

Organizational Aesthetic Capability and Firm Product and Process Innovativeness

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Abstract

Taking into consideration the popularity of organizational aesthetics in organizational behavior literature, and adapting dynamic capabilities perspective, we suggest that organizational aesthetic capability is an important competence that enables organizations to cope with the environmental uncertainty. Nonetheless, organizational aesthetic capability is rarely addressed in the technology and innovation management literature. Specifically, we know little about what organizational aesthetic capability is, its ingredients and benefits, and how it works in innovation context. Addressing this particular gap in the literature, this study contributes in two ways. First, we conceptualize organizational aesthetic capability and its sub-dimensions that are alert imagination, to act and defer, awareness of dissonance, analyzing past actions, prefiguring future trajectories, preserve existing modes of operation, willingness to change direction, recognizing symbols in use, and awareness of language. Second, the theoretical framework we proposed highlights the effects of organizational aesthetic capability on product and process innovativeness.

Keywords: organizational aesthetic capability, product innovativeness, process innovativeness

1. Introduction

In a world that is becoming increasingly discontinuous to the point that the present is no longer an effective predictor of the future (Merritt & DeGraff, 1996), organizations cannot only act based on their rational, logical, instrumental reasoning (Hansen, Ropo and Sauer, 2007), but they should also increase their intuitive strengths. In this sense, 21st-century organizations need a new insight that will bring a fresh perspective to organizational research by linking feelings, intuition and thoughts (Hansen et al., 2007), hence develop an alternative to the mainstream paradigm that emphasized traditional tools of logic, and rationality that leaves individuals' emotional and symbolic responses unnoticed (Bathurst, Jackson, & Statler, 2010), and 'non-rational' elements of organizational life unrecognized (Warren, 2008). In this respect, organizational scholars begin to pay attention to organizational aesthetics as an emerging research area that has the potential to provide a range of novel and informative insights into the structuring and maintenance of organizational activities, as aesthetics (i.e. felt meaning generated from sensory perceptions, involving subjective, tacit knowledge rooted in feeling and emotion) provides a philosophical point to offer a different way of knowing in contrast to intellectual knowing, and therefore enables intuition guiding action in a spontaneous way (Chelariu, Jonston, & Young, 2002). Aesthetics, here, relates to all types of sense experience, not simply to the experience of what is socially described as beautiful or defined as art (Gagliardi, 1996), and involves sensory assessments of how we feel about anything (Hansen et al., 2007). According to Strati (2005), the underlying assumption of the aesthetic approach to the study of organizations is that, although organization is indeed a social and collective construct, it is not an exclusively cognitive one but derives from the knowledge-creating faculties of all the human senses. In addition, viewing organizations through the lens of aesthetics helps organizations to find non-conventional approaches to the problems that cannot be comprehensively and objectively stated in uncertain environments (Gibb, 2004), deviate from existing practice or knowledge, create more flexibility for behavior and more spontaneous decision making (Chelariu et al., 2002). However, it should be noted that organizational aesthetics scholars take different approaches to adapt aesthetics to organizational research, and examine the subject from different perspectives and within different contexts such as beauty of efficiency (White 1996; Guillen, 1997; Harding, 2008), organizational culture (Nissley, Taylor, & Butler, 2002), physical design of workplace (Cairns, 2002), leadership (Merritt & DeGraff 1996; Palus & Horth, 2005; Ladkin, 2008), and sense perception (Strati, 2002; Taylor & Ladkin, 2009; Hansen et al., 2007; Gagliardi, 1996). Many of these studies adapt organizational symbolism

perspective, and hence discuss aesthetics in organizational and leadership context conceptually, conducting qualitative methods (Hansen et al., 2007; Bathurst et al., 2010). Nevertheless, inspiring from organizational symbolism, and engaging it with critical theory, we put forward that organizational aesthetics is a dynamic capability that has a set of specific and identifiable sub-processes which enable organizations to achieve sustainable competitive advantage (Eisenhardt & Martin, 2000). To our knowledge, there is no study that mentions about it as a specific organizational capability in the organizational behavior literature. Therefore, we aim to conceptualize organizations' aesthetic capability, and thereby widen the literature theoretically.

