

The Impact of Creativity and Managerial Innovation in Arab Economic Development

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ABSTRACT

Human capital is an important factor in economic development, but the process of preparing it requires an efficient and effective educational and training system in order to prepare access to the labor market and contribute to the creation of wealth. Or the structures and facilities equipped for it, as measured by the extent of its ability to provide the labor market in the hands of trained and qualified and specialized labor according to the requirements of this market and here highlights the role of theoretical analysis of the early economists and contemporary to confirm the close relationship between human capital and the labor market.

Now that the world is facing a wave of large-scale transformations and a revolution in science and technology and a broad movement affecting everything, the subject of creativity and innovation is beginning to have a clear impact on the paths of economic development, and contributes to the creation of new trends of the economy, which turned traditional concepts, terms and practices upside down, to be replaced by other variables More importantly, ICT has invaded most economic sectors and different aspects of human life, and the development witnessed by the world is often attributed to the knowledge that each country possesses in the field of economic sciences. The president, unlike labor and capital, has led many to interpret what is happening as a new knowledge-based economic arena as an important element of the economy and key to the success of development and economic programs.

Key Words:

Innovation, Technical development, Knowledge economy, Management innovation, Invention and Sustainable Development

❖ Introduction:

The twenty-first century witnessed a qualitative leap in the transformation of the economy into what is known as the new knowledge-based economy, which relies on

modern mechanisms that differ from traditional concepts for the development of material wealth. The most valuable value and the most returnable, and he has the ability to develop his productivity and the ability to create, innovate and innovate if he has the appropriate and encouraging environment for that.

❖ **Research problem:**

Most of the Arab countries, are consuming and non-producing societies for knowledge. Therefore, the manifestations of dependence on what is produced in the developed countries deepened and the gap between them widened. Knowledge is an intellectual capital and an added value. Knowledge is the essence of creation, creativity and innovation - which is characterized by its weakness and limitations at the various administrative, financial and accounting levels.

❖ **Research hypothesis:**

- The lack of efficient use of the level of technology in many of Arab Countries contributed to the deterioration of the level of productivity and poor performance efficiency, and this affected economic growth and impeded the development process.
- That the rates of creativity and innovation are still marginal and limited due to the lack of an encouraging and attractive environment for investment. Creativity and innovation are an effective system of links between economic and academic institutions that are able to keep pace with the results of the growing knowledge revolution, assimilate and adapt them to local needs. The availability of human capital capable of integrating modern technologies into work will not take place without the availability of creative skills that contribute to that.

❖ **Research Methodology:**

The descriptive-analytical approach was adopted based on a set of scientific books, solid research and official reports, and an attempt to study variables such as the creative and innovative climate, and creative capabilities and their impact on the performance of the work of business organizations in improving performance efficiency and raising the level of productivity and the impact of that on economic development.

The First Topic
(Theoretical Framework)
Creativity and Innovation

❖ **The Concept of Creativity:**

Creativity linguistically defines the creation of something, or the creation, formation or innovation. As for the concept of organizational creativity - it is to come up with something new and useful, it may be an idea, service, commodity or activity that takes place within the organization, through the distinctive behavior of the individual - he wrote the idea of change and encouragement of innovation And the use of modern methods or methods in the field of work and not obeying orders that limit his thinking and his ability to adapt and flexibility and contribute to solving problems and frequent communication. J.A. has known Schumpeter Creativity as the result resulting from the creation of a new method or method in production, as well as the change in all the components of the product or how it is designed, (Gowland 1991, P. 79). and identified five forms of creativity :

Here, it can be said that there is material creativity, which is meant by technical or technological innovation and is mainly related to production or the development of products or technical methods of production, and immaterial (moral) creativity is meant by organizational and administrative creativity and is related to changing the procedures and methods of management, and all of this aims to achieve a competitive advantage in the organization.

In our time, creativity and innovation have become an indispensable necessity, to be able to keep pace with the progress that carries all areas of life without exception. However, many may not differentiate between creativity and innovation and think that they are two synonyms, but the truth is otherwise, each of them has its independent meaning and the factors for achieving it, and this is what we will learn about in the following :

❖ **Defining Creativity and Innovation.**

- **Defining creativity:** Define creativity as “to see what others do not see,” or “creativity is the ability to solve problems in new ways.” It can be said that

creativity means imagining and visualizing some ideas, or looking at existing ideas in an unconventional way, to reach Through it, it leads to a completely new idea, and this depends on the skills and mental abilities of the creator (Salam Raad Hassan 2017).

