

# The Roles of Creativity and Innovation in Entrepreneurship

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## ABSTRACT

Creativity, innovation and entrepreneurship are important things of the launch each innovative products and services that comes with advanced technology. Entrepreneurship is considered a key factor in economic development. This paper mainly focused on the creativity and innovation in entrepreneurship. Creativity and innovation have become the vital point to enhance the value of entrepreneurship. Creativity help us how to improve existing business practice. Innovation is about making a process that can convert invention or gain idea to become more marketable product or service. The study aims to analyze and elaborate the roles of creativity and innovation in entrepreneurship. To study this role, reviewing literature and searching for related material are using the search engines.

**Keywords:** *Creative, ideas, innovative, university students*

## 1. INTRODUCTION

In today's environment, entrepreneurship is no longer an exceptional in society especially amongst the graduates. For the entrepreneurs, they can use a purposeful action and structure of a business that connect their creative idea to become more innovative. Career entrepreneurship nowadays has become more competitive and it is become one's who involve in this field need to embark their skill in order to survive. Entrepreneurship not only be called self-employment and hard work but it a platform to taps its full potential in which one's need to put emphasis on the generation and development of idea Günter Faltn [1].

In entrepreneurship field there is a need in risk-taking, research and development of new ideas and work hard to drive a new innovation in business. At present, rapid change in many aspects need the entrepreneur to be more alert on the changes occurred. The survival and competition between entrepreneur's need one's to launch their creativity and innovation product and services Akbar Fadaee & Haitham Obaid Abd Alzahrh, [2]. Hence, the requirement creativity and innovation is a vital strategy in entrepreneurship.

Innovation is the instrument in entrepreneurship and both entrepreneurship and innovation need creativity by which it is a symbolic domain in the culture is changed Drucker [3]. Friday O. Okpara [4] supported the meaning of creativity by which it is the capability to produce, bring into existence, to create into a new form, to create through imaginative skill, to make to bring existence something new. Companies get recognized on their innovation as it is their ultimate

source of competitive advantage point due to the new reality today's global business. With this, the roles of creativity and innovation in entrepreneurship are analyzed.

## 2. LITERATURE REVIEW

### 2.1 Creativity in Entrepreneurship

Generally, entrepreneurs are required to have the ability to create, to invent into new form or to bring existence into something new. This ability is rather nor inherited or naturally in one's but it is something needs to be learnt. According to Akbar Fadaee [2], it is proved that the creativity is common among the human species and all at birth have talent in varying degrees. The definition of creativity can be defined in different and numerous ways. Entrepreneur primary concerned is developing new product, processor market and the ability to break through the tough market. According to Amabile [5] quoted form Ian Pillis [6], entrepreneurial creativity has been defined as the generation and implementation of novel, suitable ideas to establish new venture.

Creativity is a continuous process in which required party to work hard and continually improve ideas and solution. Creative person will work hard by making gradual alteration and refinements to their work. Creativity in entrepreneurship also implies the organization environment such as team climate, teamwork and others. Creativity in entrepreneurship

includes the management in the organization that will lead to successful company.

## **2.2 Basic Element of The Creative Process**

The process of creating new venture is inherently to be dynamic and versatile. There are some aspects to be taken and the stages of creative approach. Below show some insight of explanation on the creative process:

### **Step 1: Preparation**

Preparation is a basic step need to be taking care off. It is a process to prepare your mind to be in creative thinking. The basic starts is identify a problem and look out for related information. Get your mind ready by study and research more on the field of expertise. Take more time to involve in professional or trade association to gain more experience and knowledge.

### **Step 2: Thinking the unthinkable**

In this step required entrepreneur to go beyond the comfort zone. The phrase thinking outside the box often be used to create the creative problem solution and expression that has been used in psychology, business and marketing.

### **Step 3: Creativity Isn't Magic**

Creativity is the ability to generate, reapplying, changing or combining between new and existing ideas. The simplest way to obtain new idea is by combining the ideas and existing elements.