In order to deal with the issues mentioned earlier, based on the studies of Bathurst et al. (2010), which provides a theoretical framework for organizational aesthetic capability, we put forward that organization's aesthetic capability can be conceptualized as the ability to improvise that is, as Schein (2013) suggests, the most relevant of artful skills in terms of applicability to organizations¹. In a sense, organizational aesthetic capability indicates the practices by which organizations 1) inspire and motivate organizational members by using sense perceptions to go beyond advance planning and rational, semi-sequential decision-making 2) value the spontaneous insights and decisions that the imagination provokes to enhance creativity and innovation, 3) acknowledge sensate responses and then communicate those to organizational members. Therefore, based on the study of Bathurst et al. (2010), we argue that organization's aesthetic capability is a second order construct composed of alert imagination, to act and defer, awareness of dissonance, analyzing past actions, prefiguring future trajectories, preserve existing modes of operation, willingness to change direction, recognizing symbols in use, and awareness of language.

Regarding the consequences of organization's aesthetic capability, we investigated product and process innovativeness. The rationale for selecting those variables is that product innovativeness (i.e. the newness and essentiality of any new products and services brought out to customers at the right time (Wang & Ahmed, 2004)), and process innovativeness (i.e. the introduction of new production methods, new management approaches, and new technology that can be used to improve production and management processes (Wang & Ahmed, 2004)), are the most researched types of innovation in the literature and have been described as important measures in assessing product and process innovation performance and success of the firms (Akgün, Keskin, Byrne, & Lynn, 2014). While product innovativeness emphasizes the outcome-oriented innovative capability, and therefore provides a more concrete measurement, process innovativeness is imperative as an organization's ability to recombine and reconfigure its resources and capabilities to meet the requirement of creative production which is critical to organizational success (Wang & Ahmed, 2004). Moreover, although researchers have examined various structural and cognitive aspects of organizations and the way these influence innovativeness (Tan, Kannan, & Narasimhan, 2007; Yeung, Lai, & Yee, 2007; Agarwal, Brown, Green, Randhawa, & Tan, 2014), to our knowledge, studies theoretically analyzing the impact of organizational aesthetic capability on firm product and process innovation efforts are scarce. As organizational aesthetic capability enables impromptu response to organizational problems, and move beyond traditional logic and rationality, its effects on product and process innovation is worth to be investigated.

Thus, as shown in Figure 1, this study investigates (1) the conceptualization of organizational aesthetic capability, and (2) the role of organization's aesthetic capability on the product/process innovativeness.

2. Organizations' Aesthetic Capability

Aesthetics, specifically in ordinary language, is commonly defined as that which gives or is designed to give pleasure through beauty (Gibb, 2004). Some scholars use this meaning while adopting aesthetic perspective to the analysis of organizations. For example, Guillen (1997) relates aesthetics with beauty of efficiency that is emphasized by Taylorization and Scientific Management, and still dominates modern organizations. White (1996), in his study called "It's working beautifully", construes aesthetics as working smoothly, efficiently, and exactly as it is planned. Cairns (2002) related aesthetics with physical design of workplace, and Harding (2008) with the organization of work itself as an

¹Although organizational improvisation is a well-known concept in organizational behavior literature, organizational aesthetic capability differs from it in many ways. Specifically, organizational aesthetic capability illuminates spontaneous act more deeply by engaging art-based approach and applying aesthetic perspective. For example, Cunha, Clegg, Rego, & Neves (2014) states that spontaneous act can be understood by only being alert to the particulars of situated action in which improvisation takes place. Further, taking into consideration the literature of organizational improvisation, they suggest that improvisation is too simple a name for a complex class of processes. However, many scholars, specifically in NPD and innovation context, consider organizational improvisation as a behavior and also operationalize it as such. In contrast to organizational improvisation, organizational aesthetic capability focuses on the sub-processes of spontaneous act, considering how sense perceptions shape these sub-processes, and highlights 'knowing in your gut' instead of 'knowing in your head' (Taylor, 2003).

aesthetically ordered activity. However, as it is too limiting to think of aesthetics only in terms of what is beautiful or pleasing (Snow & Leach, 1998), most of the organizational aesthetic scholars do not use the word just as synonymous to beauty, but take a broad perspective, and enrich the concept by applying German philosopher Baumgarten (1753/1954)'s definition of aesthetics that is the systematic study of sensual and affective dimension of human experience. These scholars associate aesthetics with knowledge that is created from sensory experiences (Hansen et al., 2007), often unconscious or tacit (Gagliardi, 1996), and come directly from our five senses (Taylor & Ladkin, 2009). Aesthetics that focuses on sensuous experience by which people obtain knowledge of the world, not purely through intellectual cognition, but through their sensual faculties and the impression these sense perceptions leave on them (Hancock & Tyler, 2007), is worth to be investigated as it can deepen our understanding of organizational issues and topics by becoming knowledgeable about the hidden and unrecognized sensuous ways of knowing (Hansen et al., 2007). This sensuous way of knowing is not only a separate way of knowing, but that other forms of knowing such as those derived from rational thought depend on, and grow out of sensual experiences (Taylor & Hansen, 2005). In this vein, Gibb (2004) states that aesthetics is the simultaneous, and unified engagement of the mind, body, and sensibilities, and a situation in which gut feel works closely alongside the rational view (Bathurst et al., 2010).

