

Building Global Prosperity: Where to Next?

GE MACRO TRENDS WORKING SESSION

DESIGN ASCENDS

KIN GLOBAL 2012
PRESENTED BY



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Macro Trend Working Session Overview

KIN Global is a platform for cross-sector collaboration—where all delegates come to actively participate. Our delegates are hand-selected, as each of them is a leader in his or her field. To leverage the collective intelligence of KINians and elevate thinking in areas relevant to our businesses, we created the Macro Trend Working Sessions.

During KIN Global 2012, we facilitated these working sessions to address four macro trends facing humanity in which business will play a critical part. Sessions included thought and practice leaders in each realm, and resulted in tangible output. The summary below is a distillation of the conversation on “Design Ascends.” We invite readers to review the findings below and discover opportunities for their own organizations.

Design Ascends

Design is not just about aesthetics anymore. With finite resources, climate change, a growing population, and 24/7 access to information, design must elevate BOTH form and function. This working group explored how design can and must play a critical role in creating environments, products, and services that meet the demands of the twenty-first century and please the eye at the same time.

DESIGN EXPERTS:



Fabienne Munch
Director - Design Studio
Innovation Studio
Herman Miller, Inc. (France/US)



Elisa Jagerson
CEO
Speck Design (US)



Ville Kokkonen
Design Director
Artek (Finland)



Marco Steinberg
Director of Strategic Design
Finnish Innovation Fund (Finland)



Bill Moggridge
Executive Director
Cooper-Hewitt Design Museum
Co-Founder
IDEO (UK/US)

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Design Ascends Says...

“
THE NOTION
OF NATIONAL
COMPETITIVENESS
HAS BEEN EQUATED
TO A SENSE OF SCALE;
big equals innovative.
However, it will be small
countries who will
successfully innovate
and integrate the whole.
”

“
WE ARE ALL
INNOVATORS AND
INNOVATION IS
A JOURNEY. The
design process is a
journey. It's about
research, envisioning,
exploring, modeling,
testing, iterating and
converging while
leaving options open.
”

“
The first challenge
is not necessarily
to consider design
as a way to more
business, but
A WAY TO
BETTER
BUSINESS.
”

“
THERE ARE
FEW BIG AHA'S.
There are dozens
and hundreds of
teeny aha's.
”

“
YOU DON'T OWN IT,
you just take care of
it until you give it to
the next generation.
”

Fabienne Munch

DIRECTOR, INNOVATION STUDIO, HERMAN MILLER
FRANCE/US

At Herman Miller, design and human beings have been at the center of everything for almost 90 years.

Businesspeople from business schools see the world as more or less an x and y-axis and aim for the upper right, where opportunities in business exist. The first challenge is not necessarily to consider design as a way to more business, but a way to better business. Business needs to focus design on making the world better, and serving needs more effectively, not necessarily on making more things.

For instance, designing out pollution, or designing out confusion for customers—this is where design can help.

The language of business and design are different. Business words are dominant: own, position, move the needle. Design words are supportive: experience, problem-solving, ideas, enriching life. The two are necessary but we have to figure out how to communicate and search for meaning together.

Perfection in redesign often causes conflict between business people and designers. A designer will never stop designing, and businesspeople are continuously asking if the design matches the budget. How do the two groups realize that it is time to stop designing and start delivering outcome?

Ville Kokkonen

DESIGN DIRECTOR, ARTEK
FINLAND

Artek is not just a company, it is a cultural institution. Artek's iconic pieces sit in the best design museums in the world. Stool 60 was designed in the early 1930s and is very basic, looks abstract and was one of first stools mass-produced. At the time it was originally designed, it was very innovative. The designers invented a way to bend only the top edge of the chair, and made the entire stool without connectors. This stool continues to be a big success. There are not many companies that still produce the same product for 80 years. Production method, material, and design and dimensions all still the same. Millions have been sold.

One thing we can learn from this stool is that it has a particular value in its history. Artek started buying back old stools. This second cycle was in great condition and people valued them enough to start collections. Artek has thousands of vintage stools in inventory now and started selling them; some at a high value, and some at a lower price



than a new one. It was quite interesting—customers look at the stool and think not only how can you use it, but also realize that although the price might be higher, there is value to passing a well-designed stool on to your kids. It is like the Swiss watch company ad: You don't own it, you just take care of it until you give it to the next generation.

Artek turned 75 and we wanted to educate our customers and the public about the value of design, so we offered a chair in two ways: ready-made and also a DIY kit containing a poster of how to assemble it. They found that people didn't want the DIY set, they wanted the already assembled chair. People realized the price of the raw material and the labor that goes into producing a simple chair. The customer asked themselves: 'Can I saw straight?' Selling non-assembled chairs was not just a business project but an education project.

Elisa Jagerson

**CEO, SPECK DESIGN
US**

Speck Design is a leading product design firm in Silicon Valley. Elisa always asks herself: What should I build? How should I build it? The largest division of Speck is the engineering group, so they have a strong emphasis on results. She confessed: My dirty secret is that I come from business.

Elisa notes that there has recently been a shift from the classic model of experiencing a product the way the brand tells us to versus one where experience is driving the brand. The product and brand are byproducts of the experience, and this shifts the way we think about product design.

