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PROGRAMME: “NICE WORK”

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LAMB: Hello. Everywhere from hospitals to High Street shops, factories to farms, bosses are beginning to use a new buzz word “creativity”. Helping staff to think creatively is the latest work place philosophy. Converts believe that it boosts productivity and sharpens competitive edge. It’s already mushroomed into a multi-million pound industry, so wherever you work you could soon be in for something like this.

MAN: We go out and look at people, we brainstorm and have crazy ideas and then we make things and really that process, that three step process, is applicable to making a toothbrush or a train service or on-line banking.

LAMB: Creativity isn’t like other business philosophers. You can’t just conjure it up by bringing in a team of management consultants. It’s not about experts telling employees how to do their jobs better. It’s about the staff learning how to do that for themselves and putting their ideas into practice. Now many organisations are going as far as appointing creativity directors to champion the cause and over the next half hour, we’ll be looking at what this quest for fresh

thinking is going to mean for workers all over the country. On the line from Stanford, in the United States, I have Dr. Kurt Carlson, who's chief executive of SRI. It's a research and development organisation, originally part of Stanford University. These are the people who help to bring us personal computers and the internet. They're still developing state-of-the-art products. Nowadays they also advise organisations all over the world on how to use SRI techniques to develop new ideas and new ways of working. Dr. Carlson, everything you do is based on creativity and innovation. Why are so many organisations now feeling they need to boost their creativity?

CARLSON: Well if you go any place around the world whether it's China or India or Ireland or London, it's become apparent to most people that innovation now is the primary means of growth, prosperity and quality of life. It used to be natural resources. But today it's mostly what comes out of people's minds. So the idea of creativity and innovation now is fundamental no matter where you are.

LAMB: Dennis Sherwood's also with me. He runs his own creativity consultancy here in the UK called the Silver Bullet Machine Manufacturing Company. How would you define creativity?

SHERWOOD: Well to me the most powerful definition of creativity is the simplest. To me creativity is having an idea. It's something that happens in the mind, the mind of the human being. I think it's a powerful definition because it distinguishes it from innovation, which to me is making that idea real. We can all have ideas for a better toothbrush, bristles at both ends for example, one to scrub, one to shine. Great idea, but until we actually put that idea into the market, we haven't yet innovated. So creativity is having an idea, innovation is making that idea real.

LAMB: Well the consumer goods giant Unilever is one organisation which has bought into the idea of trying to make its workforce more creative and they've gone about it in a rather unconventional way. They're helping their people to look at the world with fresh eyes by introducing a programme using the arts. Project Catalyst was launched because the company wanted to improve performance by becoming more entrepreneurial. It's an in-house scheme using theatre workshops, poets in residence and a photography course where Diana Lamamon met some of the people taking part.

MCPHAIL: Every time I've gone along with a degree of anxiety, I come out thinking, "that God I did that, that was brilliant."

LAMAMON: Graham McPhail works in property services at Unilever in Walton-on-Thames. His is not an obviously creative job in not an obviously creative company but he's an enthusiastic participant in Unilever's in-house creative project Catalyst. James Hill is the chairman of Unilever's ice-cream and frozen foods division.

HILL: We wanted Catalyst because we wanted to improve the overall level of creativity in the company. We wanted to inspire people to get them coming up with new and better ideas. We make branded foods and home and personal-care products and we advertise them. They tend to be higher quality, higher premium and we need more imaginative solutions than just the average in order to get people to like them.

LAMAMON: But Catalyst is not just for employees in traditionally creative areas like advertising. Any Unilever employee can choose to get involved. The only thing they have to commit is their time and some of that is donated by Unilever. The project was set up in 2000 to bring in artists instead of consultants to help Unilever think more creatively about its business issues. The artists have included furniture makers, actors, playwrights and fashion designers.

This photography course is aimed at encouraging employees to be more creative with images. Catalyst is the brain child of Allister Creamer.

