Fostering Creativity to Bolster the Bottom Line

How to establish a creative work environment that positively impacts all areas of business.

(A quick-reading parathink briefing for really, really busy people)

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Paragraphs is an award-winning, strategic design firm specializing in branding and corporate communications across all media. Since 1984, we’ve helped leading companies around the world do one thing exceptionally well: build powerful brands that grow their business.
Executive Summary

When thinking about creative companies, first thoughts usually turn to marketing, architecture or interior design firms because their services and products require constant creative effort. Regardless of industry, companies that expect to stay successful and profitable in today’s business world need to embrace creativity, too. No longer can creativity fall into an “if it happens, it happens” mentality.

More companies are noticing the value of a creative workplace, from better profits to higher overall employee happiness. They strategically incorporate creativity into the fibers of their corporations using methods that align with the company’s model and industry. Creativity is not limited to one industry: All companies need to embrace creativity—or they will face stagnation in an ever increasing competitive market.

In this parathink briefing, we’ll give you a quick overview of:

• The rationale for developing a creative-focused company.
• Ways top-performing companies build creative spaces for employees.
• How to encourage organic creativity within your work environment.

An environment cannot become creative overnight and for some companies this environment must be strategically built. Through dedication and support, your workplace can soon become a hub of organic creativity.
The Creative Need

A study by Forrester Consulting found companies that embraced creativity “outperform[ed] peers and competitors on key business performance indicators” and enjoyed a high-performing work environment. Additionally, their company leaders are progressive and establish creative initiatives through processes, methods and funding.¹

Creativity by the Numbers

The Forrester Consulting study found that companies that foster creativity had better revenues, higher-performing work environments and won more awards than their non-creative counterparts:

- 58% of companies that fostered creativity in 2012 saw a 10% revenue increase in 2013
- 58% reported they establish goals around creative outcomes
- 69% of creative companies won awards for being best places to work
- 55% of companies have executives who prioritize creativity
- 48% reported their executives fund new ideas that come from creative brainstorming
- Creative companies have high-performing work environments compared to less creative companies by 3 to 1

While employees are often creative on their own, companies that nurture a creative environment experience creative success more frequently. We know that creative work environments can help companies meet goals, but what exactly is creativity and how can companies achieve this environment?

Understanding “Creativity”

What does it mean to be creative? Merriam-Webster defines it as the ability or power to create, or bring something into existence. That “something” can be as simple as a cooked meal or as complex as a jet engine. But a creative work environment is less about producing novel product after novel product and more about embracing a different way of thinking: creative thinking. Creative thinkers embrace risk-taking, can understand multiple perspectives on one issue, use a variety of approaches to solve problems and often have a wide range of interests in various fields.²

Creative thinking’s counterpart, critical thinking, is more structured in nature. Instead of creating something new, it seeks to assess ideas or products already in existence. Critical thinking follows the rules and creative thinking disrupts them.

“When you have exhausted all possibilities, remember this: You haven’t.”

– Peter Drucker, Management Consultant

If your employees tend to think critically, don’t fret. Here are three ways to inspire them to think more creatively.

1. **Explore new environments**
   Students who travel abroad are more open to new ideas because they have experienced cultures different from theirs. While it’s not financially feasible for most companies to pay for employee travel, you can introduce employees to new locations within the proximity of your building. Take them out to a fusion restaurant to explore new cuisine, or take a day on the weekend to attend a local farmer’s market. Your employees will begin to experience more of the world and expand their perspectives, a necessity in creative thinking. Do you have a team stuck on a project? Encourage them to leave the office and work at a local café. The change of scenery will help them be more creative, and the background noise will help too.

2. **Listen to ambient sounds**
   Sound impacts us cognitively. Research has shown that by listening to classical music while studying, students better retain information. It’s also why we turn down the volume on our radio when we’re looking for a location, as total silence helps sharpen our focus; it’s great for finding that fusion restaurant but not beneficial to creative endeavors.

   What’s the ideal sound? A 2012 study shows that a moderate level of decibels (around 70) is the best environment for creative thinking—the same level you would get at a coffee shop. If you can’t leave the office, recreate the coffee shop vibe with the help of websites like Coffitivity, which provides recorded sounds of bustling cafés. Coffee not included.

3. **Sing the blues (and greens)**
   Studies have shown that glimpsing blue or green prior to beginning a creative task can help enhance overall performance. Place objects or photographs with these colors around your workspace and throughout the office, purchase plants and put them in blue vases or consider painting a meeting room wall in a shade on the blue or green spectrum.

