Design Thinking for Managers

Steven de Groot

Developing designdriven and promising organisations

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Introduction

In my younger years, I drew a lot. Every day. It's partly because of that that I studied at the Akademie voor Industriële Vormgeving in the town of Eindhoven in the 1980s, now the famous Design Academy Eindhoven. I learned design, industrial design: to design products to be manufactured by industry. But there was little of all those beautiful drawings from my childhood in the design discipline. A large part of the industrial design process is, after all, more about how the designed product can be manufactured as cheaply as possible. That means as few parts as possible and as few hands as possible. That doesn't leave much from those beautiful sketches. And I actually found the people, the users of products, more interesting than those products, so much so that, even though I had some wonderful years at the academy, I went on to study educational science, specialising in learning in organisations. As a training expert, I worked with dozens of organisations, mostly multinationals, and was involved in the development of the employees and organisations. Throughout that time, the field of knowledge management developed, and organisations took a more strategic look at the role and importance of knowledge. Then, due to the hype and the so-called 'strategic importance of knowledge management', it was not only HR managers who delved into the topic but also department bosses and directors. Pretty soon we got into conversations about issues related to strategy, quality assurance, IT and finance. In order to understand them and to give them good advice, I studied business administration and soon afterwards worked as a business consultant.

'You've said goodbye to your profession,' or words to that effect, some of my former fellow students from the academy told me. Not at all, I thought – and think. I'm a designer and researcher in an organisa-

The illustration on the front cover is inspired by the painting Pygmalion and Galatea (1890) by the French artist Jean-Léon Gérôme. The myth symbolises the manager who didn't find any organisation good enough to marry and then decided to design the ideal organisation. When the result turned out to be a great success, the manager fell in love with his creation. The manager then wished for an organisation that resembled this own. The wish was answered: the manager kissed the creation to life, after which both lovers married and lived happily ever after.



pygmalion and galatea; jean-léon gérôme 1890, metropolitan museum of art in new york.

tional context. You stuck with your chair or cup. For me, the organisation is my material. Over the decades of my organisational consultancy work, I designed processes, strategies, change interventions and much more. And that's what this book is about. There are already many books covering creativity and innovation in organisations and about the design of products and services (service design). This book is specifically about the application of design thinking to everyday organisational problems or problems that have been creeping into organisations for years, the so-called wicked problems.

Maybe it's precisely because I've spent all these years developing organisations that I learned the difference between development and design, and I learned that designing with the organisation as a material has certain limitations and even impossibilities.

The word impossibility doesn't appear in a designer's dictionary. But, I have to disappoint them. I've worked with a lot of organisations that had so many good intentions that, after almost 30 years, I've come up with a list of at least seven 'restrictions', and therefore challenges, for design thinking in organisations. An organisation:

- 1 is like living tissue, with limited designability;
- 2 can be understood as a system;
- 3 exists through a focus on continuity and control;
- 4 already exists, and so there is usually a need for redesign and adaptation;
- 5 has a wide variety of stakeholders;
- **6** has several alternative approaches to design thinking;
- 7 sometimes falls into the trap of 'design thinking as a method'.

1 LIVING TISSUE WITH LIMITED DESIGNABILITY

Organisations are largely formed by people. Of course, they also have things like IT, the physical space where people work and mountains of (digital) paper. Because the organisation consists mainly of people who not only move constantly but also come and go, develop, specialise and generalise, it really is like living tis-

sue. That's why design in organisations has its limitations. Organisations are constantly on the move. Not only through the constant movement of people but also through, for example, the continuous adaptation of products and services, changing processes and changing structures. So, organisations cannot be put on pause just to design and fit a new part.

In short, there is a lot that cannot be designed in organisations! At best, there are aspects that can be developed.

For a more detailed picture, it helps to look at the design parameters – ideally called the development parameters – of an organisation. These are explained in, among others, McKinsey's well-known 7S model, developed by Waterman, Peters and Phillips. 1 This model analyses a company by structure, strategy, system, skills, style of management, staff and shared values. The first three points are also referred to as the 'hard' development parameters: organisational structure, strategy (the mission, vision, goals and strategy of the organisation on paper) and the system (the formal organisation, such as the policy documents, the processes and procedures, and the tasks, powers and responsibilities of employees). These development parameters are partly designable (makeable), and it is relatively easy to apply a design to them in an organisation.