CREAMER: What we've done specifically here is say, we're not interested in the technical aspect of photography. We've just said, "let's all use disposable cameras", so it's very low-tech. What we wanted to do was to get beyond the technical aspects and just get people to understand how they look at the world, what do they actually see? And as Donovan keeps on reminding us, I want you to open your eyes wider.

WYLIE: What I'm doing at the moment, I'm not quite sure, I'm just laying them out and hoping that something will emerge.

LAMAMON: The artists Catalyst users need to be impressive and inspirational. Running the photography course is Donovan Wylie, currently exhibiting his work at the photographers' gallery in London.

WYLIE: I don't tell them how to take pictures, I just make them find out what it is they actually feel about what they see.

LAMAMON: Is it possible to see any impact on Unilever, the culture, the people...

WYLIE: They're fired up to do it. They're going to bring that energy back with them to their work.

LAMAMON: Employees Lisa and Graham are still weighing up what creative impact the photography course has had on them.

LISA: Some of the ideas or the solutions that I've come up with to problems at work are things which I might not necessarily have ever thought of before.

GRAHAM: How it actually helps me in my day-to-day job I don't know, but I know that overall my character or whatever, there's definite benefits coming out of this and your confidence comes good and I've done many things now that I would not normally have ever done.

LAMAMON: Graham and the other photography students have opted to exhibit their 180 photographs on the outside of the listed Unilever building in Walton-on-Thames. The only way of attaching the pictures is by absailing. It's an incredibly ambitious and creative plan far beyond anything Allister Creamer and the Catalyst team had ever imagined possible. But the group is determined.

LISA: The more I think about it, the more I think wow that's going to be really different and I'm going to be so proud to have done that.

GRAHAM: I love it here because I think it will be a lot of the things that we talked about at the beginning, about being a little bit disruptive, talking about doing things differently, opening people's eyes.

LAMAMON: Do you meet any cynicism amongst your colleagues who say, oh you know just a good thing for the company?

GRAHAM: Yea, you know, I'm skiving this afternoon, yea of course there's cynicism and those people are wondering why the company's investing so much money on what doesn't appear to be part of the core business, but it certainly creates a lot of excitement among people who actually don't know each other. I don't know many people in there, and I got an awful lot out of the previous

courses which is why I've come along to this one and I'm getting an awful lot out of this one.

LAMAMON: There's no doubt they're all getting a lot out of it, but does all this creative energy make money for the company. I asked Allister Creamer, isn't this the sort of project that's first to be cut when money's tight?

CREAMER: Catalyst is a programme that solves business issues. One of the chairman, Keith Weed, who runs Lever Fabrishe, famously said, "I'd cut some of my other budgets first before I cut Catalyst."

LAMB: That was Allister Creamer of Unilever ending that report by Diana Lamamon. Dr. Kurt Carlson and Dennis Sherwood were listening to that with me. Dr. Carlson, it seems that the staff at Unilever were obviously very excited about doing these creative projects. They seemed a little less clear about how that would actually translate into greater productivity in their work. Is it fair to say that projects like that are really a bit more about boosting morale than direct results?

CARLSON: Well they do more than that, but I would agree with you. If you're going to install an innovation programme in your company, it should be focused on customers. So if you look around the world, there are only a few organisations where the entire company is focused on their customers and they have a definition of what value was for the customers and they have an innovation programme. So as Dennis just said a moment ago, creativity is fine but the objective in the company is successful innovation, which means you get products into the market place. The only way you can do that is have everyone in the organisation focused on the customer and it wasn't clear from that whether Unilever has added that part of an innovation programme to their programme yet.

LAMB: I mean obviously there are many ways of introducing creativity into the work place. You've got, I think, about 1400 people working at SRI. How do you do it there?

CARLSON: Well we have a process that if you think of what Demming did in the 1960s and so, to improve the quality of manufacturing products, we're trying to do the same thing for knowledge workers. We have a number of ingredients in our programme but one of them is continuous improvement focused on the customer. So we have a whole set of ideas which includes starting with having a definition of what customer value is in the process to make sure we answer those questions as quickly as we can.

LAMB: So this is a very structured approach, because creativity does rather suggest people sitting round a kitchen table having ideas. You don't do it like that?