- Creativity: It is ideas that are characterized as new, useful and related to solving specific problems, developing methods or goals, deepening a vision, compiling or recombining known patterns in administrative behavior in distinct and developed forms. However, the definition alone does not achieve creativity unless work is embodied; Therefore, it may be said that true creativity is in creative work, not in thinking, even if creative work is preceded by creative thinking.

Definition of innovation: innovation can be defined as taking innovative methods and new patterns to adapt some data, with the aim of reaching a tangible and acceptable output by those around and concerned with this output, but it is considered a precedent in relation to the time of its implementation. (United Nations Development Program, 2014).

❖ The difference between creativity and innovation.

Here, a distinction can be made between creativity and innovation, as follows:

- Creativity is linked to ideas and vision, unlike innovation, which is linked to concrete steps and results.
- A person may be creative in creating a new and distinctive idea, then invent a way to implement it, and turn it into a tangible reality, which combines creativity and innovation in an integrative way.
- Creativity is also difficult to measure, while innovation can be measured and its actual success is known.

❖ How to support creativity and innovation:

Given the importance of both creativity and innovation, their support is essential, which is divided into two parts:

- Moral support: This is achieved by embracing these creators and innovators, pushing them to bring their ideas to light, and enhancing their confidence in themselves and what they can offer to humanity.

- Financial support: by adopting specific projects that depend on creativity and innovation, and providing the financial costs necessary to turn them into a tangible reality. (Abraham 2003 p.3)

❖ The stages of innovation and creativity:

The topics of innovation and creativity can be identified in the following stages:

Stage one: getting ready and getting ready.

The second stage: the stage of fermentation and maturation of the idea.

The third stage - Inspiration, meaning that the idea oversaw the possibility of controlling it.

Fourth stage: Putting the idea to the test after making sure of its feasible

It can be said that innovation is the essence of creativity, especially since contemporary business organizations live in changing and complex conditions, which makes them in need of administrative creativity, as it contributes to improving workers' abilities to generate ideas, keep pace with modern developments, solve problems and participate in decision-making.

It is certain that most government institutions suffer from the phenomenon of control and routine practiced by managers in the performance of their work and the absence of development or approaching the achievement of goals and the low level of performance (World Bank, 2015).

❖ The importance of administrative creativity:

The advantages provided by the phenomenon of administrative creativity can be summarized in the following points:

1. The ability to respond to changes in the surrounding environment, which makes the organization in a more stable position.
2. Contribute to the development of the intellectual and mental capabilities of the workers in the organization and provide them with the opportunity to test their abilities.
3. Optimum utilization of financial resources through the use of advanced technical methods.
4. Good use of human resources and benefit from their capabilities by providing them with an opportunity (ESCWA, United Nations, New York, 2003).

❖ Development of Creative Abilities:

It can be said that the seed of creativity is present in every human being, and when a suitable environment is created for it to nurture, it grows and bears fruit. Creativity has two environments that affect the care of the creator, namely, the internal environment of man and the external environment. Therefore, the development and activation of creativity takes place through a set of personal (personal) factors. creatively and the environmental factors that contribute to provoking the creator to form and crystallize ideas and transform them into a form that serves the administrative systems of the organization. (Salam Raad Hassan, Administrative Creativity in the Public Service, Ministry of Agriculture - Office of the Inspector General, 2017, previous source)

Three dimensions of creativity development can be distinguished:

- The role of the individual in developing his creativity.
- The role of the organization in developing the creative capabilities of employees.
- Creativity development tools.

Here, the concept of organizational creativity can be defined - as coming up with something new and useful, it may be an idea, service, commodity or activity that takes place within the organization, through the distinctive behavior practiced by the individual, writing change, encouraging innovation, using modern methods or methods in the field of work and not obeying orders That limit his thinking, adaptability, flexibility, contribute to solving problems and frequent communication.

Innovation requires an economic and social institutional environment and an infrastructure that must be available for the success of the innovation process. The innovation inputs are the political, legal and regulatory environment, the business climate, human capital and the infrastructure of information and communication technology, while the innovation outputs are qualitative outputs (intangible assets, innovative service products, and direct creativity). and cognitive and technological outputs (knowledge production and its impact). The Advisory Board, "Private Sector Development Strategy 2014."