The three so-called soft development parameters – management style, staff (competencies, attitude to work, age, beliefs, composition, etc.) and organ-

isational culture (values) as well as the overarching shared values – are not designable. We can't just design, create and squeeze in a new employee, or a new culture, or a new manager with specific leadership qualities. These design parameters are, at best, developable!

The literature on organisational and change management distinguishes, among other things, between organisational development (OD) – the application of techniques from the behavioural sciences to improve the health and effectiveness of an organisation – and organisational transformation (OT) – transformation as a response to changes in the technology or environment of the organisation.

The 'shared values' soft development parameter connects the six variables and is not actually a separate parameter. Shared values are designable in the sense that you can all think together about the ideal culture or about the type of leadership you want to aim for in three years. Then it's possible to design a perspective or direction for the soft design parameters towards which the organisation can move and develop as quickly as possible and as necessary.

2 SYSTEM CHARACTERISTICS: BALANCE, COHERENCE AND HETEROGENEITY

The seven design parameters – organisational structure, strategy, system, skills, management style, staff and shared values – can be summarised as a

system in the sense that the components are balanced, coherent and heterogeneous: BCH. Designing within a system – such as a new meeting style within a larger part of the organisation – means that you have to take into account the dependencies; these could be, for example, a dominant type of leadership, or particular work processes, or other organisational changes or designs, or the organisation's current strategy and the pace at which it's all possible – these are all aspects of system dynamics (more on this in section 3.1.2).

Every part of the organisation's system is equally important (balance) and requires a proportionate amount of time, energy and attention. Plus, change in just one component of the system has consequences for every other component (coherence). For example, changing the organisational structure has consequences for employees and for processes (system). The organisational components have to be constantly aligned with each other so that they make a logical configuration (such as in a professional bureaucracy or adhocracy) where the different components support each other. Heterogeneity refers to the interpretation of the components. These can vary between formal and informal, internal and external, and in time and place. For a designer, this means that what you design within a system has consequences for the system as a whole. Suppose you design a new meeting style with a set of new rules (adapting the system design parameter) and a modified function (information is shared only electronically), then the design is

not yet finished. Employees have yet to learn the new meeting style, the change has to be accommodated elsewhere in the organisation by, for example, adapting to the technology; meanwhile, the director has to know and learn what the consequences of the new rules are too.

3 CONTINUITY, CONTROL AND ADAPTABILITY

Another characteristic of organisations is that they strive for continuity. And here, I'm putting 'restrictions' 3 and 4 together. An organisation that stops goes bankrupt and is dissolved and gets struck from the business registry. So we can't put an organisation 'out' for a week or day so that we can design. An organisation is a moving train, and if we have designed something new in the organisation we often have to make it and fit it in while still driving. Throughout the renovation, the train keeps running. Customers, employees, financial backers and other stakeholders expect nothing but continuity. It is important that you are aware of what, in what context, you are designing. In organisations, this means creating (co-creating) and adapting for those stakeholders for whom the new design has consequences. And adapting is important for success. Imagine that we've designed a new work process without having involved the organisation. Employees continue to work according to the old work process (and have customers who get the 'old' product or the 'old' service) and then have to switch to a new work process overnight, without any preparation. That's not easy, and mistakes are almost impossible to prevent.

In addition, many organisations work with explicit goals and a strategy to realise them, usually based on a mission and a vision (MVGS: mission, vision, goals and strategy). Goals are often set in terms of efficiency or effectiveness, such as for customer satisfaction. A design, whether it is a new way of meeting or a new work process, should ideally contribute to these organisational goals. This contribution is called *viability* in design terminology.

Continuity is also about time and planning. Organisations are constantly on the move. And circumstances can change in the meantime. The design period can take too long and the specifications of the design are no longer up to date. For example, the Dutch national police designed a new organisational structure that was mainly aimed at carrying out traditional policing, but society was already calling for an organisation that could also tackle cybercrime, financial fraud and drug trafficking. This example underlines the importance of the *sustainability* of a design in an organisational context: it should remain relevant for some time. Stakeholders don't want the organisation to be turned upside down again and again.