CARLSON: We call it the "discipline of innovation". We think that innovation, unlike most of the books that are written about it where a genius goes off or there is some kind of accident in the market place. We believe it's actually a very structured process that if you do certain things you succeed and if you don't you won't.

LAMB: Dennis Sherwood, I think brainstorming is possibly the part of this a lot of people will be familiar with. For most of us, certainly my own experience of that is, you walk into a meeting room, there's a whiteboard in the corner with nothing on it and a facilitator looking expectantly at you. Is that the most productive way to do that?

SHERWOOD: It certainly isn't because as that facilitator's eyes bore into me, my eyes go down and I'm just praying someone else starts the conversation.

LAMB: Your mind goes blank.

SHERWOOD: Absolutely. No, let's pick up what Kurt was saying about a deliberate process and we fed into that wonderful story from Unilever about artists. One of the things about creativity and innovation in all organisational context, not just business, public sector, hospitals, schools, is not to do something which is wildly new, but to do something which is different from what you're doing now.

LAMB: So you're unlearning what you already know.

SHERWOOD: You're unlearning what you already know. It becomes progressively difficult the more successful you are. Because the more successful, the more the power to continue, or the pressure to continue. To unlearn and do something differently, you require two skills. The first skill is observation, noticing what you do now very very carefully, and artists are very very good observers, particularly photographers. So when Unilever, they're using artists and photographers in their work place, they're helping people observe. If you then map that with the spirit of curiosity that all children have, how might that be different, and put those two together, you discover all sorts of wonderful new ideas.

LAMB: Well in recent years, British industry has been struggling to cope as our economy becomes increasingly based on selling knowledge and services rather than goods as you may have heard on the news today. The TUC estimates that Britain has lost three quarters of a million manufacturing jobs since 1997. But hereto one company has discovered that encouraging creativity amongst its workers can help to give it a competitive edge. The Scottish engineering group, Weir, employs just over 900 people in Britain. It makes pumps for the oil, gas and water industries. Dennis Sherwood who've I've just been speaking to was one of the people called in to help and our reporter, Mike Johnson, visited one of Weir's factories to see for himself how creativity is being fostered in this most traditional of industries.

JOHNSON: This factory, just outside Glasgow, has been making industrial pumps for the past 132 years. And that traditionally is something which really you can't help but notice. When you walk in the front entrance there's a memorial to workers who died in the First World War. That's a fairly typical scene of heavy industry around me here, cranes overhead and forklift trucks moving around, lathes and cutting machines as far as you can see. But within just the past three years a new management team has been trying to make fundamental changes to the way this company is run.

KAPPELL: People do think that to be creative you've got to be an artist. Engineers aren't normally seen to be creative people, but it's all about questioning a problem from different angles.

JOHNSON: Weir director, Paul Kappell, drafted in creativity consultants to help run a three day ideas workshop in his part of the company. It united people from all levels and a variety of backgrounds. Personnel officers rubbed shoulders with engineers and financiers. The intention was to share expertise between parts of the organisation which wouldn't normally communicate. The workshop generated more than 170 new ideas.

KAPPELL: I think everybody is born to be creative. I think you have the creativity trained out of you. In a work environment usually people aren't allowed to be creative. The culture of business is you just do your job. We're just put into a regime where it is not expected of us and we've got to find a way of creating that environment where they're able to be creative.

JOHNSON: This new policy of encouraging staff inspiration is also having a visible effect back on the shop floor.

EMERY: I believe if we hadn't stopped the decline and started on the route to improvement, this part would be closed, we would be shut by now. It's as open and closed as that.

JOHNSON: Howard Emery is manufacturing director here. He was one of a swathe of new managers who took control in 2001. Their challenge was clear. The factory was losing money in the face of stiff competition from abroad and a survey of staff opinion showed morale at rock bottom.