In the old design model it's like a game of telephone to make the product and hope the client likes it. With the shift to product development, the focus is more collaborative with multi-disciplinary teams. The push and pull leads to exciting end results. The process is still somewhat regimented around the thinking phase, but it is worth noting that in making a thinking phase the customer is given a voice through the whole process. Because of the speed of making, the thinking can't go out of sequence with making.

The design engine thinks systemically about all parts. Design holds the space of it all because it has the wisdom of innovating on all sides: production, use and reuse. Doers in the middle can create the best thinking because they are accountable for whole product life cycle. If we do this right and innovation is held, we have the impact we want.

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Marco Steinberg

**DIRECTOR OF STRATEGIC DESIGN, FINNISH INNOVATION FUND
FINLAND**

Design for most people is about shaping products, but actually strategic design extends to shaping decision-making and systems as well. Innovation is often coupled with the private sector, and smart companies are beginning to incorporate design at the board level. Marco works in the public sector to design drivers of competitiveness in education, healthcare, and environment. Design and innovation can be an important engine for growth in the public sector.

Governments are set up to administer, not innovate. This is because the public sector comes out of a tradition of the eighteenth century. Take the theme of sustainability; where is that on ministry level? In government, any innovation happens in spite of the institution, not because of institution, working against an integrative approach. Idea and delivery—what's between? We need to work iteratively, not centrally planned. We have to have an idea to start testing, and then get smarter and refine. We need a continuum between idea people and delivery people.

The notion of national competitiveness has been equated to sense of scale; big equals innovative. When think of innovating the whole, it will be countries that are small and can integrate the whole. The landscape in the U.S. is too big and diverse to integrate. It will be small countries like Finland and Singapore who are small and have good education that will innovate in the public sector.

Bill Moggridge

**EXECUTIVE DIRECTOR, COOPER-HEWITT DESIGN MUSEUM, CO-FOUNDER OF IDEO
(UK/US)**

Global – Local

Museums are all working to extend reach globally while engaging locally. The Cooper-Hewitt Museum was the first to participate in GoogleArt, an online art catalog available anywhere there is internet. Cooper-Hewitt also has a YouTube channel and online store. The Cooper-Hewitt holds exhibits in unexpected places locally to draw and interact with visitors.

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Individual – Community

Look at the emphasis on designing community centers around the world, for instance the Mapungubwe National Park Interpretive Center in Africa. It was made by local people, using local materials. The process was labor intensive, which is good in areas of low employment.

Freedom – Responsibility

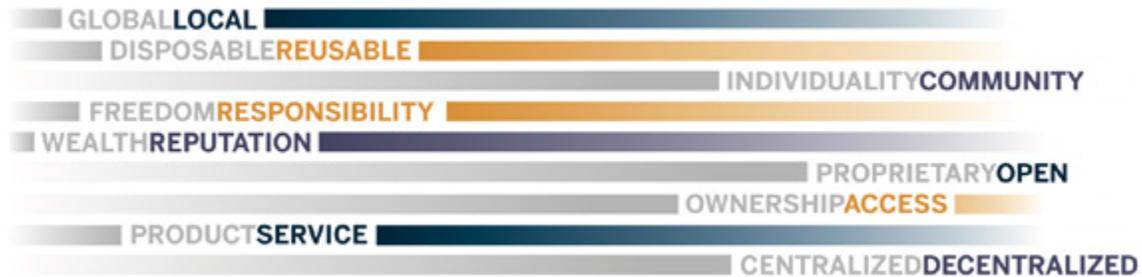
Cooper-Hewitt curated an exhibit called, Design with the Other 90% in Cities which was held at the United Nations. The purpose of the exhibit was to not only show the growing efforts of design firms to create products for the base of the pyramid, but also to combine local knowledge with design skills from abroad.

Wealth – Reputation

IDEO decided to create IDEO.org so that they could work on open-source projects that would help others without pressure for profit. They created the Human-Centered Design Toolkit which is available to everyone.

Ownership – Access

There are so many new companies growing quickly by offering access to cars (ZipCar, iGo, RelayRides), bikes (Spinlister), apartments (Air BnB, VRBO, Homeaway) and other products without the need to purchase.



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Implications for Business

OPPORTUNITIES

Design can help business build long-term equity by creating shared value for all stakeholders. Business can focus design on making the world better, and serving needs more effectively, which is a more meaningful and stable way to profits.

Design can help reduce operating expenses, reduce production costs and reduce impact on the environment. Truly elegant design meets and exceeds needs in the least wasteful way possible.

We are surrounded by more detail, complexity and uncertainty. We can't use metrics of the past to solve the future. There is a symbiosis in the design mindset—a holistic approach and an optimistic approach to a complex situation.

Visual representation of ideas will help business communicate and explain abstract thoughts or conceptual descriptions of problems.

CHALLENGES & RISKS

The challenge is that a multi-disciplinary, collaborative design looks like communism—how do you orchestrate it? Design is ascending to take the space in the middle and orchestrate.

The nature of innovation has changed. We have the idea of innovating a part; we aren't good at innovating the whole, like education. More and more of our ability to compete is dependent on ability to innovate the whole.

If business doesn't design for sustainability proactively; governments, consumers, and communities will begin to demand that they do.

In the public sector, problem-solving is based on analyzing past success, but for new problems this won't work. Information is not inclusive and is dated by the time we get it. Let's start by asking, What if?

RAPPORTEUR: NIRAV PATEL – INNOVATION MANAGER, FARMHOUSE

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