   It’s important to build a creative work environment, but remember that creative thinking isn’t the end goal; instead, it serves as a catalyst to get teams to engage and analyze and come up with an idea that does work. Ideas don’t need to be excellent from the beginning. Through discussion and refinement, a single, simple idea can grow into a final polished product.

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4. Blue or red? Exploring the effect of color on cognitive task performances. (2009, Feb. 27)
5 Ideas from Top Companies to Emulate

A company’s success comes from high-quality products, services, sales and marketing initiatives but it also comes from innovation, providing exceptional services and living out the brand. Top-performing companies understand that it is their employees who are the “face” of their company: They are brand ambassadors who live and breathe the company’s brand message, create products and perform services that exemplify a company’s values. From supporting employees’ ideas to making the workplace enjoyable, companies like Virgin America and Facebook have shown that employee-focused endeavors are best for the bottom line.

1. Hire someone with no industry experience

Most job descriptions detail a preference or requirement for applicants to have previous experience within the company’s industry. But when it came to hiring a chief marketing officer for Virgin America, a main criterion was that the candidate had no previous airline experience. While it seems counterproductive, finding a candidate with no history in the industry meant they had a fresh perspective on the company, its operations and its marketing.7

This approach is not realistic for all positions within a company, but consider trying it during the hiring process for positions in your advertising, marketing, public relations or engineering departments. You’ll draw in a candidate who is flexible and ready to take on challenges. Their unfamiliarity with the industry will help other employees see the company from a new angle and bring to light previously unnoticed issues.

2. Don’t believe in failure

All top-performing companies have failed at one point—many just don’t see it that way, instead viewing it as a likelihood of risk-taking. If an idea doesn’t work out the first time, it isn’t a failure; it’s just an avenue that didn’t lead to the desired outcome. Failure, in addition to its negative connotations, hinders innovation. No one wants to take risks in an environment that disciplines failure: If superiors get upset every time an issue occurs, the creative environment deteriorates and employees become less likely to take risks.

3. Let décor serve as inspiration

If you desire creative employees, decorate your office with art that inspires. Employees will see these daily, so include a variety of pieces such as installations or abstract paintings. Facebook believes so much in this concept that they have an Artist in Residence Program.8 Artists walk the campus and make art to exhibit throughout Facebook’s buildings. The pieces are always changing, constantly exposing employees to new muses.

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Not a large enough company to have your own artist? Seek out unique pieces from local artists or purchase online and place in high-traffic areas. Consider having an artist come in to paint a mural or abstract piece on a main wall. It’s a one-time cost that will serve your company and employees for years to come.

4. **Make a whiteboard wall**

Ideas come rapid-fire during meetings and brainstorm sessions. A whiteboard wall displays ideas and makes visual connections from supporting points to main concept. Elect one individual to be the note taker, writing all shared ideas on the wall. Then, one by one, build out each idea. You can erase suggestions as needed and keep the final choice or keep them up for reference throughout the week.

Dedicate a section of the whiteboard as space for weekly thoughts regarding website design, content, product offerings, new endeavors and more. Have a weekly Friday meeting to discuss these ideas and their viability to see if they could come to fruition.

5. **Have employees switch seats**

HubSpot has found success switching the seating arrangement of its 700 employees every six to eight months. HubSpot CMO Mike Volpe says the company switches seats to avoid departments feeling isolated from one another. New seating arrangements help foster better relationships among employees, especially those who might not regularly encounter one another. HubSpot found that new seating helps in conducting daily business, too: Volpe recounts how employees responsible for keeping customers happy complained that the sales team over-promised something. "Now they’re sitting right next to each other,” Volpe said, “and when the sales person starts exaggerating a little, the service person throws them an elbow because they’re right there.”

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7 Ways to Foster Creativity at Work

There are endless ways to foster a creative environment that encourages happy employees and realizes high-performance; however, not all options will fit every company, so seek avenues or processes that best align with your company’s mission and culture. A law firm may not be comfortable letting employees elaborately decorate their desks, but they can encourage positive-only communication throughout the workplace. Here are seven ways a company can build a creative work environment:

1. Bring individualism to work
Companies that embrace their employees’ personalities are often those who are the most creative—and the most successful. Companies that ask their employees to leave their individuality outside the office slam the door on innovation. When employees can be their true selves, they feel more comfortable sharing their ideas and offering honest input on others’ ideas. Individuals from various ethnic backgrounds, socioeconomic statuses, geographic regions and religions offer a unique perspective that, when grouped with other perspectives, helps generate, refine and produce high-quality ideas, products, campaigns and more.