### **Step 4: Incubation**

In this stage involve a lot of works in order to achieve the main goal that is to find a solution. By evaluating the existing project can help to generate potential idea.

### **Step 5: Illumination**

In this stage, ideas that generate from incubation stage need to be clarified. Now the creativity process leads to the knowledge of some practical ideas that can be put to work.

### **Step 6: Verification**

This stage is to validate the idea accurate and useful. The idea will be determine either it is potential to solve a problem or not. The idea may be rejected, accepted, modified with minor or major changes. If the idea is rejected, the whole processes need to start again.

### **Step 7: Critical Thinking**

Critical thinking allows an entrepreneur to assess their own abilities in evaluating ideas. Critical thinking offers many advantages to entrepreneurs such as helping to formulate the best ideas and enabling them to explore new horizons.

## **3. METHODOLOGY/MATERIALS**

In this study, a few methods have been used. Reviews of relevant literature are the main methodology in this study. Relevant article journal are search using search engines such as google and yahoo respectively. Some of the journal are also assessed and download at trusted site such as ResearchGate (<https://www.researchgate.net/>). Related relevant information is from the discussion paper, report paper and trusted website.

## **4. RESULTS AND FINDINGS**

### **4.1 Innovation in Entrepreneurship**

Future success of the companies is depend on innovation and its also become more critical for creative people to stay relevant in the competitive market to survive despite of the limited supply Akbar Fadaee [2]. Creativity lead to innovation is the often phrase that imply to how creativity and innovation are related and needed in entrepreneurship. We need to focus on innovation this day that making the creation of new ideas.

The combination and transforms ideas and knowledge and turn into new value are a process of innovation. Without innovation, the productions of enterprise become obsolete.. According to quoted from Akbar Fadaee [2] entrepreneurs combine creative idea with existing market opportunities and actively pursuing an entrepreneurial opportunity to reality with launch of the business. In short, entrepreneurs have to contribute to accelerating change. Innovation can take several forms:

- I. *Innovation in process which includes change and improvement to methods. These contribute to increase in activity and by which lower cost and help to increase demand.*
- II. *Innovation in products or services. Through this innovation, its leads to increases in effective demand which encourages increases in investment and employment.*

*III. Innovation in management and work organization. This innovation require the organization take part equally and joining to generate viable and potential idea to become more competitive.*

## **4.2 Roles of Creativity and Innovation in Entrepreneurship**

Creativity and innovation in entrepreneurship link by which creativity is the intellectual activity to create new ideas while innovation is the action taken to transform the new ideas into a result.

### *I. Creativity boosts business reputation.*

In competitive market nowadays, entrepreneurs with same feature of product selling need to find the different and appealing to attract customers. The product and services for certain business should be able to distinguish. Creative entrepreneurs must be able to value add the speciality in their product and services. The specialities could attract customer and remarkable. However, to keep the reputation run for long time creativity need to innovate from time to time without losing it touch and originality.

### *II Creativity source of business survival*

Competitive market nowadays required entrepreneur to be creative for not left behind. It is essential for business environment to compete in an increasingly challenging world at the moment. The values of creativity is vital for competitors who constantly producing innovative products or services accordance with the current development. As people nowadays are demand for changing, the pattern of customers to some extent slightly changes. Take for example, grocery shopping. Some of the enterprise has made it easy and creative for the customer to do their grocery shopping. One of the ways is through online shopping and the groceries will deliver right to their home. This kind of creativity lead the entrepreneur to be known and stay survive in tough competitive.

### *III. Creativity spurs to entrepreneurial quality*

The advantage by taking creativity as priority leads the entrepreneurial towards better quality. Creativity required one's to solve the problem occur and need to come with relevant and reliable solution. Entrepreneur need to think out of box to enhance the entrepreneurial qualities.