Many organisations – partly because of their focus on continuity – are also focused on control, and only partly have the space to be playgrounds or test labs. Organisations cannot afford too many experiments or errors because they would endanger their continuity. On the other hand, organisations have to be flexible and have change capacity to adapt to the constantly changing environment. For example, customers demand more and more, competition increases, and digitisation develops incredibly quickly. The organisation needs to change with its environment to achieve continuity. As a result, organisations are constantly caught between change and control. This means that design, which as a rule usually means change, is often also considered in terms of control. The central question is whether a design can, in advance, demonstrably contribute to the continuity of the organisation. Organisations increasingly ask for a kind of business case in advance where a design 'proves' its contribution to the organisational goals, preferably also in financial terms. I don't think that's how design works within organisations. Analysing and decision-making are two dominant management activities in organisations. Designing – after analysing – increases the repertoire of choices. A strong feature of design is that it does not respond directly to the problem but rather makes the problem part of the design brief. This opens the door to possibilities. More on this later.

4 WIDE VARIETY OF STAKEHOLDERS

Organisations are characterised by the many and large diversity of stakeholders who can and will interfere with designs in organisations. In organisations, you can't quietly make a design in some back

room and walk out after a while and shout: 'It's finished!' A (re)design of, for example, a work process or information flow affects many in and outside the organisation. Think of employees who are used to a certain daily routine, a manager with specific objectives and also a customer who might notice a change in the organisation. Generally, you can divide stakeholders into customers (clients), users, payers, influencers and decision-makers, (CUPID).

Let's look at the demand for a new organisation within the national police service, which was created a few years ago in the Netherlands. Politicians wanted cheaper, more efficient and even more effective policing. The police leadership wanted more money and an optimally organised police with peace of mind and confidence among officers. Police officers, including the many officers on the street, wanted less bureaucracy, more cooperation with colleagues (preferably with those they already knew) and good IT support. The trade unions mainly wanted a quarantee of job security and a reduction in workload. Citizens – society – wanted an increase in security through, among other things, an available and more visible police force. This example of a wide variety of stakeholders is elaborated in the Empathise phase described in section 3.1.2. And so the designer had these ingredients to work with.

Who are you actually designing for? What is the stakeholders' field of influence like? What requirements does the design have to meet? If you can all

agree on these parameters, you will have to start using the design at some point, and that's when all parties come into the picture again. Designing in organisations is a challenge.

5 REDESIGNING AND ADAPTING: INDUCTIVE AND DEDUCTIVE (RE)DESIGN

Designing in organisations means designing within or for something that already exists, such as an existing work process, an existing work structure or an existing organisational philosophy. Often that means that designing is actually re-designing and adapting and changing something that people are already used to or even very attached to, even if that thing doesn't work so well or it's something they're currently happy with. A designer in an organisation therefore intervenes in something that already exists. Employees often feel like they're co-owners of these existing processes, agreements, departments and so on. Redesigning can often feel like something is being taken from them or something they have to adjust to. On the other hand, designers can feel liberated from the everyday details, such as the problems in an organisation, and so they don't feel hindered by the circumstances in the organisation. However, at some point, every (design) solution must be given a place in the current setup – but only after it's been formally accepted by the organisation! This acceptance phase is not to be underestimated and is a very normal step in organisations. For example, a designer who designs crockery or desserts designs for the collection from which the buyer, the consumer, makes a choice. In organisations, there are far fewer choices. A new work process or information system is being designed and that is what we need to get on with. This means that, in organisations, making those choices earlier in the design process becomes all the more important.

Designing in organisations is therefore mainly about convincing, including and inspiring the many stakeholders. The 'standard' process of design thinking, such as the EDIPT process (empathise, define, ideate, prototype and test) and the activities of the Double Diamond (discover, define, develop and deliver) are therefore not always applicable to organisations. These design phases lack a good organisational analysis, and the execution of prototyping, testing and delivery looks really different in organisations than in a design process that leads to, for example, a product.

When I was trained and worked as a product designer, I learned all sorts of things about materials, especially about plastics and production techniques. As a designer in organisations, the organisation is your 'material' and your production techniques are the employees, and the theories and evidence-based practices² (EBPs) in organisational science, business administration and change management. Although these are still young disciplines, we already know, for example, that there are a number of organisational configurations – such as an adhocracy or profession-

al bureaucracy – that function well if they meet a number of criteria. We know which organisational structures are suitable for what type of work and organisation. We know the conditions for self-management. We have a limited number of organisational cultures and leadership styles.

