

DESIGN THINKING AND THE ENTERPRISE



As a customer-centric organization, my telecom service provider routinely reaches out to me, as they do to other customers, to solicit my feedback on their services. I know they need my feedback, yet, I rarely submit to the process. Put it down to a discomfort of discussing service quality with an impersonal, automated call service, that has been thrust upon me without my permission.

However, it is easy to see the service provider's perspective. Here is a technology that eases the arduous process of extracting customer assessments. Which, incidentally, is much more economical than deploying valuable human resources. It's hard to stand against the compelling proposition of a convenient alternative, which is both technically feasible and commercially viable.

What we have here is just one of a large set of readily available options that the typical enterprise approach of convergent thinking

has delivered. And that is the inherent limitation of taking this particular cognitive path to finding solutions – it is structured to identify a finite set of choices that are deemed to be acceptable, solely because they have been distilled from the tried and tested way of doing things. Convergent thinking, then, is the science of making choices that come pre-validated by convention.

So what enterprises end up with, are some choices that are patently enterprise-worthy, in as much as they tick the all-important boxes of technological feasibility and economic viability. However, like my mobile operator, most enterprises don't factor-in the all-important parameter of user desirability – that is, what does the customer really want?

Design Thinking and the Enterprise

Should enterprises pause to ask, they would find that customers understandably tend to value their own experience much higher than organizational priorities like feasibility and viability, if they value them at all. With expectations of experience on a constantly rising trajectory, and end consumers becoming more prudent and empowered, enterprises need to switch to a more integrated cognitive approach - that is as much about divergent thinking or the art of creating choices, as it is about convergent thinking, which is the science of making choices. Or to put it more simply, enterprises need to switch to Design Thinking.

Design Thinking emphasizes a more human-centric and empathetic cognitive process that relies on harnessing intuition, inspiration, and emotion to create solutions - all without losing sight of the practical considerations of technological feasibility and business viability. In and of itself, it is not a new paradigm - for years, designers have successfully used this approach to create concepts that effortlessly marry desirability with functionality and profitability. What is new is the effort to extend the concept of Design Thinking into areas and practices beyond the realm of pure design.

Like the enterprise, for example.





The Imperative for Design Thinking

The typical corporation is built on a bedrock of rational thought, analytical reasoning, and data-driven strategy. And over the years, this model has served as a reliable enabler of value for the enterprise. But in this citadel of reason, the philosophy of intuitive thinking – what Roger Martin, author of *The Design of Business*, calls ‘the art of knowing without reasoning’ – has at best been a peripheral influence thus far. Given this historic context, it is a bit hard to imagine a future where the enterprise model harmoniously amalgamates seemingly irreconcilable concepts such as analytics and intuition, reason and emotion, and data and inspiration.

And yet, that is exactly the transformation that enterprises will have to achieve in order to survive and thrive in this rapidly evolving marketplace.

Consider the Experience Economy – from products through services, experience is today the fundamental arbiter of competitive differentiation and economic value. It is about renewing traditional products and services, and exploring new opportunities arising from the economic construct of experience. This completely new paradigm, arguably even more radical than the transition from an agrarian to an industrial economy, compels a new model of enterprise thinking.

Or consider Innovation – no longer the preserve of a few pioneers, innovation is now a prescription for survival for enterprises irrespective of size, sector, or market. Though most conversations about innovation tend to focus on technology, truly sustainable innovations are those that explore beyond the possibilities of technology. In fact, as a cognitive model, Design Thinking has the potential to create solutions in areas where technology has failed to.

Design Thinking and Creative Confidence

“Infosys has embraced Design Thinking as a core, foundational capability that can be relevant for every single employee of the company. I am often asked to explain what this means – and luckily, the core idea behind Design Thinking is very simple. It is a method for improving the creative confidence of individuals, teams, and organizations to explore areas of significant opportunity which are also complicated by substantial ambiguity. Creative endeavor is, by definition, a risky activity. If we know exactly how to do something – it usually means it has been done before – and hence it is not creative or innovative. We are born learners and explorers, but sometime during our formative years, many of us lose that ability to explore, experiment, and take calculated risks that increase our learning velocity. Design Thinking gives us a scaffolding for such “positive” behaviors – such as developing empathy, effective problem framing, and working in rapid, iterative cycles of prototyping, experimentation, learning, and continuous improvement. Applying these behaviors every single day to the issues we encounter – both internally and during our engagement with clients – can improve our creative confidence, and help us to renew the things we already do, while also enabling us to pursue new opportunities with conviction.”

- Sanjay Rajagopalan

Key Drivers of Design Thinking

Human-centric / empathetic: As a human-centric process, empathy for customers' needs is central to the Design Thinking philosophy. But as opposed to conventional market research techniques, the Design Thinking model emphasizes the need to interview and engage with customers, observe user behavior in context, and to also experience first-hand the customer context. Uncovering the emotional aspects of behavior is critical and the model uses a range of research techniques and design tools to understand customer expectations, motivations, and values, as well as to systematically map the key tasks and stages in a particular process.

Iterative: By its very nature, Design Thinking is a dynamic and iterative process, but with an unwavering focus on the expectations and needs of the end user. It creates a fast and, if required, repetitive learning loop that makes it easier and quicker to optimize and refocus. Tim Brown, CEO of IDEO and author of *Change by Design*, defines the

design thinking process as a system of three overlapping, rather than sequential, spaces that can loop back depending on the team's need to refine ideas or change direction.

Design Think. Design Do: Design Thinking emphasizes action as part of the problem-solving process. Teams are encouraged to actively create simple experimental prototypes that not only contribute to an enhanced learning experience, but also make ideas more tangible and real. Rapid prototyping, using techniques as simple as storyboards or role-playing, can also help focus ideas, enable discussions about usability and experience, and accelerate feedback.

Collaborative: Collaboration is strategic to the success of Design Thinking and is the key to unlocking enterprise creativity. In *Change by Design*, Tim Brown emphasizes the importance of creating “interdisciplinary teams that take collective ownership of, and responsibility for ideas, as opposed to multidisciplinary teams, where each member acts as an advocate for their own specialty”.



Enterprise-led Social Innovation

Going forward, enterprises will be increasingly compelled to transition from a CSR strategy that is incremental to corporate strategy, to a broader and deeper commitment to Corporate Social Innovation. It is no longer about giving back to society. It is about addressing the challenges that affect the very societies that corporations operate in. Design Thinking has already made some inroads into the practice of social innovation, but it has to be adopted widely, keeping society

and nature at the epicenter while finding and solving societal problems.

As enterprises embrace Design Thinking to address their own problem-solving needs, they also have the huge opportunity to deploy the skills and resources that they build to support and drive social innovation programs of scale. Since empathy and human-centricity will form the common strategic core for both enterprise and social innovation models, it will also probably make it that bit easier to reconcile the focus of both.



Summing up: As customer-led innovation rapidly emerges as the only sustainable competitive advantage, Design Thinking offers the most efficient and effective model to harness the creative power and potential of the enterprise. But to be truly successful, enterprises have to ensure that Design Thinking is embedded in the very culture of the organization. While it

may represent a marked departure from the conventional analytical approach to driving enterprise innovation, performance, and profitability, it provides a really powerful tool that puts people at the center of the innovation model, thereby opening up new possibilities to engage productively with both customers and the community.

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