### *IV. Creating new ideas for competitive advantages*

The whole process of entrepreneurship itself rooted in creation and exploration of creating and explores new ideas. Creative entrepreneur creates new products for existing services and product.

### *V. Thinking of novel ways to develop your product and improve the business*

There is always an opportunity for improvement in the deliverables of an enterprise. Creativity and innovation helps develop new ways of improving an existing product or service to optimize the business. This also allows entrepreneurs to think outside the box and beyond the traditional solutions. Through this opportunity new, interesting, potential yet versatile idea come up.

### *VI. Finding similar patterns in different areas*

Creative people would sometime able to connect dissimilar and unrelated subject and make successful entrepreneurial ideas. Interesting ideas could come from colliding different fields.

### *VII. Creativity is problem solving*

In developing new strategies to keep the business running competitively, creative problem solving provides a competitive advantage that every business wants to achieve. The need for creative problem solving arises because more management needs critical insight to find a suitable and viable solution whenever it happens.

## **4.3 Strengthening the Creativity and Innovation in Entrepreneurship**

Creativity and innovation are a recognized way for sure path to success. Introducing new product from time to time seen as part of innovation made by the enterprise Therefore creativity and innovation should be one of the priorities and implemented optimally in the entrepreneurship. Based on the study by [7] on organizational against innovation suggest a few steps to enhance the creativity and innovation in entrepreneurship:

- I. Innovation requires a political economy of reform which not only need inputs and capacity. This requires the active participation in which to create a constituency for innovation where government, academia, industry and citizenry are all involves in the innovation movement.*

- II. Government can drive innovation through appropriate programs and awareness. Entrepreneurship education should be one of the ways to strengthen the innovation, especially in young age.
- III. The active involvement of mass media, especially the increasing access to internet and Information and Communication Technologies (ICT) could be the channels to disseminate related information on creativity and innovation in entrepreneurship. It is also a platform for one to share their ideas of innovation.
- IV. Provide resources for emerging venture. Authorities should involve and gives the opportunity for the emerging venture to occur and provide the facilities.
- V. Encourage industries bodies and chamber of commerce to take lead in driving greater collaboration between businesses and start-ups. A few benefits should be given to those taking one step ahead to create a greater innovation.

The obligation to strengthening the creativity and innovation in entrepreneurship involves multiple parties. Company will capitalize from their creativity through innovation by producing improved products and services.

Therefore, the key to maintain or increase their competitive advantage in a market is creativity and innovation that being implemented in the company. Research and development should be implied in organizational company. Often research could bring new and creative idea, especially those ideas from different market, but lie in the same conception of the existing product.

The successful entrepreneurial depends on the seriousness with which innovative activities are undertaken by the enterprises in terms of dominance input sourcing and the development of new niche product [8]. A few others way to strengthen creativity and innovation in entrepreneurship from environmental aspects is by investigate the latent natural resources. The existing technology need to be adapted as well.

## 5. CONCLUSION

Entrepreneurship is the medium that spurs the creativity and innovation. Creativity and innovation are the heart of the spirit of enterprise which means both are play a vital role to strive the successful and viable enterprise. The organization and market product need the touch of creativity and innovation in order to not leave behind especially in competitive market nowadays. Creativity has always been closely linked to innovation (McLean, 2007). Organization must nourish creativity and innovation in entrepreneurship for many reasons.

There is no doubt that current economics are volatile and violent one. Entrepreneurs need to ensure the organization are continue to delight the customer, produce the product in accordance to requirement which is the purpose of every business. The innovative elements should continuously change to fulfil one's need also for the survival of the enterprise. Entrepreneurs who embrace creativity and innovation in their business models, will be moving forward and be successful than entrepreneurs who remain with the traditional business model, which is only concerned with selling exclusively.

The value of creativity and innovation generating the new ideas in business attract more benefits and value added towards the companies. Creativity and innovation are no longer doubt in purposes to help in keeping the business running for a long time and stay competitive.

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