Meaning aesthetics as sensory experience informs the context for how we use aesthetics in this article, and also seed another dominant perspective in organizational aesthetics that is improvisational perspective. According to Sajani (2012), improvisation (i.e. convergence of composition and execution in time (Moorman & Miner 1998)), with its emphasis on openness to uncertainty, attunement to difference, risk, and responsiveness, is at the heart of the artistic process and of art-based research. As improvisation includes spontaneous responses to the situations, formulating and implementing strategy simultaneously, extemporaneously inventing responses without well-thought-out plans and without guarantee of outcomes (Barrett, 2008), it is much more related to gut feelings depending on sensory experiences. In this study, we adapt the improvisational perspective and also jazz metaphor that is widely used to theorize about improvisation in organizations to conceptualize organizational aesthetic capability. The reason behind this is that jazz improvisation is a well-established metaphor – even more than a metaphor according to Hadida, Tarvainen, & Rose (2014) - that offers an alternative to rational and cognitive way of knowing in the twenty-first century that requires an appreciation of chaos and complexity (Barrett, 2008). According to Cunha, Clegg, Rego, & Neves (2014) jazz, as a metaphor, challenged mechanistic representations of organizations by emphasizing the unplanned side of organizing. Second, jazz is a social process and a collaborative art form that involves ongoing social negotiation between players (Barrett, 2008). For example, Bastien and Hostager (1988) state that the jazz process is built on the assumption that each individual musician is simultaneously and consciously adapting the whole, supporting the other players, and mutually influencing the outcome. Third, jazz specifies an uncertain environment in which individuals are simultaneously required to invent new musical ideas and to adapt their playing to that of the collectivity (Bastien & Hostager, 1988). Additionally, Barrett (1998) suggests that, “Jazz improvisation is a highly expressive art form that leads players to go out on the edge of unknown, it is impossible to predict where the music is going to lead.”

Accordingly, Bathurst et al. (2010), on whose study we base our theory, define aesthetics as sense perception, and examines it through the lens of improvisation. Further, they illustrate the relevance of aesthetics to leadership in conditions of uncertainty, and crisis, noting that “aesthetically-aware leaders are able to deploy a range of intellectual and emotional skills that can complement more conventional rational instrumental decision-making approaches in ways that can have considerable benefits in times of uncertainty, and most especially in crisis situations.” More specifically, they argue that aesthetic leadership entails four abilities that are precencing and concretization, backward reflexivity, form and content, and myth-making, and suggest nine sub-dimensions to operationalize these abilities that are alert imagination, to act and defer, awareness of dissonance, analyzing past actions, prefiguring future trajectories, preserve existing modes of operation, willingness to change direction, recognizing symbols in use, and awareness of language. Leveraging Bathurst et al. (2010)'s study to the organizational level, we propose that organizational aesthetic capability is manifested in these sub-dimensions.

The first ability Bathurst et al. (2010) discuss is precencing and concretization. *Precencing* is defined as imagination that is an active moment-by-moment creative engagement that allows the work of art to unfold within the contingencies imposed by the environment, and the skills of the artist. *Concretization* means to transform ideas into action. It is operationalized as alert imagination, to act and defer, awareness of the potential of dissonance. *Alert imagination* refers to make sense of existing circumstances properly (Bathurst et al., 2010). Here, organizations generate their perception of reality based on their imagination because the information they capture is usually weak and incomplete. Organizations go beyond the already known, and explore the possibilities of the present by using their imagination (Montouri, 2003). Accordingly, Eber (1985) suggests that “imagination is the creative power by which the mind gains insight into reality.” Therefore, under the flow of information, taking the time to observe, from a variety of perspective, in depth, breadth, and detail (Palus & Horth, 2005) is not always enough, instead organizations should try to understand the true nature of the

