MANAGEMENT OF INNOVATIVE CREATIVE COLLECTIVES AT THE ENTERPRISES

Oleg Kuzmin, Prof.
okuzmin@ukr.net

Nestor Shpak, Prof.
dida_05@ukr.net

Marta Adamiv
marta_adamiv@i.ua

Olga Goryachka
Lviv Polytechnic National University, Ukraine

Abstract

In the article the actual role of innovative creative collectives as catalysts of innovative development of different kinds of enterprise’s activity is grounded. The concept of logical and consistent creation of innovative creative collectives at the enterprises is formulated. The concept of process-structured management of innovative creative collectives on the basis of interaction between key management elements in order to ensure the effective results of innovative creative collectives’ activity is developed.

Key words: concept, creation, innovative creative collective, management, organizational changes.

Introduction

At present the enterprises operate in a highly dynamic competitive environment that requires from them flexibility and permanent innovative changes. To survive in the intense competition enterprises need to involve all possible arsenals of tools of development and creation of new competitive advantages in various operation areas (production, technology, management, marketing, personnel, etc.). One of the most effective catalysts
of ensuring of organizational development is innovative creative collectives, which are created at the enterprises in the variety of formats, but all of them are focused on searching the modern methods, tools, models and mechanisms of improving the effectiveness of enterprise’s functioning. Innovative creative collective appears at the enterprise in the form of a set of people who come together in order to develop proposals, mechanisms and measures of innovative development of the enterprise, as well as to solve different problems of its activity. Functioning of innovative creative collectives cannot be effective without its goal-oriented management. Innovative creative collectives are not a new phenomenon in business, but it has not yet formed fundamental conceptual principles of creation and management of these groups to ensure the effective achieving of their goals.

The results of reviewing of literature sources on the problem have testified that there are not directly disclosed the problem of creation, management and use of innovative creative collectives at the enterprises in the analyzed scientific works. But the characteristics of some analogous prototypes of such groups are considered by Ukrainian and foreign scientists: O. Kuzmin, O. Melnyk, V. Pshennikov, R. Daft, J. Ober-Crie, A. Moroz, N. Podolchak, R. Shuliar, V. Voronkova. In particular, O. Kuzmin and O. Melnyk (Kuzmin, Melnyk 2007) have examined the processes of creation and key peculiarities of formal and informal groups; V. Pshennikov (Pshennikov 1997) has characterized the features of creation, purpose and functional assignment of quality teams; R. Daft (Daft 2000) has described the characteristics of creative individuals, groups and venture teams; J. Ober-Crie (Ober-Crie 1973) has revealed the role of committees in development of enterprise’s innovative activity; A. Moroz, N. Podolchak, R. Shuliar (Kuzmin et al. 2005) have examined the role of specific internal teams in ensuring the integration processes; V. Voronkova (Voronkova 2006) has revealed the functions of anticrisis operational groups and more. The works of mentioned above scientists reveal only some fragments of creation and management of groups which are operating as innovative creative collectives. That’s why it is stated that at present there is not formulated a basic conceptual model of creation and management of innovative creative collectives at the enterprises that limits the opportunities for their active use in order to achieve the innovative progressive goals and objectives of enterprises.

1. Innovative creative collectives: how to create them at the enterprises?

Performed research gives an opportunity to suggest the interpretation of the innovative creative collective (ICC) as a group of individuals which are
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united to create ideas, proposals, mechanisms, measures of enterprise’s innovative development, as well as to solve the problems of its functioning (Goryachka 2011; Kuzmin, Goryachka 2011). Based on the analysis of literature sources the conceptual model of ICC creation was developed (figure 1).

Figure 1. The conceptual model of ICC creation

The key element of ICC creation is principles of their construction at the enterprises as the basic rules and requirements for the characteristics of ICC formation processes. Following of all principles of ICC creation ensures the effective formation of qualitatively functioning ICC at the enterprises. The main principles of ICC creation are: goal-orientation, specificity, integrity, flexibility, consistency.

