IS DESIGN THINKING MISSING IN YOUR CORPORATE DNA?

Formerly the domain of product designers, this methodology is changing business strategies and pivotal conversations within the enterprise. Stanford University's Jeremy Utley explains why.

BY PAULA FELPS

Design thinking is experiencing a renaissance of late. This methodology of solving problems with the end user in mind has always been around in one form or another. It is where divergent thinking and "gut instinct" trump incremental improvement and rigid patterns. The inventor of the wheel did not etch algorithms in the sand, after all.

Engineers have long known that emphathizing with an end user means a better product. Design thinking 2.0 elevates that approach into an organized activity, a mix of rationality and creativity. It gained notoriety as architects and urban planners studied human behavior to tackle issues like suburban flight.

The business world took note. Consider what happened when Doug Dietz enrolled in Stanford University's d.school.
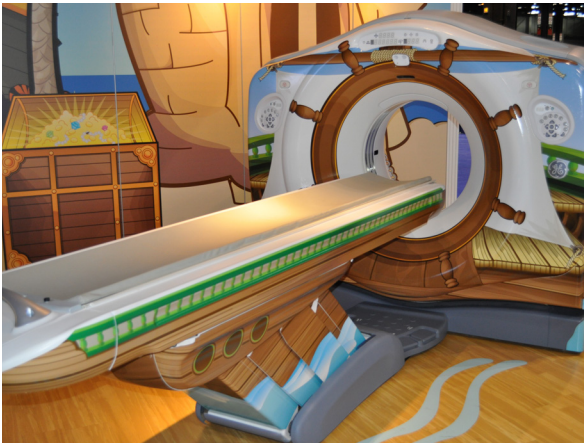
Design thinking helped Doug Dietz reimagine the MRI.
Photo © GE Medical

As a designer of MRI and CT machines for GE Healthcare, the program's applied methods of visualization, prototyping, and emphathizing encouraged him to think less about the machine and more about the plight of its youngest patients, often so frightened that sedation was required about 80 percent of the time.

Instead of being slid into an ominous machine in a sterile hospital room, Dietz redesigned the entire MRI experience so that children enter an adventure, from a pirate ship to a camping trip, tent included. The result? A dramatic drop in sedation rates. Happier patients, caregivers, and families.

Once thought of as a nebulous, murky approach to solving a problem, business leaders have embraced design thinking as a creative way to innovate services and products. Relieved that a needle-less vaccine exists? Just breezed through airport security? That's design thinking on the job. Today, enterprise leaders are realizing an even more tantalizing payoff: A 2003 study by the Danish Design Center showed that increasing design-related employee training boosted a company's revenue an average of 40 percent more than those not using design thinking.

"Historically, design thinking has been about products," explains Jeremy Utley, director of executive education at the d.school. "But increasingly we are seeing people use it not only to design services and experiences, but to design [business] strategies. We are not just saying, 'do we have the right answer?' but we're saying, 'are we asking the right questions?' Increasingly, we are seeing people move up the food chain into much more strategic territory."

OPERATIONS AND COST ROI

Organizations are also discovering how design thinking can streamline distribution and increase customer loyalty, among other strategic priorities. Kaiser Permanente increased the quality of patient care by re-examining how nurses

REPLICATING DESIGN THINKING

The d.school at Stanford uses a six-step methodology to help organizations and leaders replicate design thinking in any setting:

1 UNDERSTAND.
Research the problem's background.

2 OBSERVE.
Watch how the affected stakeholders interact and react to a situation.

3 DEFINE.
Combine insight with a needs-focused approach to create suggestions.

4 IDEATE.
Participants must suspend judgment and brainstorm ideas. From the silly to the savvy, no idea is off limits during this phase; a single session may generate hundreds of ideas.

5 PROTOTYPE.
Convey ideas quickly with a sketch, flow chart, or physical model.

6 TEST.
Modify solutions based upon user reaction and experimentation.

manage shift changes, and Kraft has used it to reinvent its supply chain management.

"Now, you have gigantic organizations trying to determine not only how to create breakthroughs with design thinking, but how to design their organization using design thinking," Utley says. "They are looking at things like, how are our teams configured? How do we celebrate successes and acknowledge failure? It's a whole new DNA."

RE-THINKING DESIGN THINKING

As more organizations either adopt design thinking or debate whether a process on creativity might do more harm than good, what's not disputed is the risk of complacency.

"Organizations usually resist change," Utley says. "But they need to know that there are startups that are hell-bent on running them out of business. Not for making their product extinct, but for making the need for their organization non-existent. Most of the organizations we work with realize that they are on their way out unless they do something fundamentally different."

And for many, that means re-imagining the process of how decisions are made, how innovation occurs and how the principles of design thinking apply specifically to them. For each, the answer may be different, but the questions are key to discovering a viable solution.

"It's a fool's errand to try and go against the culture; you have to find the elements of your business culture that support this kind of working/ thinking mindset. It's about finding where you have momentum and leaning into that momentum."