existing circumstances by engaging their imagination that is, according to Gibb (2004), thinking of the possible depending on the intersection of memory, perception, emotion and metaphors. When organizations fail to alert their imagination, they will fail to rapidly adjust and re-adjust to incessant environmental change and be mapped to problems they meet accurately. In this vein, Adler (2006) reveals that companies fail to create future not because they fail to predict it but because they fail to imagine it. For example, if a high-tech firm cannot imagine the effects of an emerging technology properly, it will probably be subject to a destructive innovation. *To act and defer*, indicates the extent to which the organization is cognizant of timing to intervene by taking control. According to Bathurst et al. (2010), deferral is not indecisiveness, but requires an astute sense of judgement and the courage to wait. As aesthetics involves sensory assessments of anything we live and see around us, and that guide our behaviors, thoughts, and actions (Hansen et al., 2007), it also shapes our instant judgments about taking actions emerging without planning. In this respect, spontaneous act entails dealing with unexpected, identifying emergent issues, but specifically responding with a corresponding design 'in the moment' (Balachandra et al., 2005). Similarly, Moorman and Miner (1998) invites attention to timing actions in spontaneous act context as an important research issue. *Awareness of dissonance* is the extent to which an organization is aware of the discord between the employees (Bathurst et al., 2010). Dissonance occurs when beliefs and assumptions are contradicted by new information or when two or more ideas or values compete with each other (Zepeda, 2006). Here, organizations perceive dissonance as a way of provoking change and allow it to increase in order to allow new directions to emerge and take shape (Bathurst et al., 2010). According to Lewis and Lovatt (2013), discord enables organization's members to avoid convergent thinking that is being stuck on a single view, and therefore, for example, solving a problem resulting in one definitive solution. Instead, divergent thinking leads to continuously think of something new, in a flexible manner (Lewis & Lovatt, 2013), and allow organizations to see what is going on and identify new opportunities (Shoemaker & Day, 2009). For example, Montouri (2003) mentions that jazz musicians' assumption is not that there is a correct way of doing things, one score, one right set of notes to play, but instead they can collaboratively create through the interaction of constraints and possibilities. Moreover, organizations allow dissonance to lead a better intelligence gathering, a wider exploration of options and a deeper examination of the issues (Shoemaker & Day, 2009).

Second is *backward reflexivity* that refers to the ability to see the present in terms of the past and to anticipate future directions (Bathurst et al., 2010). It is operationalized as analyzing past actions, prefiguring future trajectories. *Analyzing past actions*, refers to explore what is happening in the organization at any given moment by attending to past experiences and using those to inform the present. As aesthetic approach focus on experiential knowing and understanding (Hansen et al., 2007), organizations should explore what is happening in the organization at any given moment by attending to sensory experiences derived from past actions and using those to inform the present which makes gut feel work closely alongside the rational view (Bathurst et al., 2010). Specifically, the feedback from previous actions provides new collective insights for organizations' members (Daft & Weick, 1984) and "a pretext that leads to new ways of noticing and interpretation" (Jeong & Brower, 2008). For example, in jazz, improvisers make connections between the old and new material, and find solutions by relating the dilemma they face to the familiar context that preceded it. However, looking at past is not sticking in stable routines, but thinking in anticipation of what is to come, and also by retrospectively allowing the past to inform the present, thereby making each moment fertile with both a past and a future (Bathurst et al., 2010). Hatch (1999) states that the future is invited into the present via expectation created by recollection of similar experiences in the past. *Prefiguring future trajectories*, refers to the ability to construct its future direction. It is mapping out an idealized action which is oriented (motivated) by an envisioned future—a future that is anticipated now but has not yet happened" (Jeong & Brower, 2008). Organizations act without a clear sense of how things will unfold (Barrett, 1998), but can intuitively anticipate the future based on the evaluations of present and the past (Bathurst et al., 2010)

Form and content, is another ability Bathurst et al. (2010) suggest. Form refers to generic policies and procedures. *Content* refers to idiosyncratic and sometimes chaotic events of daily organizing. They operationalize it as preserving existing modes of operation and willingness to quickly change direction. *Preserve existing modes of operation*, shows the extent to which an organization has a tendency to protect existing structures and lines of control under normal conditions (Bathurst et al., 2010). According to Barrett (1998), behavior in organizations is based on routines (e.g. rules, recipes, and practices) that are generated depending on past successes and stock phrases. That is they prefer to repeat what they do well rather than risk failure in case they depart from what has been proven to work. From an improvisational perspective, it is like the routinized patterns of chords in the jazz that provide enough background regularity that action can be coordinated, yet not overly constrained (Barrett, 2008). As Moorman and Miner (1998) suggest "In jazz, musicians often begin with the head of a piece, playing the song and its standard chords, but making slight modifications in style and emphasis." They further reveal that spontaneous act is a semi-ordered activity that has a referent or an underlying formal scheme or guiding image. *Willingness to quickly change direction* refers to the ability of organizations to reshape its strategy instantly based on the needs of the moment (Bathurst et al., 2010). Organizations should respond to complex challenges creatively that defy existing approach and solutions (Palus & Horth, 2005). Here, organizations will avoid becoming too attached to what is comfortable and secure, to be open to exploring new pathways, to avoid defensive routines (Barrett, 2008), as creative