I spoke earlier about the 'organisation as a material' for the designer. Let me continue with a case of self-management. Members of any organisation (whether they're working with an external designer or not) can endlessly consider and brainstorm solutions (the 'how') for malfunctioning self-management (the 'what'). This is inductive reasoning. At some point, they must also use a theory that the literature has to offer about self-management, such as the 'theory' (what + how) that advocates that self-organisation is successful if the needs of employees that have to be controlled (control needs) and the options that can be controlled (control options, such as the transfer of responsibilities and powers and management of self-management) are regulated. Using a theory like this, about the variables of self-management, is called deductive reasoning. Based on ideas and theory, the organisation's members come to a synthesis for the question of self-management. My view is that people in organisations can only design when they are aware of the most important theories about business administration and organisational science and use them in the design process. After all, I can't just design a car or a building tomorrow, can !?

'We believe that if managers adopted a design thinking attitude, the world of business would be different and better.'

(Boland & Collopy)

6 DO IT, OR MAYBE NOT, OR DO SOMETHING ELSE: ALTERNATIVE APPROACHES TO DESIGN THINKING

Organisations have been designing for ages. Organisational design, business process redesign, product design, service design and social design are just some examples of the terms we encounter in organisations. Under the umbrella of IT development, terms and methods such as Agile and Scrum entered organisations, with applications being developed together with users for the first time. TOC (Theory of Constraints), Lean and Six Sigma mainly focus on solving bottlenecks in processes. I think that every design object – such as IT, a product or an organisation – requires its own specific method, and we should not use that method for something else, which often happens. I come across organisations that use Scrum and Agile for flexible organising, while this is quite different from Scrum and Agile, and there is now a lot of literature about flexibility in organisations through other mechanisms. The above-mentioned 'restrictions' should steadily make it clear that designing in organisations is a separate discipline.

7 THE TRAP OF 'DESIGN THINKING AS A METHOD'

This last 'restriction' follows from the previous one. Despite – or precisely because of – the fact that there are many fairly similar methods of design thinking, the emphasis in organisations is often on the *methodical aspect* of design. Design thinking is not a method! It is, above all, a way of reasoning (abductive) that can only be learned in part by methodical design. In my opinion, a course in design thinking is only of limited use. Although you learn what design thinking entails and you can follow it on your own, such a course doesn't offer you sufficient insight into how you can use design thinking for organisational issues, how you can organise it within all the parameters of the organisation – as a way of organising and working – and how you can offer leadership with it. That's what this book is about.

Reading guide

In short, design thinking in organisations has its limitations and therefore has a specific interpretation, and challenges! That's the reason for this book. The 'answers' to the seven broadly mentioned restrictions form the chapters of this book. The first chapter, on design in organisations, deals with the first four restrictions. The second chapter, on the methodical aspect of design thinking, deals with the last three restrictions and covers designs in organisations. If you're not so interested in the background of design thinking in organisations but want to get started immediately and without all the details, you can jump to section 3.1.2 where the process of design thinking is explained in the organisational context.

Chapters 3, 4 and 5 discuss the role of the manager in design thinking (managing versus designing), how to embed the phenomenon of design thinking in an organisation, and whether or not that should be done by hiring creative professionals such as designers and artists (Chapter 5). Two cases of design thinking are described throughout the book. They concern real-life cases of managers who followed the six-day Design Thinking for Managers masterclass as part of the master's degree in personal leadership in innovation and change at the Zuyd University of Applied Sciences, which has been designated by the Dutch Ministry of Education, Culture and Science as 'top-level' education.

Dr. Steven de Groot Bunnik and Langelille, summer 2021

> 'Companies often let mysteries remain mysteries, declaring them unsolvable.'