Hence, we find that one of the most important challenges facing the economy is how to move from an economy based on the use of available economic resources to a more sustainable development model based on building human capital and developing modern technology for innovation in its three dimensions: knowledge and competitive skills, the dynamism of productive activities, and the institutional framework effective. Research, development and innovation - contribute to building societies of modernity and knowledge, given that research and development are the main inputs to

the innovation process. The absence of research and development in industrial and service institutions makes it difficult to apply the results of research and development, and then the possibilities of knowledge production and technological innovation decline, and the lack of infrastructure makes the possibility of providing a climate for creativity and innovation weak and limited, which is the reality in which the Arab economy in general suffers. (The Advisory Board, a previous source, 2014) .

The Second Topic

The Role of Creativity in Arab Economic Development

It is not possible to imagine the occurrence of “humane” economic development without the intensive attention and care of the trio of science, technology, technology and innovation, all of which are supposed to interact continuously in order to achieve sustainable strategic goals, chief among them: the speed of reducing poverty, preventing Disease and the preservation of the natural and human environment by a rational, mature and conscious administration that realizes the importance of attracting specialized professional human cadres, which developed countries call “human talents.” They are therefore human resources that countries must strive not only to attract, but to maintain their retention and recycle them within what is known b Talent Circulation, consistent and in accordance with the needs of the sectors of the traditional economy (agriculture, industry and services) and the “digital-knowledge” economy. The ineffectiveness or feasibility of scientific-academic-research-technical institutions loses the dynamism of rapid and effective action to find effective, solid, scientific and relatively quick solutions to the problems and crises that The UNESCO report indicates that while technology occupied an advanced place in the priorities of the In the Arab countries, the importance of enhancing the process of building scientific and technical capacities to achieve sustainable development comes in line with a parallel effort aimed at strengthening creativity or innovation initiatives, so that all of this comes within the framework of a comprehensive image and vision that combines the elements of science, technology and creativity as drivers of economic-human development.

❖ Creativity, Innovation and Sustainable Development:

Innovators and inventors play an important role in the development and progress of their countries. In our time, the importance of creative activities has increased more

than ever before, because of their prominent repercussions on the sustainable development efforts made by different countries to improve their living standards and raise their competitive capabilities in global markets to achieve greater financial returns, because the innovations, innovations and scientific and technical inventions resulting from Research and development activities greatly help in achieving high rates of economic development, as they provide new products, or new manufacturing processes that contribute to increasing productivity, or even the emergence of new industries. The competitiveness of countries is usually measured by the ability of their productive institutions to produce goods and commodities that can be marketed, while maintaining or to improve the living standards of their countries.

Among the main indicators to measure the competitive capabilities of countries in the field of creativity and innovation are:



Global statistics indicate that creative companies and institutions gain greater shares in the local and global markets by providing new industrial products, using their resources in a more productive manner, and producing high value-added goods. Therefore, the major industrialized countries have focused heavily on industries with advanced technologies based on creativity and innovation. And because universities and scientific research centers are one of the most important sources of scientific and technical creativity and enrichment of knowledge, so great attention should be paid to universities and research centers and what helps them to develop creativity and care for creators by creating a scientific environment in which creativity and creativity can be manifested. In order for universities to perform their function by developing their societies as one of the most important tools of social and economic change in any country, it is therefore required that universities develop their curricula and teaching methods in order to develop the process of creation and creativity, discover creators and benefit from their creativity and employ them efficiently and effectively for the purposes of comprehensive development. It must also be said that the process of creativity is constantly changing in today's societies, which have become known as societies of knowledge and scientific and technical creativity due to the effects of rapid technological developments,

especially in the fields of information and communication technologies, bio and pharmaceutical technologies, and advanced materials. Creativity is no longer confined to a particular country, which prompted industrial and production institutions to transfer their interests from local research and development centers to international research and development centers through partnerships and contracts between multiple international parties in which universities play a major role, as universities are no longer the source of creation, creativity and development. Knowledge and its enrichment alone, but today it is one of the most important sources of transferring it to industrial and productive institutions and employing it in solving production problems and technical dilemmas. Relationships between institutions and universities in their countries and abroad have been strengthened more and more whenever there is an appropriate scientific environment for creativity and innovation. Creativity is one of the most important keys to prosperity in the knowledge economy, as it transforms ideas and knowledge into useful products and services that meet the needs of society, its development, progress and advancement in different forms and methods. (Dr. Dakhal Hassan Jerio, 2018).

