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Defend Your Research

HBR puts some surprising findings to the test

Managers Reject Ideas Customers Want

The research: Jennifer Mueller of the University of San Diego, Jeff Loewenstein of the University of Illinois at Urbana-Champaign, and Jennifer Deal of the Center for Creative Leadership studied a company that was considering dozens of new product ideas. The researchers asked middle managers, C-suite executives, idea generators, and other stakeholders to rate each idea on its creativity, feasibility, and profitability. Then they asked customers how desirable each idea was. The customers wanted the most-creative ideas, the team found, but not the ideas that people in the firm thought would be most profitable or feasible.

The challenge: Are companies emphasizing the wrong product qualities when they innovate? Are they missing opportunities to launch hits as a result? **Professor Mueller, defend your research.**

Mueller: It makes sense that companies would be attracted to feasible ideas, but we found strong evidence that they are not what customers want. The number one predictor of whether customers wanted a product was how creative it was. And we also found evidence that customers wanted feasible ideas *less* because they were less creative. In other words, creativity isn't being seen by customers as the icing on the cake; it is the cake.

HBR: So organizations aren't rejecting creative ideas, they're accepting feasible ones. That seems easy to fix. The problem goes deeper than that. Our research also suggests that a focus on feasibility can make it harder to even recognize when ideas are creative. In one study we primed people with a "how" mind-set, asking them to describe how to do things, or a "why" mind-set, asking them to de-

scribe why they did things. People with the "how" mind-set, which is highly related to feasibility concerns, rated innovative ideas as less creative than those with a "why" mind-set did.

If firms have to consider feasibility, how can they overcome this disconnect?

We believe that the major reason novelty and feasibility are thought to be at odds is that new ideas involve more unknowns. CEOs want to see metrics, such as ROI, to determine the viability of ideas, but for the newest ideas, such metrics are hard to produce, if not impossible. If decision makers are more tolerant of uncertainty—if they focus on the "why" or consider that there are many possible solutions—it may mitigate their tendency to reject creative ideas.

Are you saying that firms should just forget about whether ideas are feasible?

No. But they should recognize that feasibility concerns make creative ideas harder to stomach. Steve Jobs was notorious for his "reality distortion field." He'd say, "Let's do this new thing." His staff would say, "How is that possible?" He'd say, "Just do it." Maybe this aided creativity because it made feasibility concerns less powerful.

Wait—don't people think that creative ideas are also feasible?

Though scholars think that creative products are useful and feasible by definition, our new research shows that only a minority of people agree. A minority disagree, and the rest are unsure. But it could be that organizational decision makers see feasibility as a sign of creativity, which leads them to green-light feasible ideas.

So people have different opinions about what's creative? That's hardly surprising.

It's more profound than that. For a long time, theories of creativity suggested that judgment of creativity was based on expertise. But we're finding that two people with the same expertise will look at an idea and rate its creativity very differently based on their mind-set ("how" versus "why") or feelings of uncertainty, which may be related to where they sit in the organization. The current theory doesn't deal with this.

So there is no accepted definition of what a creative idea is?

The scholars agree, but our new work shows that laypeople might not. We've found around 30 cues that people use to identify creativity. Some people rely on a narrow set of cues, some on a much



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broader range. For 20% of our sample, any one of the cues could indicate creativity. Though we don't have data to support this idea yet, it could mean that 20% of people view something that is highly useful but not novel as creative.

What are some of the cues?

Seven of them involve novelty. Other cues include rarity and whether the idea has a mass market. Feasibility was a cue too but did not show up consistently. That raises the possibility that people view feasibility as a sign of creativity when they're in an intolerant "how" mind-set and as less of one when they're in a tolerant "why" mind-set.

What are some implications of using different cues when assessing creativity?

CEOs often say, "We want innovation!" To which workers answer, "Great! Here are some creative ideas." But what the CEO thinks is creative and what the idea generators think is creative are different. Also, we have some evidence that people in the same work group (such as C-suite execs, researchers, or middle managers) tend to think alike about what creativity means, but views among groups vary. So idea generators may produce one version of creativity and decision makers may approve another, and the result is something consumers think is boring and that doesn't sell.

Can't CEOs just foist a definition on the firm and say, "This is what makes a creative idea here"?

Possibly. But first the CEOs need to be aware of all the specific cues, in order to

emphasize some and de-emphasize others. They can't just say they want innovation, creativity, novelty, or even usefulness. Those terms are pretty vague. We are just now discovering the cues, however. CEOs also need to be aware that some environments may make certain cues more salient.

Defining creativity is starting to sound like the old saw about defining history: It's like trying to nail Jell-O to the wall. Not only is it impossible, but what's the point of trying?

That statement summarizes how most companies feel. This is new research, and any new idea involves a great deal of uncertainty, which makes it seem less appealing. We have a long way to go before we'll have a full-fledged theory, but we're heading that way. We have to get this right.

Why?

Companies say all the time that they have to be more creative, that not changing is dying. Then they quickly discover this mush—how difficult creativity is. Firms implement feasible ideas that customers don't want. Decision makers avoid uncertainty by telling themselves that customers don't care about new ideas even though they do. For a long time people thought the problem was how to generate creative ideas. We now know a lot about that, but we're finding an even earlier challenge: How do we make sure the ideas we're choosing among are the most creative in the first place, and that we're not filtering out the best ones? ♡

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Interview by **Scott Berinato**

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