The creative collective should be characterized by specific determinant features, such as (Kuzmin, Goryachka 2011):

a) the existence of common goals in all members of collective;
b) identification of all members as one collective;
c) the presence of clearly defined target social interaction between all collective members;
d) the impact of whole collective on each individual person as the team member;
e) the existence of certain identification parameters in collective members;
f) the presence of versatile professional preparation in collective members that will give an opportunity to look at the problems and prospects with considering of their all aspects;
g) creative thinking and initiations of collective members;
h) understanding by members the exceptional impact of their collective on the activity and development of the enterprise;

i) collective members’ perception of their special status and election that causes a high level of their responsibility for the results of enterprise’s activity;

j) the similarity of the main motives of collective members;

k) the rationality of sharing of responsibilities and tasks between collective members;

l) the equality of all collective members, and others.

The main objectives of ICC formation at the enterprises are (Kuzmin, Goryachka 2011):

1) improvement of production, logistics, management and others processes, increasing the productivity, optimizing costs and minimizing losses, etc.;

2) identifying the key directions and mechanisms of organizational changes; formation, discussion and working on the implementation of enterprise’s innovative projects;

3) searching the solutions of enterprise’s problems in its different functioning areas;

4) forming the bank of innovative suggestions from all employees of the enterprise;

5) development of measures to stabilize the activity of the enterprise in crisis and post-crisis conditions;

6) grounding the necessity and formation proposals of reorganization, restructuring, implementation of integration processes at the enterprise.

The technology of ICC creation is a logically grounded sequence of their formation at the enterprises with determining the resource support of all construction processes. The main stages of technology of ICC creation are: determining the need of ICC formation at the enterprise as a catalyst of its organizational changes; defining the goals and objectives of ICC activity; selection the methods of ICC formation; development the alternative variants of formats of ICC creation; choosing the optimal formats of ICC construction; decision-making on the creation of ICC at the enterprise.

The key elements of technology of ICC creation are methods and formats of their construction. The methods of ICC creation are a set of ways and techniques of their construction at the enterprise. All methods of ICC creation are divided on two groups: formal and informal methods. Formal creation of ICC is realized through decision-making by managers of different management levels in order to solve the problems of ensuring the effective activity and development of enterprise. Informal methods are based on the
unauthorized creation of ICC to satisfy the needs of employees in mutual assistance, professional consultation, experience sharing, and others.

At the enterprises there are such organizational formats of ICC as temporary functioning committee, standing committee, separate division, external agency group (Goryachka 2011; Kuzmin, Goryachka 2011). According to the foreign experience the most popular format of ICC creation is temporary functioning committees which are focused on the solving of some enterprise’s problems through generation and searching the innovative proposals and measures. ICC’s in the format of standing committees are the elements of the enterprise’s organizational management structure. Although these ICC’s are characterized by their stability, but the structure of team members may be periodically modified under the priority of performed tasks. ICC’s in the format of separate division are created at the large enterprises with appropriate resource support according to the uncertainty and expensiveness of results of activity of such division. To assist in solving the complex, non-standard tasks managers of the enterprise may invite the external experts on the commercial basis.

Having studied the literature on the problem it has been developed the typology of creative collectives at the enterprise according to the list of features (figure 2). It gives an opportunity to form the idea about the diversity of characteristics of such groups, as well as creates the basis for their construction considering the parameters of different directions.

Figure 2. The typology of creative collectives at the enterprise
Therefore, it is appropriate to classify creative collectives at the enterprises to the following characteristics (Kuzmin, Goryachka 2011):

1. By status:
   - official creative collectives (they are created at the enterprise legally through declaration of specific order or prescript by authorized person);
   - unofficial creative collectives (they are created at the enterprise without any legal registration, spontaneously for achieving a particular purpose and satisfying the common needs).

2. According to the nature of relationships:
   - formal creative collectives (appears as a targeted result of vertical and horizontal division of management labor);
   - informal creative collectives (exists for satisfying similar needs through the informal interaction).

3. According to the mechanism of formation:
   - spontaneous creative collectives (they are formed and liquidated spontaneously, under the impact of some factors and for solving one common problem);
   - conscious creative collectives (they are created by the initiation of authorized persons to solve some problems).

