The changing role of design

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The products, services, technologies, ecosystems, and networks of today are much more interconnected and complicated than ever before. Companies must be agile in their operations to keep up with continuously developing technologies and business environments to outperform their competitors. Dynamic capabilities are needed to exploit existing opportunities in mature technologies and markets, while at the same time exploring and competing in environments where flexibility and experimentation are key success factors[1]. Likewise, the public sector and society at large are facing complex, interconnected problems in a shifting landscape, where successful innovations require collaboration across disciplinary and organizational borders[2]. As a result, private and public organizations alike are turning toward design[3].

With the spread of design into new frontiers, the boundaries of what design is and what it is not become increasingly unclear. Theoretically speaking, ***design is the act of changing existing situations into preferred ones***[4]. In practice, we often distinguish design by its domain: software design, organizational design, industrial design, engineering design and so forth; each have their own academic and professional communities and traditions. Regardless of its field of application, the current rise of interest in design can be traced to a desire for a more human need-centered, experimentative way to innovate[5], with design having systematically moved closer to users across the design process through the years[6]. Along the way, designers have become advocates for the users and customers in organizations, and efforts to elevate the role of design in organizations are often coupled with attempts to become more customer-centered. Designers are moving upstream in the decision process[7], at times all the way into the executive team[8]. With this increased legitimacy comes access to resources and influence[5].

At the same time, design approaches are making their way to new occupational groups. Design thinking has popularized the mindsets, tools and methods typically used by designers for wider use. While it is a contested construct with different interpretations ranging from individual skills to organizational culture, typically ***design thinking is understood as an approach to human- or user-centered innovation, creative problem solving, experimentation, and iteration, used across different occupations***[9]. Design thinking has many proponents[10], but it has also received its share of vocal criticism for oversimplifying and diluting design, and not going far enough in necessitating co-design[11]. We believe this debate is largely due to the plurality of definitions and attributes associated with the concept. No, design thinking does not negate the need for design experts. By the same token, design experts alone will be unable to transform organizations. Call it what you will, but a wide variety of stakeholders is required to tackle the issues we face in organizations and as a society, and we cannot plan ourselves through the volatile uncertainty - rather than relying on predicting the future, design approaches rely on co-creating it.

Indeed, design can play a variety of roles on different levels in organizations, its benefits dependent on the extent and quality of each of these roles and levels. Many companies still have little or no design capabilities - in the last 2016 Innobarometer, 37% of 13 112 European companies self-rated their organizations as using no design at all[12]. When design is used, it is most frequently in product design[12,13]. Warwick Business School professor Pietro Micheli and colleagues define ***design as service*** as the role of design when its main activity is to respond to briefs and information developed in other departments in the organization and its sphere of influence mainly related to the aesthetic orientation to strengthen existing brands and enhance product quality[5]. In contrast, only 5-12% of organizations are estimated to include design on a strategic level[12,13].

Design as strategy entails having an influence on the long-term sustainability and competitiveness of an organization through informing strategic decision making, such as product positioning or creating new markets, and this influence being recognized organization-wide[5]. For example, Phillips Design describes moving from a global support unit in the company to an integrated function, swapping separate design metrics to examining how the enabled collaboration has an impact on innovation and performance[14]. Design can even become the primary means to determine organizational direction, transitioning from a discrete unit to a crucial component of the mindset of the organization[5].

Rewards are reaped disproportionately by the relatively few organizations where design has been elevated to a strategic level. Based on a global survey of 2200 companies in 77 countries, InVision reports in comparing strategic design to design in a "visuals only" role, that organizations report design as having had a proven impact on their revenue, cost savings and time to market four to six times more frequently, and a whopping 26 times more often on their valuation[13]. These assessments of impact are supported by research on the positive impact of design on innovation, efficiency and profitability[12,15].

There are a wide variety of factors influencing the role of design in organizations, ranging from top management support to inter-functional coordination, from the formalization of processes to organizational culture[5,16]. There will always be more to the story than what meets the eye, but this book aims to provide an overview of key considerations in the role of design in organizations. We begin with a brief introduction to design thinking, and some of the typical approaches it entails, as well as the key organizational building blocks required for developing design-driven organizations. Rather than a comprehensive account, this section lays out a foundation, creating a

Different facets of design:

Design is...

Key activities:

...business strategy

5%

- *Cross-platform strategies*
- *Trendspotting and foresight*
- *Product market fit tests*
- *Vision artifacts*

...a hypothesis and an experiment

12%

- *Concept testing*
- *A/B tests*
- *Analytics and measures*
- *Formalized operations*

...a standardized scalable process

21%

- *Daily standups*
- *Planning & prioritization*
- *Design briefs*
- *Written documentation*
- *Integrating to internal operations structures*

...what happens in a workshop

21%

- *Workshops*
- *Rapid sketching*
- *Stakeholder input*
- *Integrations between designer and developer tools*

...what happens on screens

41%

- *Wireframes*
- *Comprehensive layouts (design comps)*
- *Interactive prototypes*
- *Visual identity*

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shared understanding of what we are talking about. It offers the forest to the trees, the bigger picture of how different efforts connect.

The second part of the book, in turn, dives into a number of specific perspectives and accompanying examples from Finnish organizations, placed into sections related to the broader themes of designing growth and change, designing collaboration and designing the future. This part can be explored in a non-linear manner: feel free to cherry-pick and skip directly to issues timely and relevant to your own efforts. The purpose of these chapters is to inspire new questions and ideas based on a variety of viewpoints and tangible examples. We hope to provide a spark for you to start building your own design experiments. At the end of the day, no matter how big or small a change is, it all comes back to the people in the organizations - design transformations happen when individual steps and experiments come together and begin creating synergies across the organization.

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