(Martin)

'Designers don't use market analysis to try to guess what people want. Instead, they go out and find out.' Harvard Business Review

Design and Organisations

esigners don't use market analysis to try to guess what people want. Instead, they go out and find out,' stated Harvard Business Review recently in a special issue on design thinking in organisations. This statement reflects the inclination and attitude of designers. This was followed by a plea to give designers a more dominant place in organisations because so-called design-driven organisations do much better economically than others. Forrester Research Consulting³ investigated design-led organisations and noted that, compared to organisations that pay little attention to design thinking, 41% of design-led organisations show a higher market share, 46% of them show a competitive advantage, 50% of them show more loyal customers, and 70% of design-led organisations believe they have a competitive advantage by offering digital experiences. I call these organisations design-driven and promising organisations: organisations that are focused on possibilities. Recent research on design-driven organisations (McKinsey, 2018) shows that organisations with a high MDI (McKinsey Design Index⁴) exhibit relatively high business performance. The MDI score is determined using four groups of variables: analytical leadership, cross-functional talent, continuous iteration and user experience. Organisations with a high MDI score increased their revenues and total shareholder returns TSR (Total Shareholder Returns) significantly faster than their peers over a five-year period: 32% higher revenue growth and 56% higher TSR growth for the entire period. In short, design-driven organisations perform well!

McKinsey give the following advice for design-driven organisations:

- Embrace user-centric strategies and improve not only products and services but also the entire user experience and, in some cases, the organisation itself.
- Integrate your senior designer into the C-suite (top executives), cultivating a collaborative top team environment in which design thinking will thrive.
- 3 Get the most out of user data by balancing quantitative and qualitative design metrics and incentives that increase user satisfaction and improve business performance.

McKinsey's advice comes ahead of Chapter 4, in which I integrate the characteristics of design thinking into the organisation. First, I'll answer the question of what we can and cannot design in an organisation.

1.1 Design versus development

This book specifically deals with the application of design thinking to organisational issues, such as process improvement or collaboration. So it's not about designing new products or services or a new organisational strategy. For me, the challenge for organisations lies mainly with problems and challenges where we too easily and too quickly fall back into an analysis-decision mode. Between that analysis and decision-making, there has to be *design space*

(see Figure 1). Decisions should be *delayed* until you have developed a richer *repertoire* of *possibilities*.

In the introduction, I already mentioned the various organisational design and development parameters according to the 7S model: the hard design parameters (organisational structure, strategy and system) and the soft design parameters (management style, staff, skills and shared values). The hard design parameters are partly designable (makeable) and relatively easy for an organisation to use. This is in contrast to the soft design parameters that are not designable. We can't just design, create and squeeze in a new employee, or put together a new culture or introduce a new manager with specific leadership qualities. These design parameters are, at best, developable. However, it's possible to design a working perspective for the soft parameters — a 'speculative

design' or 'design fiction' – by, for example, thinking about a new organisational culture or a desired type of leadership and then – with that new point on the horizon – to slowly move in that direction. That could mean hiring new people (to change culture) or gradually teaching employees to be more autonomous (self-management).

The literature on organisational and change science distinguishes (as shown in Figure 2) between organisational development (OD: the application of techniques from behavioural sciences to increase the health and effectiveness of an organisation, referred to in Figure 2 as the development approach) and the design approach of organisational transformation (OT: transformation as a response to changes in the technology or environment of the organisation, referred to in Figure 2 as the design approach).

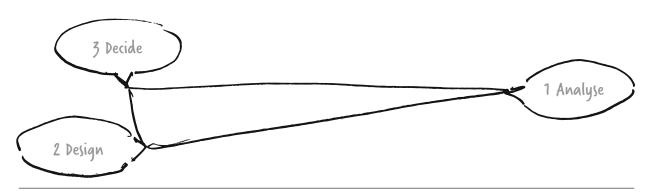


Figure 1 Deciding via design (Stompff, 2018)

Design approach		
 Organisation as a source of shortcomings New organisational design with a blueprint Top down Solution oriented Stable result One-off linear process Technical-economical process Tight standards and planning Abstract models Emphasis on expert knowledge Separation between design and implementation 		

Figure 2 Differences between designing and developing in organisations (Porras, 1991)

Neither approach is characterised purely by its designability. OD is characterised by, for example, a continuous and iterative process, the ability to change the organisation, and by its concrete working methods combined with operational knowledge. OT mainly has a top-down application of expert knowledge and a separation between design and implementation.

Change management theory distinguishes between making, learning and adapting a new design with explicit implementation or change strategies, such as the implementation strategy, the growth strategy, the participation strategy and the design strategy. Making, learning and adapting are the three imple-

mentation dimensions.⁵ Making is the 'hard' side, one of the hard design parameters of the organisation, such as the strategy or system (process). Learning is the softer side, organising involvement, ensuring support and acceptance. We call that a 'change in mentality' or 'implementation'. Adaptation is about securing and anchoring the new design, the structural implementation.

