

Relationship of Managerial Creativity with Demographic Variables

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INTRODUCTION

The concept of organizational effectiveness is an important innovation in business management. Initially, organizational effectiveness focused on how well an organization compete, how quickly they bring products to the market, their status in the community, their attractiveness to potential market and their profitability. In other words, organizational effectiveness considers how well an organization performs business. Instead of defining corporate success by a few short-term measures, such as sales or profit, it fostered a holistic long-term perspective. This expanded perspective that resulted from a focus on the overall effectiveness of an organization has become central to corporate survival and success in today's economy. The focus on people, their performance, innovation and creativity is the professional concern of organizational effectiveness. The current research attempts to define a broad perspective on organizational effectiveness and its relation to managerial creativity. With heightened levels of competition and an uncertain economic environment, many organizations are encouraging their teams to be more creative so as to enhance their competitive edge. In the past, organizations mainly focused on producing in bulk and selling at targeted margin as there were very few competitors and buyers didn't have significant bargaining power. But with the advancement of technology and globalization, buyers' power has grown significantly and it is forcing companies to be highly innovative and customer centric. In this backdrop, it becomes quite imperative to deploy all their resources in a way that help them create more value for the customers. This makes it important for managers to adopt a management style that encourages employees to come up with new ideas that can enhance productivity.

It is vital that the organization continuously reviews its people, processes and structure. For decades,

organizations simply focused on developing ways of coordinating and controlling the efforts of a group of people towards the achievement of its broader objectives. However, for an organization to be truly competitive and successful, it needs to synergize all its resources, functions, and activities with a structure and system that can work well and blend all together. In general sense, Organizational Effectiveness means aligning the workplace to the strategic business initiatives and earnings. It means ensuring business agility, enabling your workforce to be adaptable and respond swiftly to changing market conditions. Organizational effectiveness also means fostering innovation and workforce productivity by making it easier for people to find, reach and collaborate with each other, and with the right information at the right time and place and all of this must be done while optimizing costs and delivering return on investment. The first step towards understanding organizational effectiveness is to understand organizational goals and strategies, as well as the concept of fitting design to various contingencies. Organizational goals represent the reason for an organization's existence and the outcomes it seeks to achieve. Goals are the desired future state of the organization.

The term creativity means different things to different people. To some it is deeply personal, to others a product of environments. In fact creativity is not new; it is as old as the mankind is on this earth. The earliest man when started living inside the caves for physical comfort-it was a creative act. Then he started using sharp stone as weapon for hunting and wheels for lifting and carrying it. These are all the creative act of mankind. In the managerial context creativity can be defined as creative decision making process of taking the decision from the newer perspective. Thus, a creative and successful manager will be that manager who is able to modify and utilize the information in a useful manner. Today, a manager needs to be a guide

and a coordinator who recognizes the need for and is able to bring out the best in his staff so that they can come up with their own solutions to problems. This requires the managers to be creative.

SIGNIFICANCE OF STUDY:

Majority of the concerns in organizations are attributed to its people as their creativity becomes a determining factor for their effective management. In fact, the focus on people, their performance, innovation and creativity is the professional concern of organizational effectiveness. In this scenario, the managerial creativity possessed by the employees has a bearing on the extent up to which an organization can enhance their productivity and thus effectiveness.

So, the researcher identified the present problem more clearly as follows – 'Organizational Effectiveness and Managerial Creativity - A study of selected Indian organizations'. The current research contributes new knowledge and understanding of the relationship between organizational effectiveness and managerial creativity.

OBJECTIVES OF THE STUDY

- To study the type of relationship between organizational effectiveness and managerial creativity and;
- To suggest measures for the improvement of organizational effectiveness and managerial creativity.
- To study the factors contributing to organizational effectiveness and managerial creativity;
- To study the relationship of organizational effectiveness and managerial creativity with demographic variables (age, qualification, gender, marital status, hierarchy level etc.)

OBSERVATIONS

- There is no significant difference between the mean score of employees of different age-groups regarding different factors of managerial creativity. To fathom out, it can be said that the respondents of different age-groups have same opinion regarding different factors of managerial creativity.
- The analysis between two groups of employees (married and unmarried) reveals that the

difference is not significant regarding different factors of managerial creativity i.e. Overall Creativity, Self-Concept, Initiation, Confidence, Independence, Sensitivity and Sense of Priority. In conclusion, it can be said that both married and unmarried marital status does not change the opinions regarding different factors of managerial creativity.

- Hierarchy-wise analysis shows that the difference is significant between the mean of top, middle and executive level of respondents about Sense of Priority (MC7) factor of managerial creativity. In other words, top, middle and executive level of employees differ in their opinion regarding Sense of Priority factor. Also, the difference is not significant regarding rest of the factors of managerial creativity (Overall Creativity, Self-Concept, Initiation, Confidence, Independence and Sensitivity).

CONCLUSION

- Since no significant difference is found on different factors of managerial creativity when analyzed qualification-wise, gender-wise, marital-status wise, and age-wise, therefore it is evident that all the respondents having the above said personal attributes have the same opinion regarding different factors of managerial creativity.
- Results indicate that there is a significant difference between the opinions of employees of various hierarchy levels on Sense of Priority factor of managerial creativity. This is due to the fact that those higher up in the hierarchy have the broader organizational goals and performance of the organization as whole on their minds while those on the lower rungs of hierarchy are more concerned with the performance of the departments and teams they are responsible for including individual targets. Thus, it is recommended that organizations should adopt flexibility in their working style, decentralize decision making and maintain open communication channels for smooth information flow so that employees can bolster creativity in their respective areas of responsibility and ensure long term success for their organizations.
- Further, results also indicate that the most important factors of managerial creativity are Independence and Confidence, while the least

important dimension is Sense of Priority. This is in line with the suggestion made above. It is further suggested to consider the personal and inherent factors while recruitment, which have cognizable influence an individual's creativity and therefore, his performance. This brings forth the need for a two-pronged approach – to hire creative people and to foster creativity amongst the ranks. While recruiting, managers should look for people who display a stronger sense of independence and confidence in oneself as these two factors are established pre-requisites for managerial creativity. Secondly, the managers should take necessary steps to nurture these qualities further by providing the new recruits with a conducive environment and ample opportunities to realize their potential. This can be achieved through effective decentralization of decision making, clearly defining the roles, responsibilities and targets and finally, clearly defining the accountability of the employees. Being the key to managerial creativity, these steps will surely have a positive impact on the long term success of the organization, and turn the fortunes of many IT companies in India.

- This research study has established it beyond any doubts that managerial creativity plays an extremely crucial role in enhancing organizational effectiveness in an organization. Additionally, it is evident from the results that an organization's efforts towards enacting better Human Resource policies go a long way in ensuring its effectiveness. For instance, the results indicate that an organization that understands the effect of offering better career growth opportunities and remuneration structure and a stimulating and transparent environment is bound to be more effective and benefit from enhanced competitiveness as it will have a satisfied and loyal workforce that is confident, flexible, and efficient and is willing to take initiatives. An organization is also bound to benefit if it encourages its managers to be more creative when approaching business issues. The approach towards encouraging managerial creativity should be a holistic one. While at one hand the organization must ensure a conducive environment by offering more autonomy to the managers in decision making and rewarding them on coming up with creative solution to a problem that enhances the organization's effectiveness and improves upon its competitiveness. At the same time, the

managers must also be made aware that they are also accountable for the decisions they take and therefore, reckless creativity should be discouraged. The true potential of managerial creativity in an organization will only be realized when the entire organization not only supports it but also makes it a daily habit.

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