4. According to the period of functioning:
   - temporary creative collectives (they are formed for some time period to execute a concrete task, and then such collectives are liquidated);
   - permanent creative collectives (they are functioning on permanent long-term base as an advisory and consultative structure, although the personnel composition of these groups may vary).

5. By size:
   - small creative collectives (as a rule, consist of 5-7 persons, which are providing the highest level of their interaction);
   - medium creative collectives (involve 8-15 persons);
   - large creative collectives (include from 16 to 30 persons).

6. According to the level of enter into collective:
   - outdoor creative collectives (these collectives are characterized by free entry of all interested and concerned employees);
   - indoor creative collectives (the collectives of such type are positioned as closed structures, whose members must pass the appropriate selection by the list of criteria, thus all applicants and interested persons don’t have the opportunity to become members of such collectives).
7. By direction:
   – innovative creative collectives (they are focused on providing the innovative development of the enterprise, using the potential, chances of functioning environment);
   – anticrisis creative collectives (they are directed to solving the different problems, going out the crisis situations, avoiding bankruptcy and liquidation of the enterprise).

8. According to the level of dislocation:
   – collectives, whose members are selected only from one management level (the members of such collectives are belonged only to institutional, management, technical levels of management or to controlled system of organization);
   – interlevel collectives (the members of these collectives are selected from different levels of management and controlled system of organization).

9. By structure:
   – similar creative collectives (consist of professionals of similar profile);
   – non-similar creative collectives (include professionals of different profile).

10. According to the connection with the management structure:
   – integrated creative collectives (these collectives are the part of organizational management structure);
   – non-integrated creative collectives (collectives of such type are functioning independently and separately, and aren’t presented within the management organizational structure of enterprise).

11. According to the members’ belonging:
   – intra-organizational creative collectives (the members of these collectives are only the employees of enterprise);
   – external creative collectives (the collectives of such type include only external specialists and experts);
   – combined creative collectives (these collectives consist of enterprise’s employees and external specialists).

2. The concept of management of innovative creative collectives at the enterprises

A concept means the formulation of argumentative and provable views of certain phenomena, processes, events, etc. (Busel 2002). Thus, the concept of management of ICC is a system of views that reveals the key features and characteristics of management processes of such teams.
Functioning of ICC cannot be effective without its goal-oriented management, despite the methods (formal or informal) of their formation. In the context of management of ICC at the enterprises we propose to distinguish the process-structured approach, which is based on determining the sequence of management stages and their structuring. The process-structured approach to management is based on the organic combination of process, systemic, situational, dynamic, and other approaches in order to create an integrated complex model of modern management. The conceptual model of process-structured management of ICC is given in figure 3.

Figure 3. The conceptual model of process-structured management of ICC

Thus, management of ICC within the process-structured approach to management includes such stages:

1. Realization of management technology through five specific functions:
   1.1. Planning of ICC activity. Planning of ICC activity is usually carried out in a tactical perspective, considering the domination of the committee form of creation of such groups. Planning of ICC activity includes determining the goals and objectives of ICC, identifying the problems of enterprise’s activity, which should be solved by ICC, defining specific parameters and indicators of their activity. Sometimes ICC may be empowered to develop the strategies of enterprise’s development and create the transformation projects at the enterprise.
   1.2. Organizing of ICC activity. This function provides determining and distribution responsibilities and tasks between the members of ICC, as well as ensures their cooperation with other departments of the enterprise. The organizing peculiarities of ICC activity are strongly determined by the format of ICC creation. For example, the employees of creative collective in
committee format can receive some additional tasks, which must be done in their work time or out-work time, in parallel with the execution of their main functions. If ICC is created in the format of a specialized division, its employees are given special tasks, as well as they are reported directly to the head of the enterprise. It makes impossible to pressure on them from the other functional divisions of the enterprise. If ICC was formed from external experts, managers or specialists of the enterprise delegate tasks to them, but the distribution of functions and responsibilities within the expert group is done by experts themselves.