In this book, I focus on designing in the context of organisations and in the context of change. For the theory and methods about change and development, I refer to a wide range of publications from the Netherlands, such as those of my colleagues Vermaak, Boonstra, De Caluwé, Swieringa, Bommerez and Homan.

1.2 Design context, organisational analysis and problem solving

Design within organisations has its own characteristics, such as the distinction between design and development, the systemic nature of an organisation and the great diversity of stakeholders. It is therefore important to understand the design context – the organisation – well, but also to clarify the position of the design and the designer. In addition, a design usually precedes an organisational and problem analysis. I will discuss these topics in the next section.

DESIGN CONTEXT, DESIGN AND DESIGNER

The distinction between design and development is important. Another important feature of design in organisations is that you are aware of the context in which you design. Every organisation is different. The national police is the largest Dutch government organisation. It includes many positions (and ranks) and is distributed nationwide. A local car dealership is small and has a limited supply. Since your designs should work with the people in the organisation, it is important to understand how the organisation 'works'. How does it make decisions? Which ideas are dominant? Which interventions work and which do not? How does the organisation guarantee results, such as those from a new design? There are many types of organisations. In the Netherlands, De Caluwé and Vermaak's colour model is widely used

(see Figure 3). I'm proposing this model specifically because it is useful for identifying the characteristics of designs and developments in organisations.

For example, the characteristics of your organisational context determine what your design team looks like, how and with whom you perform the different design phases and how and who ultimately decides on your design. You might imagine that designing in a 'blue-and-yellow' organisation such as the national police which is characterised by power (hierarchy and politics) and (substantive) rationality – looks different from designing for a car dealership that has been run by the same family for years and has mainly red characteristics, such as relationships and a family culture. In the first, the design will be characterised by a gap analysis approach with a firm backing from the management, while the design process in the family business will be characterised by consensus and a strong general involvement. In Chapter 5, I will discuss how you can use the specific features of the design context for your design process.

Understanding and, above all, exploiting the characteristics of the design context is therefore important. As a manager, you are also a staff member and thus part of your organisation. You are 'coloured' as a manager and as a designer, responsible for all the consequences of your design. Are you a 'yellow manager' and designer or a 'green manager'? It's likely that your internal designer (who is employed by your organisation) exhibits more or less the same colour character-

	Yellow	Blue	Red	Green	White
Ideals	People always see overarching interests Avoid conflicts/ contradictions	Everything is makeable and manageable, SMART, and can be rationally planned	Finding the right 'fit' between people and instruments, organisation and individual	Everything can be learned, along with a search for deeply held beliefs and values. (hange starts with yourself	The organisation develops spontaneously, it is a natural process
Success criteria	Definite agreements Support (onsensus	Output achieved Plan followed (larity	Involvement of co-workers Atmosphere is good Good cooperation	People experimenting and researching Feedback Boundaries are being pushed	People respond to new situations Entrepreneurship
The engine is	Fear, threat, will to win	Reason, facts, being the best	Attention, atmosphere, honour where honour is due	(uriosity, wanting to make it your own	Energy, vitality, desire, daring
Doesn't work if	Weak leader, Only the boss wants something (or not) while the rest do/don't want, Lack of pressure or ambition	Intensely dynamic environment, knowledge is not in-house	Employees don't want responsibility, little togetherness, leadership can't let go	Little relation to change, hidden agendas, conflicts, insecurity and little trust	Little dynamism and confrontation, no daring, little self- knowledge, too much dependency

Figure 3 Colours of change by De Caluwé and Vermaak (2006)

istics as your organisation. It can be difficult if you're an external 'green' designer in a 'yellow' organisation. I go into this in more detail in paragraph 3.2.

Then, there is the design, such as a new process, new collaboration or new leadership that is gradually created and implemented by co-creation, such as a new way of working together. This is a 'green' design by its very nature, and for the organisation it's a very different design that seems easy to devise and put into action, which would make it 'blue'. How does this design fit into a 'yellow' organisation or 'blue' organisation? I'll come back to this in detail in sections 3.1.2 and 5.7.2. For now, the lesson, or at least the reminder, is that design context, designer and design must be *congruent*, coordinated. You could even include the client's dominant colour so that you have a four-part alignment.