This requires supporting applied scientific research that is characterized by originality, creativity and innovation, and facilitating the flow of science and technology through sophisticated systems in all aspects of society and its various institutions. Strengthening partnership links between universities and various productive institutions, enhancing researchers' skills and increasing their incentives to transfer their scientific ideas to the field of work and turn them into useful products that can be marketed and benefited from.

In order for universities to perform this work efficiently and effectively, their research, educational systems, programs and curricula must be characterized by high quality, creativity and fertile imagination. Various countries are making unremitting efforts to increase the creative, skill and knowledge capabilities of their citizens by all possible means to improve the performance of their productive institutions and raise their production capabilities, as the success of any country has come to depend primarily on the skills and creativity of its citizens and their possession of knowledge and various sciences and their ability to employ them in solving technical dilemmas and production problems that It is faced by its various institutions and raising the adequacy of its performance, which requires working to create the appropriate environment in which creativity and creativity are manifested and the creation of a scientific community that always interacts with science and different knowledge and is able to employ the results of scientific research and technical data for the benefit of society and its welfare, as creativity depends mainly on knowledge and capabilities of community members Creativity and securing the financial investments required to achieve creativity and create the scientific and technical base on which innovations and inventions can be based. (Greio, 2018, previous source)

International companies that rely heavily on science and technology allocate funds to support innovators and distinguished scientific and technical talents. For the purpose of encouraging creativity and innovators, many countries have created specialized bodies composed of senior scientists to sponsor creativity and innovators, provide all

means of their discovery and encourage the investment of their creativity by all possible means.

Although the Arab countries are better off than Iraq, they still lag far behind in the field of creativity and innovation. The Global Innovation Index for 2017, in its tenth edition in Geneva, which was jointly prepared by the World Intellectual Property Organization, Cornell University and the American Institute of Business Administration, showed The ranking of Arab countries in the global innovation ladder, as shown in the following table:

Country	Location Internationally
United Arab Emirates	35
Qatar	49
Saudi Arabia	55
Kuwait	56
Bahrain	66
Morocco	72
Tunisia	74
Sultanate of Oman	77
Lebanon	81
Jordan	83
Egypt	105
Algeria	108
Yemen	127

It is worth noting that there is no mention of any other Arab countries. Switzerland, Sweden, the Netherlands, the United States of America and Britain were among the most innovative countries. The report showed India as the most prominent emerging innovation hub in Asia. “Innovation is the engine of economic growth in an increasingly knowledge-based global economy, but more investment in innovation is necessary to boost human creativity and economic production,” said Francis Gurry, Director-General of the World Intellectual Property Organization. “Innovation can help turn the current economic recovery into long-term growth,” he added. (Dr. Dakhal Hassan Jerio, 2018).

Hence, there are real efforts that Arab countries must make to improve the performance of their countries in the areas of creativity and innovation by developing their educational systems based on discovering the creative and innovative capabilities of their students and working to refine and develop them, because creativity and innovation have become no less important than natural resources and energy sources and the availability of a capital Money is in the economic

development of any country, and the experience of Japan, Singapore and other countries is the best proof of that.

❖ Results:

1. In the light of the knowledge economy, information has turned into the most important commodity in society, and scientific knowledge has been transformed into a digital form, and the organization of information and information services has become one of the most important basic elements of the knowledge economy. Rather, its dependence on providing services has increased, and thus the economy has acquired a new feature, which is the production, marketing and sale of services and information.
2. Having information is one thing and using it effectively is quite another, especially from societies that aspire to have a sound civil or urban administration. With reference to the effective use of information systems, it should be noted that great differences have arisen in this field between developed countries and countries which is still in the development role.
3. Knowledge cultivation is the most important means of knowledge empowerment, and this means that participation is the highest level of knowledge, as it focuses on the leadership role of business organizations in nurturing knowledge in a way that contributes to the process of creativity and innovation.
4. Knowledge management focuses on the operational aspect only, while knowledge cultivation focuses on knowledge and feeding it to make it grow in a sustainable manner in line with the goal of sustainable development, and contribute to supporting creativity and innovation processes and achieving knowledge empowerment.
5. This model of social development requires a national effort that takes into account the circumstances surrounding the Arab society, analyzes them and develops solutions for them away from any orientation - an efficient professional research that works on creating a national economic development model that fits the nature of society and away from replication of other experiences, through Inventory of economic resources, solve problems and develop a development plan with the participation of specialists and efficiency and those who have the ability to be creative and move away from the

classic approach, that is, *the ideas are new and bold in treatment, not classic and traditional in the presentation, and this would achieve the first launch of the economic development process in the country.* .

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