solutions usually occurs outside organized routines or formal plans (Miner, Bassoff, & Moorman, 2001). Accordingly, Bathurst et al. (2010) suggest that aesthetic approach avoids getting stuck on 'old maps' that are now redundant and are no longer useful in solving complex and constantly changing problems. In addition, Barrett (1998), suggests that some jazz musicians avoid that which is automatic and safe and formulas that simply repeat past success, and keep fresh alternatives open by deliberately exploring the limits of their knowledge and comfort level.

Myth-making is the ability to create a mythology to shape mental models of organization's members. *Recognizing symbols in use* indicates the extent to which an organization notices the symbols that galvanize people's opinions (Bathurst et al., 2010). Organizational symbols include a wide range of objects, events, speech-acts, and persons, as well as stories and myths, logos, ceremonies, and ritualized events (Glynn & Watkiss, 2011). Gagliardi (1996) suggests that organizations are filled with artifacts and symbols which are perceived by the senses and that means organizations are filled with sensory knowledge. According to Akgün, Keskin, & Byrn (2012), people in the organizations relate to the emotions of the situation through the characteristics and qualities of the image and stories that contain connected events. Organizations use symbols in a vivid, dramatic, exciting way, because they know that symbols have power to affect the way people feel (Witz, Warhurst, & Nickson, 2003). Therefore by using metaphors and stories, organizations can bring organizations' members to a place that they have not been before. As an example, Barrett (1998) tells the stories circulating about an employee who paid a customer's parking ticket when the store's gift wrapping took too long, noting that organizational stories and myths persist as markers to remind and seed other employees to initiate unusual actions to satisfy customers. Creating shared interlocking metaphors help bridging cultural gaps (Bogner & Barr, 2000), and find common understanding and ways of connecting with one another (Taylor & Ladkin, 2009), provide organizational members a shared language and context for talking difficult issues (Ferris, 2002). *Awareness of the language* is the extent to which organization is aware of the shared language between organizational members that is generated by time (Bathurst et al., 2010). Being responsive and sensitive to the shared language enable organizations to integrate their message to the language used, engender and affirm desired values and beliefs (Küpers, 2002).

Moreover, organizations move people emotionally through creating new symbolic meanings, and communicating these meanings effectively. These new meanings that connect or resonate with organizational members' emotional, psychological and intellectual experience, then become embodied in collective speeches which everybody accepts and understands, which become established as a new common sense (Tietze, Musson, & Cohen, 2003).

3. Conceptual Model Development

We contend that organizational aesthetic capability influences firm product and process innovativeness. For example, alert imagination helps firms to make guesses, predictions and approximations about what is likely to happen next in uncertain environments by noticing emerging patterns, interpreting vague cues and processing large chunks of information (Barrett, 2008). Also, organizations come out with innovations when they see reality as it actually is and face to unwanted truths based on knowledge and imagination of particular circumstances of time and space (Ciborra, 1999). For example, Cunha, Clegg, & Kamoche (2012) suggest that organizations capture real time foresight by interpreting detected weak signals based on their imagination. Further, organizational members can turn unexpected problems into opportunities by imagining alternative possibilities heretofore unthinkable. In addition, existence of dissonance between organizational members leads different solutions to common problems by supporting multiple and diverse contributions. According to Shoemaker and Day (2009), organizations allow dissonance to lead a better intelligence gathering, a wider exploration of options and a deeper examination of the issues. Also, dissonance enables organizations to question their assumptions and consider situations from a fresh perspective that could lead to novel initiatives (Barrett, 1998). In addition, Bogner and Barr (2002) reveal that dissonance between organizational members increase the variety of information noticed in the organization that will allow understanding the environment better, and being more adaptive by providing multiple viewpoints. Next, when organizational members reflect back on similar occasions in the past and inquire into the thoughts, feelings and actions that accompanied those prior decisions, and then assess the impact of those decisions on the organization's strategic direction (Bathurst et al., 2010), they can patch together an understanding of problems from bits and pieces of experiences (Barrett, 1998), and therefore revise their perspective, and reach novel solutions. For example, Barrett (1998) suggests that organizational members fashion novel responses by juxtaposing, recombining, and reinterpreting past material. Also, when organizations consider the present, past, and future simultaneously, they become more alert and careful of product/process innovativeness activities (Akgün et al., 2012). Here, people analyze errors to understand their causes, try to learn from the errors thinking that errors point them what can be improved (Dyck, Frese, Baer, & Sonnentag, 2005). Next, past organizational experiences can be viewed as a filtering and feedback mechanism for innovation decisions, as past emotional experiences guide and give meaning to everyday activities of organizational members and provide a basis for anticipation or initiation of behavior in organizations (Akgün et al., 2012). Furthermore, organizations that have willingness to change direction take the critical information from the environment, and successfully implement changes in response to the information, even if that

