The Climate for Creativity, Innovation, and Change

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If you are interested in improving productivity, increasing innovation, or stimulating lasting change in your organization, you may find the following information helpful. It provides a brief overview of the approach The Creative Problem Solving Group, Inc. uses to develop and strengthen the organizational climate for creativity, innovation, and change. This research-based approach has been developed in conjunction with other leaders in the field, to assess the working climate and act on the environment in ways that stimulate innovation, creativity, and change in your organization, function, department, or team.

What is the Climate for Creativity, Innovation, and Change?

What do we mean when we say climate for creativity, innovation, and change? The answer is really quite simple. Think about where you were the last time you had a really great idea or breakthrough thought for a challenge or opportunity you were facing. Can you describe the important characteristics or aspects of that situation? Were you at work, driving a car, sleeping, dreaming, shaving, bathing, exercising, resting, etc.? We often ask this question to large groups of people and rarely hear that their best ideas come while at work behind a desk. When they begin to explain why their ideas seem to come better in one place over another, they are talking about the climate for creativity.

It is important for us to distinguish between organizational climate and culture. An organization’s culture concerns the values, beliefs, history, traditions, etc., reflecting the deeper foundations of the organization. The culture is long-standing, deeply rooted, and usually slow to change. The organization’s climate, however, refers to the recurring patterns of behavior exhibited in the day-to-day environment of the organization, as experienced, understood, and interpreted by the individuals within the organization. It is peoples’ perceptions of these behaviors that influence their attitudes at work as well as their levels of performance and resulting productivity. As Dr. Göran Ekvall, a Swedish organizational climate researcher suggested:

“Climate affects organizational and psychological processes such as communication, problem solving, decision making, conflict handling, learning and motivation, and thus exerts influence on the efficiency and productivity of the organization, on its ability to innovate, and on the job satisfaction and the well-being that its members can enjoy. The individual organization member is affected by the climate as a whole, by the general psychological atmosphere, which is relatively stable over time. No single separate event produces this more
There are many variables that influence peoples' perceptions of the working climate. For example, some of these variables are:

- The organizational vision, mission, goals, and strategies
- The amount of available monetary and physical resources
- The leadership
- Personnel policies (particularly rewards and promotions)
- The personalities of the people in the organization
- The beliefs and values of the organization
- The organizational structures and systems
- Concerns for profits and losses, and
- Levels of job satisfaction.

All of these variables have an impact on how people view the working climate. However, climate research suggests that the most influential variable on this list is leadership, affecting between 40% and 80% of people's perceptions of the climate.

The Situational Outlook Questionnaire (SOQ)

Climate plays a vital role in determining the outlook or likelihood of innovation, creativity, or change taking place in a particular situation (e.g., organization, function, or team). Therefore, we use the Situational Outlook Questionnaire (SOQ) to assess a climate for creativity, innovation, and change. The SOQ examines psychological aspects of the work environment - commonly referred to as “organizational climate.” We use it to help people develop a better understanding of their perceptions of the environment in which they work and their impact on the likelihood they will use their creativity and problem-solving to produce innovation or sustain change. The SOQ measures the climate for creativity, innovation, and change on the following nine dimensions:

- **Challenge and Involvement** - The degree to which people are involved in daily operations, long-term goals, and visions.
- **Freedom** - The independence in behavior exerted by the people in the organization.
- **Trust/Openness** - The emotional safety in relationships.
- **Idea Time** - The amount of time people can use (and do use) for elaborating new ideas.
- **Playfulness/Humor** - The spontaneity and ease displayed in the workplace.
- **Conflicts** - The presence of personal and emotional tensions (in contrast to idea tensions in the debates dimension) in the organization.
- **Idea Support** - The ways new ideas are treated.
- *Debates* - The occurrence of encounters and disagreements between viewpoints, ideas, and differing experiences and knowledge.

- *Risk-Taking* - Tolerance of uncertainty and ambiguity exposed in the workplace.

All of these dimensions are positively associated with innovation and change except one, Conflict. Working environments that have high levels of conflict are less likely to sustain innovation and the commercial success that can come with it.

### The Link between Climate and Organizational Innovation

The power behind the SOQ is that the dimensions it measures have been validated against measures of organizational innovation. Research over the past 30 years has examined the relationship between people’s perception of the organizational climate and the organizations’ ability to: **develop original products and services, expedite delivery of these products to the marketplace, and commercialize original and successful products.** Organizations were categorized as innovative, average, and stagnated based on their product performance and commercial success. Innovative organizations developed more new products and services and moved them to the marketplace quickly, and were commercially successful overall. Stagnated organizations were unable to control development of new products and services, had difficulty getting them to market in a timely and cost-effective manner, and were commercially in trouble. Average companies fell in the middle.