2. Use additive—not negative—feedback
Leave critical feedback for project edits, not for creative discussion. Tell supervisors and employees that only additive feedback is allowed during discussions and brainstorming sessions. Additive feedback means that individuals cannot respond negatively to ideas—no matter how poorly constructed they think it is. Instead, responses should focus on adding to that idea. Additive feedback could be, “Well that’s an idea, but instead of making it out of polymer, could we make it out of metal?” or “That’s an interesting message, but let’s make it stronger by changing it to an active sentence.”

Constant negative feedback, even if constructive, discourages participation and makes employees less inclined to share their ideas. In communication that focuses on additive feedback, all ideas are welcome since they serve as the foundation on which to build discussion.

3. Diversify your teams
Diversifying your teams automatically inspires creative-based projects due to the varying personal beliefs, talents and ideas of team members. Easily establish a diverse workplace by hiring individuals from different cultural, geographical and educational backgrounds. If you hire only individuals from Chicago who went to the same university and have near-identical skillsets, values and backgrounds, you aren’t likely to get each to present different ideas. During team-based projects, do not always group the same employees together; creative conversations occur organically by switching the perspectives, personalities and skills that need to work together.

4. Brainstorm—with limitations
Brainstorming is a great tool to help develop creative ideas. All thoughts are welcome and discussed, as nothing is off the table. But, suggests Adam Fridman, founder
of MeetAdvisors, placing limitations can help foster innovation.10 For example, if you’re working on ideas for a new product, make it a rule that suggestions can only fall under the purview of items used in a kitchen or made from recyclable materials. While limitations narrow the scope of the answers participants can deliver, their answers will be more in-depth and well thought out.

Another option is to replace a brainstorming session for a brain-writing session. Individuals write their ideas on a piece of paper. After a specified time (e.g. one minute), everyone switches papers and builds off the ideas presented. Continue switching until the original owners receive their paper. Follow this exercise with a discussion.

5. Make employees take time to relax

Tight deadlines, long workdays and industry challenges contribute to work-related stress that takes a toll on employees’ physical and mental health. Therefore, it’s important for companies to encourage relaxation, such as not allowing employees to work through lunch or making it non-negotiable that employees take at least two weeks off a year. Stressed, unhappy individuals do not produce as high-quality of work and feel uninspired—the antithesis to creativity. Time away from the office can provide a clarity that would not have occurred if they hadn’t stepped away.

6. Allow for expression

A simple way to build a creative work environment is to let employees decorate their workspaces with work-appropriate décor. Live fauna, photographs of friends and family, a container of chocolate, quirky desk organizers—these and other items allow employees to express their personalities and surround themselves with items that inspire and relax them. Most employees spend eight hours or more at their workspace five days a week: By letting them bring personal items into the work environment, a company shows it cares about employees as individuals, appreciate the input they offer and understand the impact they make on the company.

7. Be supportive

Your company will struggle to build a creative environment if its supervisors do not support efforts meant to foster creativity. Employing these techniques are a start, but leadership must support them and be on the same page in efforts they make. Even quick recognition (“Great idea, Todd!”) alerts employees that their input is welcome. Frequent positive feedback like verbal remarks or compliments support a transition to or maintenance of a creative work culture.

A creative environment needs nurturing and constant work. There will be times when employees feel too stressed or bogged down by work, so it’s the responsibility of managers and supervisors to always try to foster creativity through chosen methodologies and support systems.

“As a certified WBE company, Paragraphs strives for diversity hiring. Having a diverse team allows us to get unique input that results in exceptional campaigns for our clients.”

– Robin Zvonek, Founder/President Paragraphs LLC

At Paragraphs, we fully believe in immersing ourselves in a creative environment.

Here's how we stay inspired:

**Green with creativity**
Our brand has creativity built in. A wall of green greets employees each morning, eliciting a sense of tranquility and lighting up their right brain, prepping them for another day of marketing, writing, designing and brainstorming.

**A beautiful view**
We're located across from the Art Institute of Chicago, but the best view comes from our conference room. Overlooking Lake Michigan, we regularly see iconic Chicago sites, including Navy Pier, Millennium Park and the Shedd Aquarium. It's impossible to not find inspiration!

**Decorated spaces**
Our team can decorate their space however they want as long as the items are work-appropriate. From pictures to sports memorabilia to items of cultural significance, they stay inspired throughout the day by what means the most to them.

**Lunch chats**
From watching our favorite shows on Netflix to enjoying the weather eating by the “Bean,” we spend a lot of our lunches together and focus on getting to know each other. The more connected we are, the better we work as a team, and the more comfortable we are sharing our insights.

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Paragraphs LLC is a women business enterprise (WBE).