information challenges the organization’s worldview (Glover, Rainwater, Jones, & Friedman, 2002). Here, organizations that are comfortable with extraordinary information and situations are able to notice more cues that help in anticipating environmental changes (Weick, 1995), and more responsive to the demands of the moment (Bathurst et al., 2010). Also, organizations that are open to change, promote minimal hierarchy and dispersed decision-making to maximize flexibility, responsiveness, and fast processing of information by enabling their participants to have personal freedom to take initiative and operate on their own authority (Barrett, 2008). Next, when organizations operate dynamically, rather than being fixed, their members and processes enter a state of continual transformation to cope with the instant needs of marketing, production or research and development departments (Bathurst et al., 2010). Finally, enhancing dissemination of organizational stories can contribute to sharing of organizational experiences of the members (Boyce, 1996). For example, Akgün et al. (2012) suggest that the storage of past emotional experiences which are episodic and unconscious are not written in documents, rather they are disseminated among organizational members by stories and dialogues. These narratives and stories stimulate critical and creative thinking and enhance awareness, foster empathy and understanding and may deepen appreciation of commonality and of differences (Boyce, 1996). Also, stories can merge people in a common orientation and overarching purpose, and therefore stimulate cooperation between organizational members. As Eber (1985) suggests stories can provide and substantiate a feeling of integration into a commonly shared whole. Accordingly, Quinn and Worline (2008) states that symbols are critical in shaping and mobilizing courageous collective action under the darkness of circumstances. Further, myths enable organizational members to make sense of complex situations by helping them to get beyond the chaotic flux of random events, and glimpse the core of reality (Bathurst et al., 2010). Hence organizational members become sensitive and responsive to the moment, and can function in line with immediate requirements that the chaotic environment presented. Therefore, as shown in Figure 1 we propose that:

P1: There is a positive relationship between organizational aesthetic capability and process innovativeness.

P2: There is a positive relationship between organizational aesthetic capability and product innovativeness.