1.3. Motivating of ICC members. It consists in the development of forms and methods of stimulation of ICC members to perform assigned tasks. As well as organizing, motivating acquires specific peculiarities according to the format of ICC creation. In particular, it is advisable to set bonuses for additional workload or expansion of activities by members of ICC in the format of permanent and temporary committees. If temporary committees are formed by informal methods to solve some production problem, their members may be encouraged only by moral stimulation. For employees of ICC in a format of specialized division it is recommended to set the appropriate form of payment (usually time-bonus), bonuses, premiums, overpays, and others. With external agent groups the enterprise is working on a contract basis and paying the cost of services under the contract.

1.4. Controlling of ICC activity. This function provides the control of performance of assigned tasks by members of ICC. According to the format of ICC creation controlling tasks can be performed by the director of enterprise, the head of specialized division, heads of committees, informal leaders. In the context of controlling of ICC activity it is recommended to use the finishing form of control that provides evaluating of activity results, comparing them with the standards and criteria. This format of activity is typical for ICC because the members of ICC have the whole freedom in performance of their tasks, but the results of their activity are controlled.

1.5. Regulation of ICC activity. This function involves using the corrective measures, liquidation of gaps, deviations and problems in ICC activity. Regulation can apply to any of the previous stages of management technology: planning (if there is a need to adjust the goals and objectives of ICC), organizing (if it is necessary to redistribute the tasks, change the format of creation or the membership of ICC), motivating (if it is necessary to revise the forms and methods of stimulation of ICC members for activation of their work), controlling (if results of controlling are questionable as to their adequacy, accuracy and completeness).
2. Adequate forming of management methods as the management mechanisms of influence on the ICC members. Within management of ICC there are such methods of management:

- economic (plans, projects, programs of ICC activity, forms and systems of payment of ICC members’ work, premiums, bonuses, overpays, and others);
- technological (schedule of ICC activity, requirements for holding meetings, conferences);
- socio-psychological (moral incentives, methods of ICC formation and socio-psychological climate in ICC);
- administrative (regulations on the functioning of ICC, job descriptions of ICC members, reports, projects of regulations and orders, instructions, reprimand, etc.).

3. Decision-making. Transforming developed management methods into appropriate management decisions on the basis of their optimization and selection of the best alternative.

4. Providing the impact of controlling system onto controlled system on the basis of decision-making and realization of leadership mechanisms (forms of power and leadership styles).

Summary

Any enterprise, functioning in business environment is following definite stages of its life cycle (startup, growth, development peak, declining, and liquidation). Within ensuring of effective enterprise’s development, avoiding bankruptcy and stagnation it is necessary to implement permanent active measures which are aimed at increasing the level of enterprise’s competitiveness through realization of different organizational changes (product, technological, personnel, management, marketing etc.). Practice shows that enterprises, which are established on the relevant market, tend to be conservative, thus avoiding the constructive innovative reforms and transformations. Such progressive changes can set up the enterprise on a new qualitative level of its functioning. In order to understand the need, scale, essence and character of organizational changes of improving the parameters of enterprise’s functioning it is necessary to create a specific functional advisory division in the form of innovative creative collective. Innovative creative collective is a group of individuals which are united to create ideas, proposals, mechanisms, measures of enterprise’s innovative development, as well as to solve the problems of its functioning.

Creative collectives may be aimed at solving the different by character and scale organizational tasks, include employees of enterprise and external
professionals, operate formally and informally, integrated into the organizational management structure, etc. That’s why in this paper there is developed a complex typology of creative collectives at the enterprise according to the list of significant and independent signs. The developed concept of formation of innovative creative collectives includes all necessary elements (resource support, principles, objectives, technology, methods and formats of creation of innovative creative collectives) and reveals their logical and consistent interaction to ensure the effective construction of innovative creative collectives at the enterprises.

The results of innovative creative collectives’ activity cannot be effective without its goal-oriented management. The proposed concept of process-structured management of innovative creative collectives discloses the specific peculiarities of interaction between key management elements (management functions, methods, decisions) in order to ensure achieving the goals and objectives of innovative creative collectives and effective innovative development of the enterprise.

References