EMERY: They were saying they didn't trust the management. They were saying that they weren't trained correctly. They were saying that they had no involvement. Nobody enjoyed coming to work. People would not stand forward for promotion when the opportunity existed because they didn't want to become managers or supervisors. People wouldn't talk to you, let alone give you a suggestion. I have a real difficulty to imagine what it was like working here before because I've seen the effect of the management staff and I have to say I was embarrassed that somebody could treat people that way.

JOHNSON: Howard Emery's big idea was to apply Japanese principles of continuous improvement to encourage workers to step forward with their own approaches. That meant using structured meetings to allow them the time and the space to come up with suggestions.

EMERY: Well we actually have an old, like a classroom, they call it the room for improvement, and in there we paint the picture and the people work in there for two weeks, bits of training, bits of activity, bits of training, bits of activity. There's nothing like the person doing the job for coming up with the ideas. If people can look above and beyond their normal daily role, then that alone will unlock the opportunities for us. If it's their idea, they will look after it. If it's their idea, they will make it work.

JOHNSON: All this encouragement from management certainly seems to be bearing fruit. One shop floor worker invented a metal frame to allow a piece of equipment to be lifted by just one person rather than four. And lathe operator, Harry Conroy, adapted technology used elsewhere in the factory to cut drastically the time it takes to get his machines ready. The idea won him a major national award for industrial innovation.

CONROY: I first joined the company 6½ years ago. We weren't really encouraged to have any ideas, they were set in their ways. But when the new management structure demand right away a change of staff had been made. I think it encourages you to try and think about what you're doing and try and improve. It's going to benefit us because we'd only take it home and do the job.

JOHNSON: And for Alvin Gould, another production worker, creating an atmosphere where people feel listened to makes them more motivated.

GOULD: It makes you feel as if you are appreciated more, you know from what you know. It's a bit of push they want. I find, I've been in here 25 years and the past two years a lot easier than to come along at the moment.

JOHNSON: And the business is starting to feel the benefit too. This factory has gone from making losses to breaking even and for director, Paul Kappell, that quite literally is the bottom line.

KAPPELL: We're competing in a difficult world out there. We need to get ahead of our low cost competitors and it's technology and ideas and new solutions that allow us to do that.

LAMB: Paul Kappell of the Weir Group ending that report by Mike Johnson. Dennis Sherwood, my apologies, I think I called you Sherman a moment ago. As I said, you were involved in some areas of what Weir have done. It did

sound rather like traditional management consultancy in many ways. How was it creative?

SHERWOOD: I think it was creative in a number of levels. You heard Paul Kappell there speaking of new product development in his area of the business, which I think maps on to most people's belief of creativity as a better mousetrap, a better toothbrush, a new ice-cream. But you also heard those guys from the shop floor saying that actually their attitudes had changed. They were allowed to do things they hadn't been allowed to do before and they were changing their behaviours. Now to me, changing one's mind, accepting an idea that maybe has been around elsewhere but allowing it to happen to me, is as creative and as innovative as inventing the better mousetrap, with one exception, it's a darn sight harder.

LAMB: Well we're joined now by Adrian Furnham, who's professor of psychology at University College, London, and he's written widely about work place issues. Professor Furnham, I know you're something of a sceptic about the creativity industry. What are your reservations?

FURNHAM: I think "creativity industry" is the right word. I think it's also a stress industry. People like to hear that they can be made more creative. It's something that everybody finds a lot of fun and they also enjoy going on these courses. You talked about, does it just improve morale and does it improve your self-confidence and your self-esteem. That's all true.

LAMB: These are of course helpful things.

FURNHAM: Yes, but you can go on a course for anything to do that. I don't deny that's helpful. The question is what's the evidence that people become genuinely more creative? Now I haven't heard that word "evidence" very much so far. And the issue I think is this. When we look at something like creativity, I

believe there is plenty of evidence to suggest that all human characteristics, all human abilities, are normally distributed, that is in a bell curve. Some people are naturally very good at them, some people are not, some people can sing, some can't, some people can sprint, some can't and you can teach them to become a little bit better. But of course there are constraints. If you're short and fat you can't sprint very well. You can learn to lose a little weight and sprint a little better. And the question is how much can you move people? We can somehow devise and we have got tests which evaluate the creativity and we can do things to change them. Now unfortunately, the evidence is rather against people who go on short courses. We know, for instance, the evidence on brainstorming, the evidence on brain storming is very clear, it doesn't work. That is if you ask people to do it alone, they do it much better than they do it in groups. It's quite unequivocal that evidence, and we know the reasons for it.