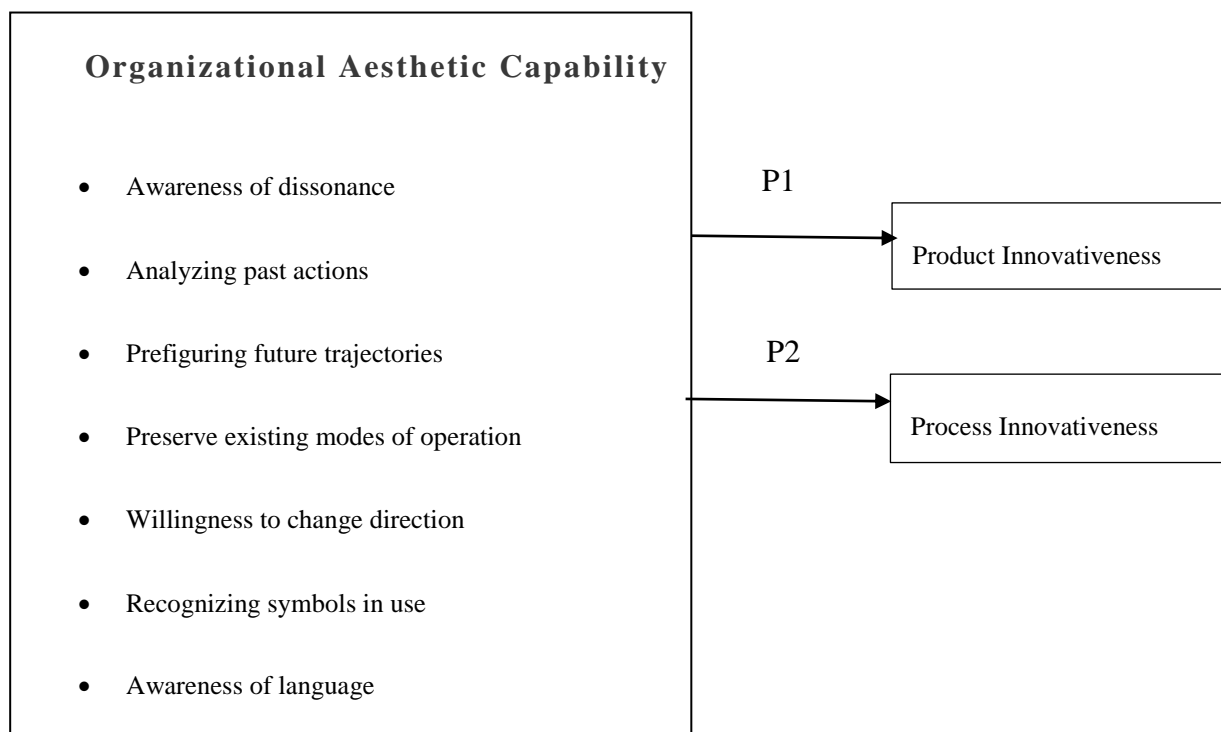


Figure 1. Proposed Conceptual Model

4. Discussion and Implications

One contribution of this study is that although the question why art and business should converge is widely discussed in the literature with quite strong logical arguments, how they will be cross-fertilized is not so well developed theoretically. Some more concrete thoughts exist the leadership context, but not at organizational context. Our study bridges this gap by following Bathurst et al. (2010)’s study. For example, Hansen et al. (2007) state that followers’ judgements based on their sensory experiences during interacting with the leader should be central in research to charisma. They, further, advise

leaders to look at the organizational vision through the lens of aesthetics, noting that “Visions are sensory rich and lack rational details, hence an artistic description is more useful than an accurate description.”

Showing how beauty might relate to leading, Ladkin (2008) proposes three aspects that are keys to the enactment of leading beautifully. Mastery, the first aspect, reflects the awareness of one’s context, and domain, and understanding of the self. Tracing back to Plato, Ladkin (2008) maintains that mastery concerns measure that is about knowing how much of a certain act is beautiful, opposed to being either stingy or excessive (e.g. the right amount of interaction, the length of speech). Coherence, as the second aspect, is expressing the self through forms which are congruent with one’s overall message and purpose. That is consistent with the harmony in the arts. Lastly, purpose is attending to the goal that serves the best interests of the human condition. Here, beauty appears as the ethical dimension of a leader’s endeavor.

From a musical perspective, Bathurst et al. (2010) apply specific components of the aesthetic experience to leadership practices by drawing on the work of Polish phenomenologist Roman Ingarden (1893-1970), and offer that leaders who are aware of aesthetic dimensions of experience may be better suited to manage effectively under conditions of crisis and extreme uncertainty.

In contrast to leadership context, dominant perspective of the studies exploring aesthetics in organizational context emphasizes to adapt improvisation as an art form that is most applicable to the organizations (e.g. Montuori, 2003; Adler, 2006), but does not explain or specify through which processes improvisation occurs, therefore do little to map the territory. Building on Bathurst et al. (2010)’s work, and leveraging their conceptual framework to organizational level, we attempt to articulate particular aspects (alert imagination, to act and defer, awareness of dissonance, analyzing past actions, prefiguring future trajectories, preserve existing modes of operation, willingness to change direction, recognizing symbols in use, and awareness of language) which contribute to extend and explore aesthetics and its impact on organizational practices.

More specifically, this study has demonstrated that organizational aesthetic capability can be conceptualized as a dynamic capability, and manifests in its sub-dimensions that are awareness of dissonance, analyzing past actions, prefiguring future trajectories, preserve existing modes of operation, willingness to change direction, recognizing symbols in use, and awareness of language. Following Strati (2000), who suggests that “Aesthetic approach is valid if it is able to produce new concepts of organizations.”, we revealed that reliable constructs can be generated based on the aesthetic approach that provide organizational scholars a language with which to express and understand the organizational work practices that scientific language is unable to grasp and explain. In this vein, Hansen et al. (2007) suggest that organizational processes should be grasped as aesthetic phenomena, because organizational participants are craft persons and aesthetes. Moreover, by conceptualizing organizational aesthetic capability, we respond to the call of Küpers (2002) that is “aesthetic considerations had very little impact on organizational theorizing and practice to date but which have a great potential for transforming” (p.36).

