *Artful Creation: Learning-Tales of Arts-in-Business* (Samfundslitteratur, 2004), has also chronicled the business world's acknowledgment that the arts and artists have a role to play in helping leaders and organizations realize success in the creative economy. Other leadership experts, including Mary Jo Hatch—co-author of *The Three Faces of Leadership: Manager, Artist, Priest* (Blackwell, 2004)—and CCL's Charles J. Palus and David M. Horth—authors of *The Leader's Edge: Six Creative Competencies for Navigating Complex Challenges* (Jossey-Bass, 2002)—have described how leading in the creative economy of the twenty-first century will require new competencies in addition to the traditional technical practices of managing and leading in the work-

place. These new abilities are closely aligned with the competencies of artists and artistic practice.

## BREATHING LIFE

Over four decades the Banff Centre in Alberta, Canada, has been concerned with how leaders develop the capacity to imagine new ideas, create new possibilities, and breathe life into ideas and possibilities in order to transform them into reality. At the heart of the Banff Centre's leadership development programs is not only a recognition of the limitations of relying only on the technical proficiencies typically associated with leadership but also a realization of how artists and artistic processes can inform the practice of leadership. The Banff Centre has learned much from the work of Palus, Horth, and others at CCL who have pioneered the understanding of creative competencies.

In the Banff Centre's leadership development programs, participants learn to think outside the box of the traditional classroom. They visit the actors' stage, the potters' studio, and the musicians' performance space. Participants use these places, in addition to the classroom, to find new ways of learning about leading creatively.

Above all, as they come to share in the growing recognition that creativity is the engine of the twenty-first-century global economy, leaders must also manage the innovation paradox—the fact that although organizations need innovation to sustain competitiveness, they usually resist it. Leaders must find creative ways to make their organizations less resistant to the change that results from innovation. ✍

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*Nick Nissley is executive director of leadership development at the Banff Centre in Alberta, Canada. He holds an Ed.D. degree from George Washington University.*