The story becomes telling when you examine the perceptions people held of the climate in innovative, average, and stagnated organizations. The scores below show the differences on the nine climate dimensions in each group of organizations. The scale ranges from 0-300 with a significant difference being 25. People in innovative companies perceive more of each dimension – except for Conflict. Since it is a negative dimension, you would expect to find less Conflict in innovative companies.

<table>
<thead>
<tr>
<th>Climate Dimension</th>
<th>Innovative (N=10)*</th>
<th>Average (N=15)*</th>
<th>Stagnated (N=5)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Challenge/Motivation</td>
<td>238</td>
<td>190</td>
<td>163</td>
</tr>
<tr>
<td>Freedom</td>
<td>210</td>
<td>174</td>
<td>153</td>
</tr>
<tr>
<td>Trust</td>
<td>178</td>
<td>160</td>
<td>128</td>
</tr>
<tr>
<td>Idea Time</td>
<td>148</td>
<td>111</td>
<td>97</td>
</tr>
<tr>
<td>Play/Humor</td>
<td>230</td>
<td>169</td>
<td>140</td>
</tr>
<tr>
<td>Conflicts</td>
<td>78</td>
<td>88</td>
<td>140</td>
</tr>
<tr>
<td>Idea Support</td>
<td>183</td>
<td>164</td>
<td>108</td>
</tr>
<tr>
<td>Debates</td>
<td>158</td>
<td>128</td>
<td>105</td>
</tr>
<tr>
<td>Risk-taking</td>
<td>195</td>
<td>112</td>
<td>53</td>
</tr>
</tbody>
</table>

*N=organizations*

These data demonstrate how people in innovative organizations differ in their perception of the working climate from those in stagnated organizations. Of the
innovative organizations examined in the eighties, nine of the ten are still in business. Of the stagnated organizations, four of the five are no longer in business (the fifth is heavily supported by the Swedish government).

**Results from the Situational Outlook Questionnaire (SOQ)**

The SOQ has two parts. Part A contains 53 questions that provide scores on the nine climate dimensions identified above. These scores represent people’s perceptions of the extent to which the behaviors described by the dimensions are present in the climate. Results from part A include:

- Scores on the nine dimensions including means, standard deviations, and ranges for each group assessed. Data can also be presented in radar format.
- Climate scores compared to other US and international organizations for comparison purposes. Results can also be compared to previous data collection conducted within the your organization (if applicable).

SOQ Part B contains three short-answer questions. These questions provide participants an opportunity to elaborate on their perceptions of the climate. They are asked to identify specific factors in the environment which support and hinder their innovation and creativity, as well as what they might do to improve the climate for innovation. The participants’ actual responses are provided in a report and can be used in the presentation of SOQ results. All participants’ names and references to specific individuals in the setting are removed in the report to protect the confidentiality.

If requested, data obtained from SOQ Part B can be analyzed using a qualitative research method called constant comparison. Optional results from Part B include:

- Level I Analysis - Key themes in participant responses identifying factors in the environment that support and inhibit creativity, as well as actions they would take to improve the climate.
- Level II Analysis - Participant responses are linked directly to the nine dimensions of the climate identified above to support understanding and action to address challenges associated with specific climate dimensions.

SOQ Part B may also be modified to include a larger number of questions based upon your needs.

The SOQ provides one “snapshot” of people’s perceptions of the working climate. These perceptions may be compared to measures of innovation and productivity at the organizational level. It is also possible to compare people’s perceptions of the climate with a variety of other factors including their orientation to creativity; their perceptions of the creative products they produce; and the characteristics of the thinking processes they use when identifying and developing innovations. Additional information is available about these measures upon request.
Using SOQ Results

The purpose of completing the SOQ is to use the understanding it helps create to develop and implement plans to improve the climate for innovation, creativity, and change in your group or organization. Toward that end, the data are collected, analyzed, and shared with key people in order to help them take responsibility for improving the climate.

If the SOQ is used at an organization, department, or functional level, our preferred approach is to present the data to senior management to identify the strategic implications of the results. Then, we share the results with others in the organization to engage them on making specific changes that improve the climate and the organization’s readiness to change. If the SOQ is used at a team level, we prefer to share the results with the team leader and entire members to engage them in creating ways to enhance their climate and improve productivity.

Deliverables from a Climate Assessment

There are a number of different deliverables you can receive from assessing the climate for innovation, creativity, and change. Some of these include:

- A 1/2 to 1-day workshop with the management team or team leader/team members to share SOQ results and put plans in place for addressing the climate.
- SOQ total group and/or subgroup results for Part A and B of the questionnaire.
- A comprehensive report of findings and key recommendations for improving the climate for creativity, innovation, and change.
- Personal feedback on the results of the climate assessment provided to participants completing the questionnaire.
- Presentation of the climate results in relation to the results of other assessments administered.

We hope this provides you with the information you need. If you have any questions about the Climate for Creativity, Innovation, and Change or the SOQ, please contact us. We look forward to the opportunity to work with you.