Second, this study demonstrated the theoretical relationship of awareness of dissonance, analyzing past actions, prefiguring future trajectories, preserve existing modes of operation, willingness to change direction, recognizing symbols in use, and awareness of language with product and process innovativeness. Specifically, this study showed that organizational aesthetic capability helps firms develop new products and services better and more quickly and improve their business and manufacturing process and methods, thereby improving our understanding of organizational aesthetic capability in the innovation management studies. To our knowledge, this study is first to investigate the role of organizational aesthetics as a dynamic capability on product/process innovativeness those represent some aspects of organization’s ability to innovate that is recognized as one of the determinant factors for organizations to survive and succeed (Wang & Ahmed 2004). In addition, while some studies investigate how past emotional experiences affect firm innovativeness (e.g. Akgün et al., 2012), we specify the role of all kinds of sense perceptions and experiences on everyday functioning of organizations from an aesthetic perspective.

Based on this research, the implication for management is that the use of arts-based methods in business provides a new way of approaching the world, which in turn could contribute to a more holistic way of engaging with managerial contexts. Specifically, managers should trigger the imagination of organizational members by organizing foresight forums or brain-storming sessions that will provide a self-contained sphere where people from different backgrounds and organizational departments can pursue critical issues in a psychologically safe manner. Moreover, managers should think about the ways of socializing a mindset that nurtures spontaneity, experimentation, and synchronization in organizations. For example, in virtual planning scenarios managers can try out alternative maps, alter the core assumptions that have remained unquestioned, predict and guess future moves within various constraints. Besides, managers should understand the importance of implicit, subjective, tacit ways of knowing in contrast to explicit, objective knowing, and therefore support organizational members to take initiative based on their gut-feelings. In addition, managers should allow the

existence of dissonance within organizational members, and struggle to hear harmony among dissonant voices by providing a work environment with psychological safety.

Managers should also provide a work environment where employees are safe to interact with each other without feeling rejected or punished, and to display and communicate their emotional and sensual experiences freely by encouraging interpersonal relationships and social connections. In this respect, management should promote storytelling. It is in the creating, telling, and retelling of key stories (e.g., organization's history, its product development efforts, and process implementation efforts; its interactions with customers; its competition against archrivals) by management that emotional events and experiences take on tangible form. Stories, myths and rituals evoke shared emotion and hence engender and affirm desired values and beliefs.

Next, managers should let employees' reveal their intuitive strengths, and facilitate experimentation and risk-taking to prevent being "too constrained to take creative action". Here, managers should be aware of that tolerance of errors is essential for experimentation (Barrett, 1998). Besides, managers should enhance minimal structures that serve as a template upon which improvisation can take place (Kamoche & Cunha, 2001).

5. Limitations and Future Research

This study proposed that organizational aesthetic capability is positively related to product and process innovativeness. It would be useful to test these relationships empirically. Besides the quantitative methods, qualitative methods may rich the understanding of aesthetic dimension of organizations. In this context, Taylor and Hansen (2005) suggest that purely analytic approaches may be too thin to describe deep aesthetic experiences and how aesthetics can work within the existing paradigms of organizational research and provide us with new ways to look at old problems. In addition, instead of depending on only one theoretical study while determining the sub-dimensions of organizational aesthetic capability construct, a future research strategy that involves focus groups and detailed literature review may overcome this limitation.

We believe that organizational aesthetic capability triggers opportunities for many other future research. First, the consequences of organizational aesthetic capability need to be investigated by future researchers. For example, how organizational aesthetic capability effects new product success, new product creativity, and firm performance could be investigated. Next, the role of environmental conditions like volatility, complexity, and ambiguity as predictors of organizational aesthetic capability requires more investigation. Further, organizational aesthetic capability may be investigated in service innovation context, as it focus on senses and perceptive faculties that guide "gut feelings" about a particular choice or decision (Weggeman, Lammers, & Akkermans 2007).

6. Conclusion

In this study, we addressed organizational aesthetic capability that has received scant attention in technology and innovation literature. We conceptualized organizational aesthetic capability and its sub-dimensions that are alert imagination, to act and defer, awareness of dissonance, analyzing past actions, prefiguring future trajectories, preserve existing modes of operation, willingness to change direction, recognizing symbols in use, and awareness of language. Second, we analyzed theoretically the positive effects of organizational aesthetic capability on product and process innovativeness.

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