ORGANISATIONAL ANALYSIS

There are numerous theories, models and step-by-step plans to diagnose organisations, to devise designs and interventions and to introduce change. A common method is Van Strien's regulative cycle: problem experienced, problem defined, analysis and diagnosis, action plan, intervention and evaluation. The word 'regulative' in this context means that the cycle focuses on decisions. This is in contrast to the empirical cycle, which aims to produce scientific knowledge.

The regulative cycle is applicable to business and social science problems, as opposed to De Groot's em-

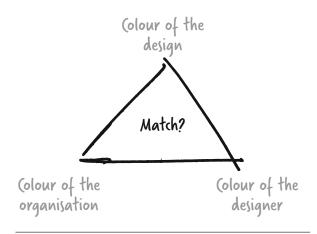


Figure 4 The three colours of design in organisations

pirical cycle. This consists of: observation, induction (theory development), deduction (hypothesis development), testing and evaluation, and is not suitable to address such problems.

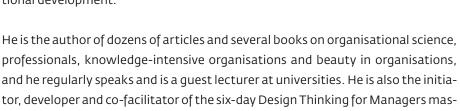
This empirical cycle describes the steps needed to gain knowledge in an empirical way, from experience, by drawing up hypotheses and testing them. *Induction (inductive reasoning)* is the practical observation of situations and phenomena from which the problem is interpreted, solved and an explanatory theory developed. This way of thinking and working is, in my experience, predominant in organisations.

With deduction (deductive reasoning), on the other hand, situations and phenomena are derived from general principles or theories. Theory (literature) is therefore (also) used to identify, predict and solve (organisational) problems. For example: you experi-

About the author

Steven de Groot (born in 1967 in the Netherlands) attended the Akademie voor Industriële Vormgeving (Design Academy) in Eindhoven, studied educational science and business administration and obtained his PhD with Mathieu Weggeman at Eindhoven University of Technology (the Netherlands) for research into aesthetic experience in work and organisations.

Steven is a professor of innovative entrepreneurship at Zuyd University of Applied Sciences. He researches innovative organisations and strategy in SMEs. Previously, for more than 15 years, he was an adviser to many (knowledge-intensive) organisations, such as multinationals and government organisations in the Netherlands and elsewhere, in the field of organisational design and development. Steven also worked at LEI (Wageningen University) and at IVA (Tilburg University), where he researched (learning) networks, (system) innovation and organisational development.



Steven sees it as his mission to make organisations more beautiful and smarter. He does this from his advisory consultancies www.kultifa.nl and www.combeau.org.

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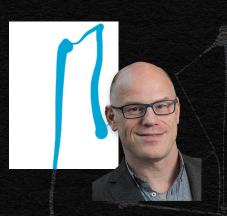
Design thinking is on the rise among managers. And for good reason: design-driven organisations have higher revenue growth, more loyal customers and a higher competitive advantage than organisations that mainly focus on control. They are promising organisations that are focused on opportunities rather than bottlenecks. But, within organisations, design thinking does not happen all by itself. After all, organisations are like living tissue, they are only partly makeable, and usually have a strong focus on continuity and control. Plus, managers are not designers by nature – but they might be able to learn something from them!

'In his book Design Thinking for Managers, Dr. Steven de Groot describes the importance, the mindset and the method of design thinking, specifically for the organisational context. Design thinking has a strong affinity with skills such as critical thinking, creative thinking and problem solving – oh so important for current and future managers of the 21st century. I am therefore delighted that this book is being used for the masterclasses in Design Thinking for Managers as part of our master's programme.' PROF. DR. JOL STOFFERS, lecturer and professor of employability at Zuyd University of Applied Sciences and the Open University, and programme manager of the master's programme in personal leadership in innovation & change (PLIC)





Zuyd Hogeschool



STEVEN DE GROOT, PhD is Professor of Innovative Entrepreneurship at Zuyd University of Applied Sciences in the Netherlands. Steven studied at the Design Academy Eindhoven and obtained a PhD in business administration. In this book he explains to managers what the difference is between designing and developing. He discusses the characteristics of design thinking in the organisational context, the challenges of the manager as a designer and how to embed design thinking into all aspects of the organisation, such as culture and strategy – on the way to becoming a promising organisation!

Warden Press