LAMB: Let me bring Dennis Sherwood in here because I can see him foaming at the mouth. You would, I take it, disagree strongly with this?

SHERWOOD: I would certainly agree that there's a normal distribution. I would certainly agree that brainstorming in the conventional sense doesn't work for reasons we discussed earlier. I guess I'm really going to argue the case that you can shift that curve significantly and that any individual, you can make a real difference.

LAMB: But at what cost? Are you actually getting out as much as you're putting in?

SHERWOOD: I think you're giving out far far more than you're getting in because you're increasing people's self-confidence and you're creating a wealth of ideas that you have no idea where they might lead and for every thousand ideas that you can create, ten of them will be good. So if you can create a thousand and another thousand and another thousand you have to be in a better place.

LAMB: One more brief comment then.

FURNHAM: Well you could make them go on holiday, you can make them listen to music, you don't have to teach them to do anything for that to happen. The quality of ideas is different from the quantity of ideas and the long-term innovativeness of ideas is something that is very valuable. Nobody denies the power and the importance of innovation. The question is where you get those ideas from and how you get people to generate them.

LAMB: An interesting debate. We've going to move on though. We've talked about the sheer size of the creativity industry and one big player is fast making in-roads into the British market. Recently featured on the front cover of Business Week, Ideo was founded in Palo Alto in California. It began as a design company creating consumer products such as computers, cameras and office furniture. Now it's reinventing itself and teaching organisations how to unleash untapped creativity instead, including the BBC. Ideo is a firm believer in the theory that getting the work space right is crucial to getting the best out of people and when I went to see its UK chief, Matt Hunter, I soon discovered that they do practice what they preach at their Head Office in London's Clerkenwell.

HUNTER: It's really important for us not to have any internal walls, as much as possible to have line of sight, because it's really about communication. This is where we communicate with our clients.

LAMB: It's quite a domestic space. In front of me there's a little café area with tables and chairs, coffee making equipment, but it's not a slick prêt-à-manger type of environment. It's quite cosy, quite homey. That's deliberate?

HUNTER: Absolutely. I think we've got to feel comfortable and relaxed in order to be creative and we want to make our clients relax as well. So make it like home.

LAMB: So Matt, we've come downstairs now into what looks like a much more functional area. What goes on here?

HUNTER: This is the project floor, so this is where each project gets it's own space. Now the space is divided up into a series of little rooms almost cells, quite small, with room dividers. Can we go into one, are we allowed to go into one?

HUNTER: Yea, here we go.

LAMB: Okay. There's clutter everywhere. I have to say not a tidy space.

HUNTER: Not at all I think it's sort of focused chaos. The idea is that this is a collective physical memory. You just can't avoid the information that's up on the walls.

LAMB: So all these things and there are objects, there are post-it notes, there's sketches, there's photographs, all this stays in this project room from the beginning of the project until the end. So you can refer to it as you go on?

HUNTER: Absolutely. You get layer upon layer of it and so each time the team comes in here they remember where they are. Each time the client comes in, the client immediately can see the work that has happened. So they'll obviously get a presentation of where we are now, what the result is at the moment. But they'll have seen some of the underlying process work as well.

LAMB: Well we've moved now into a much more industrial looking space with all sorts of equipment and you're obviously making things in here. What goes on in here?

HUNTER: We go out and look at people. We brainstorm and have crazy ideas and then we make things and really that process, that three-step process, is applicable to making a toothbrush or a train service or on-line banking, it's exactly the same.

LAMB: Let's take a look at some of the projects you've actually been involved with. Now I know you've done some work for the extremely upmarket fashion label, Prada. What did you do for them?

