## **Double Loop Design Management**

### **Strategic Design Seminar**

De-Sid Project January 28, 2011,Portugal,Lisboa

### Brigitte Borja de Mozota

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#### **1.Designers myopia in Management & Economics**

**A.** Some remarks about De-Sid : definition of design ,place of service industries in the sample, country competitive edge limiting design impact (exports mainly Europe . Business B to B)

#### **B.Research further : Identifying a paradox in strategy**

Technological innovation more important than customer satisfaction A threat for design development

What is a company competitive edge ?	How to create value in a product	Drivers for design integration	Impact of design on value	Design quality
Quality Technological innovation Design	Cost Innovation	Reputation Innovation	Image Customer satisfaction	Customer satisfaction
Table 10 Table 11	Table 35	Table 13	Table 62	Table 61

### Managers myopia in Design

# The end of the "design planet". Design is an activity embedded in organizations & macro economy & life

Compare with the engineer profession : in order to exist and be present at strategic decision level, engineers have developed a double competency.



#### **Design process : where in the process swamp?**

security public relations medical marketing freight regulatory compliance performance evaluation change management safety shipping benefits management cash management account management communication cost control catering salary policy personnel records customer service supplier relations inventory management purchasing divestment downsizing planning warehousing executive compensation investment planning technology assessment project management travel management corporate governance financial control decision making acquisition pension administration risk management hiring channel management team rewards global financing executive compensation management development innovation accounting risk management invoicing benchmarking outsourcing alliance capital investment legal product launch promotion warranty claims market research sales support pricing quality control training information systems planning records management loans. forecasting organisational design engineering competitive assessment negotiation governance production planning management succession office management customer retention payments branding shareholder relations tax product launch budgeting environmental data centre lobbying manufacturing R&D learning insurance

credit control

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### **Comparison of the Process Models**



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### 2.Design as Knowledge & Skills

### KNOWLEDGE

Design process Manufacturing process User awareness Human Factors Material Market Culture

Aesthetics awareness

### ATTITUDE VALUES

Managing uncertainty Originality Anticipating future trends Risk-Taking Proactive in relationships Understanding multidisciplinary contexts Attention to Detail Learning from errors

### **APPLIED SKILLS**

Practical design skills Prototyping Drawing ability Creative techniques Lateral thinking Communication skills Team Work Optimization Project management

### UNDERSTANDING SKILLS

Observation Researching Logical thinking Identifying Problems Analyzing prioritizing Scenario Building. Narrative Synthesizing . Holistic thinking Human Empathy



### Strategy Map: Kaplan & Norton, 2004



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### 3.DESIGN LADDER in search of coherence



## = Designence™

A Model for	How should we appear through design to our customers in order to achieve our vision?		To satisfy our stakeholders how can design help in the business processes we excel in?
Design Management	1. DESIGN AS DIFFERENCE. DESIGN MANAGEMENT AS PERCEPTION & BRAND. Market value Customer value Brand		2. DESIGN AS PERFORMANCE. DESIGN MANAGEMENT AS "A" AS INNOVATION PROCESS. Innovation Modular architecture Time to market
based on	Consumer research	ISION	TQM R&D Technology
Strategy	>		VISION
Michael Porter	To succeed financially, how should design appear to our shareholders? 4. "GOOD DESIGN IS GOOD BUSINESS". THE HISTORIC DM ECONOMIC MODEL.	NOISIA	How will we sustain, through design, our ability to change and improve? <b>3.</b> DESIGN AS VISION. BEYOND "ADVANCED DESIGN" MANAGEMENT.
Value Chain Model	Financial & Accounting value ROI Value for society Stock market value Socially Responsible Enterprise		Strategic value Vision Prospective Change management Empowerment Knowledge learning process Imagination

### = DBA award

#### developed based on the study in DEA submissions archive



developed by Kaplan & Norton (1996) and arranged for design managers by Borja de Mozota (2006)

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### = DME Award + ?

 DME Award means being recognized by an international jury of design management experts

 Question : on which criteria?
leadership, innovation, co-ordination and results through design as strategic resource .What is strategic ?

