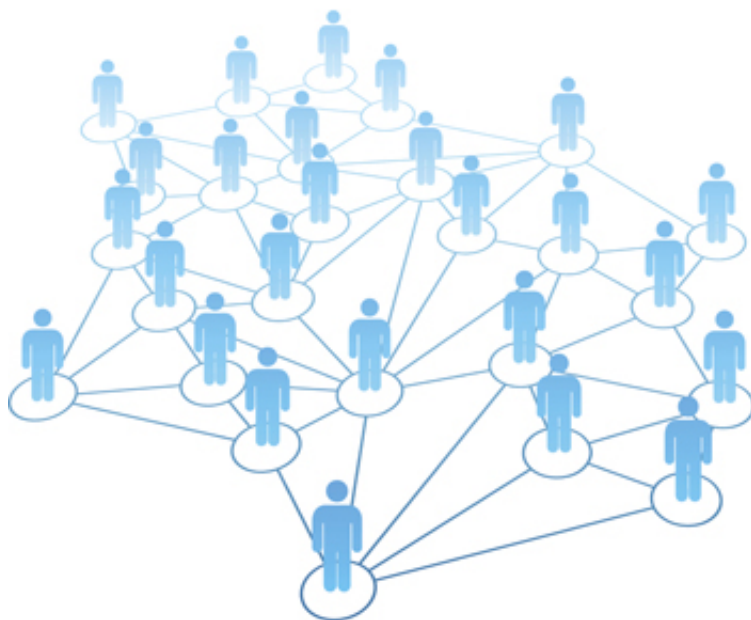


Wide-ranging networking boosts employee creativity

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Companies can promote creativity in employees by encouraging them to network beyond their immediate business networks, according to a new study by management experts at Rice University, Australian National University (ANU), Erasmus University Rotterdam, Monash University in Clayton, Australia, and the University of Los Andes in Bogota, Colombia.

"Social networks can be important sources of information and insight

that may spark employee creativity," the authors said. "The cross-fertilization of ideas depends not just on access to information and insights through one's direct [network](#)—the people one actually interacts with—but at least as much on access to the indirect network one's direct ties connect to."

The researchers found it is the "nonredundant ties"—the people one does not interact with directly but with whom one's direct ties interact—that offer the greatest efficiency for employees to gather novel information. This information can then be used as the raw material for the employee to generate creative ideas, said the authors, who believe the results are applicable to U.S. companies.

"More specifically, when networking, building two-step nonredundant ties—which means one's two direct network ties are not connected by the same third person—is the most efficient way for obtaining nonredundant information and generating [creative ideas](#)," said Jing Zhou, the Houston Endowment Professor of Management at Rice's Jones Graduate School of Business. "Thus, employees need to proactively build network ties with such people."

Zhou co-authored the paper with Giles Hirst, the Inaugural Chair of Leadership at ANU's College of Business and Economics; Daan van Knippenberg, a professor of organizational behavior at Erasmus University's Rotterdam School of Management; Eric Quintane, an assistant professor at the University of Los Andes' School of Management; and Cherrie Zhu, a professor of [human resource management](#) and Chinese studies in Monash University's Department of Management.

The research, which will be published in the *Journal of Applied Psychology*, was based on a multilevel analysis of multisource survey data from 223 [sales representatives](#) nested within 11 divisions of a

Chinese pharmaceutical company.

The authors were engaged by a large state-owned pharmaceutical corporation in the People's Republic of China to study 11 divisions with an average of 25 sales representatives (ranging from 14-68 people) with an average of three managers (ranging from two to six managers). To help the firm drive expansion, the researchers identified sales representatives who had developed extensive networks and so were likely to build networks in geographic regions beyond the organization's territory. These reps would then play key roles building sales networks in these regions.

The authors then examined the creativity of sales representatives. Sales representatives displayed creativity by developing new ways to promote company products, devising strategies to cross-sell products, identifying ways to connect with hard-to-access sales targets (for example, by seeking introductions through a trusted intermediary) and developing ideas or strategies to enhance client sales (for example, enhancing product visibility in retail outlets and personalizing product launches to push customers to particular distributors). Such examples of creativity are increasingly recognized as essential to gaining competitive advantage and thus core to pharmaceutical marketing and sales the authors said. They then matched measures of sales representatives' direct and indirect ties in their social networks to managers' creativity ratings.

The authors said the results have timely implications for management practice.

"Organizations may benefit from developmental efforts helping employees build the efficiency of their direct networks, meaning the proportion of direct ties in an individual's network that are not interconnected, and guiding employees to establish nonredundant ties, because such networks are likely to result in indirect networks of high-

reach efficiency that are conducive to creativity," they said.

More information: "Heard it Through the Grapevine: Indirect Networks and Employee Creativity," *Journal of Applied Psychology*, 2015.

Provided by Rice University

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