HUNTER: Well we were collaborating with an architect called Ramma Coolhouse on some new stores for them and in New York they really wanted to make a concept store, one that would express the Prada brand, and as well as world class architecture, they really wanted to understand the role of technology.

LAMB: How do you go about doing that, how do you go about actually working with their people?

HUNTER: I think firstly we go shopping.

LAMB: So you try and get inside the heads of the people actually working inside the organisation and in this case, Prada's case, the customers, and actually understand what sort of experience they're having, whether it's a good experience or a bad experience or whether the system is working for them or not.

HUNTER: Exactly. So, for example, often what happens is you find a particular shirt and is it in your size, do you have it in another colour? Well the assistant has to go all the way back to the stockroom in order to find out whether

or not they do have that available. So what we created was a system where through a special radio tag, the assistant could immediately have this information to hand, could even show on a video screen that shirt on the model, on the catwalk. So the shirt then becomes alive and it's more like, "wow, I really want that shirt, and not only do I want that shirt, but I want the trousers that the model is also wearing."

LAMB: And they do some pretty radical things with their changing rooms as well.

HUNTER: Yea shall we go and have a look?

LAMB: Yea absolutely. We have a mock-up here of a Prada changing room. It's extraordinary. It's a glass box, I'm walking into it now. What's different about this? The thing that immediately strikes me is I wouldn't want to get undressed in here because it's transparent.

HUNTER: Well one of the things that you notice when you go shopping is that it is a social activity. Generally speaking, people come with friends or family and so what we want to do when we're changing is of course be private but fairly quickly show everyone else what's going on. So here we have some special glass that at a flick of a switch goes cloudy.

LAMB: Oh that's so clever.

HUNTER: And a flick of a switch goes clear.

LAMB: The entire room suddenly went well, milky, the glass has gone milky, I would now feel completely comfortable getting stripped off. But at the flick of a switch there's a red button on the floor, you just tread on it and then your girlfriends, husbands, whatever can see your outfit. Brilliant.

HUNTER: Exactly, much quicker.

LAMB: It strikes me do you find that quite a lot of the things that you introduce into organisations are common to different businesses?

HUNTER: Definitely. I think that the reason why we are involved with anything from the design from a toothbrush to a hospital, is that really trying to understand people, to empathise with your customers, is something that we all try and do but don't really do well enough and then, once you've got those little observations and insights, turning those into the ideas that make life a little bit better, really everyone can benefit from that sort of process.

LAMB: Do you find that just changing people's physical environment is enough to make them into a more creative organisation?

HUNTER: It's certainly a big part of it. I think you have to have both these group areas, as the places you talk to one another but also the slightly rougher areas, slightly more messy that give permission to play. But just having the space isn't enough. You also have to train people, the techniques and the perspectives, the attitudes to look and to listen and to really communicate with one another.

LAMB: I was talking there to Matt Hunter of Ideo. Dennis Sherwood, it strikes me creativity consultancy, it's not cheap. It's just something that's bound to remain something for large organisations or are we going to see these ideas trickle down?

SHERWOOD: Learning how to be creative is actually an extremely good investment and small companies as well as large will benefit enormously.

LAMB: Dr Carlson, business philosophers, they come and go don't they, many of the ideas of the '80s and '90s have now been discarded. Do you think creativity will be any different?

CARLSON: Well this show has been an interesting one in terms of the focus on creativity. If you're a company, your focus has to be on innovation, that is creating products that have value in the market place. I would agree with Adrian that just focusing on the environment or morale or any other of those issues, they're more symptoms, they help. But the real objective is creating value in the market place. If you walk into a typical company and you ask two questions, you can find out the state of that company. First, do you under...

LAMB: I'm going to have to hurry you I'm afraid Dr. Carlson.

CARLSON: Yes. Do you have an understanding of the definition of customer value and do you have a process of innovation? So far we've only found four companies where that's true. They're all number one in their field. There's enormous evidence that succeeds. One of them happens to be Ideo and of course we're also hoping that SRI will be the next one.

LAMB: Gentlemen, I'm afraid we'll have to leave it there. Thank you all very much indeed for joining us. Join me again at the same time again next week.