 Changing the viewpoint of design value to designers skills
Observatoire de l'Immateriel. IFRS.



### DME JUDGING CRITERIA

#### Leadership in Design Innovation

"How are the values of the organization reinforced by design across a range of activities enabling the organization to become a leader in the field?"

#### Driving change through design

"How does your organization foster the creative process to anticipate emerging technologies, new legislation or changes in the market?"

#### Excellence in design co-ordination

"What is the framework in your organization to monitor and facilitate the design process?"

#### Strategic Performance

"To what extent had design enabled the company to realize its strategy?

Where do we ego from there ? De –Sid ... Design value Index . IFRS audit ?

### DME 2009 WINNER



#### MEDIUM COMPANIES WINNERS TemaHome

CONTRACT DESIGNATION

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(PORTUGAL) WWW.TEMAHOME.COM

#### Portuguese design history in the making

#### Leadership in Acolyn Internation

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#### Driving chance through design



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Strategic performance

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### Future DM : Designence<sup>™</sup> vs IFRS

### New criteria for DM

Imaginary	Technological	Organizational	Finances
immaterial	immaterial	Immaterial	
Design as	Design as	Design as	Design as
STYLE	PROCESS	STRATEGY	PROFIT
DIFFERENCIATE	COORDINATE	ANTICIPATE	EVALUATE
Perception Brand Trends <b>Customer</b> relationship	Technology Innovation <b>Supplier</b> <b>User</b> <b>innovation</b>	Prospective Vision Change Empowerment <b>Employee</b> satisfaction	Intangible assets: brands design models, patents <b>S.R.E</b>

### User oriented design model

Person driven economy / Change by design IDEO / Participatory design ."Design for all" . "Human centred design "



### 4. Design & Macroeconomics

### Criteria for assessing strategic value

National statistics Exports	Professions	A Country competitive edge	Country R&D program
International comparison products &services	Designers professional bodies	Design in Creative industries	Research on design activity
Design in non price factors	Ex:France AFD Designers Inter actifs	Unesco creative cities World Design capital /ICSID	Projects like FIDJI beyond industries

### World Design Capital

The World Design Capital is a city promotion project celebrating the merits of design. Held biennially, it seeks to highlight the accomplishments of cities that are truly leveraging design as a tool to improve the social, cultural and economic life of cities, throughout a yearlong program of design-related events.

- Torino 2008
- Seoul 2010
- Helsinki 2012



### 5. Double Loop Design Management

Dm	dM	DM	Design INDEX
Design Planet	Managers fascination for creation	Specific concepts for design activity in organizational design	Measure design activity
Change design education for career and skills focus	Change business education	Design Management Research	Projects like FIDJI: beyond industries

### DESIGN THINKING







- Invent new business model
- Integrative Thinking
- Intuitive thinking
- IDEO Change by design
- ■P&G
- Roger Martin Rotman
- Toronto Business School
- Service Design
- Educating managers in Design Thinking

## **Design Management Education**

Single Loop Design Management « De-Sid »	Double Loop Design Management
Design improves company competitiveness,brand, innovation ,strategy	Design Index Changing business education on competitiveness brand,innovation ,strategy
Design is integrated in organizations , institutions, cities	Education in Design of Business leaders & managers of Innovation institutions + Entrepreneurship programmes
Design help people cope with change WDC Unesco creative city	Developing design skills awareness in society & in Political sciences & in Macroeconomics

### Integrative Thinking & Sense making Meta design route for new business model





### 6.Conclusion

#### Transition towards service touches all industries

Traditional	Services	Public service Government institutions	New service industries
Create empathy with the client Think product & service	Make tangible the quality of services Differentiate through services	Inverse the pyramid	Innovate by system thinking & user oriented design
Ex Swiffer	Ex Hotels	Ex: Health sector	Ex: Services to one Person New niche industries

#### CHALLENGES for ALL decision makers

## Are New Territory for Design

Managing complexity

International & Multicultural development

Sense building. Empowerment. Human resources

Innovation. Organizational creativity

New Management models and theories

