Design Thinking for Innovation Sustainability and Business Value

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Introduction

Design thinking is an approach that considers people at its centre to derive innovative solutions to business processes, products, services, and problems (Tokuhisa, 2020). These solutions need to be realistic, technologically viable, and financially viable. Today's business world is much different from the early economies of the post-industrialized world. Globalization, ever-changing technology, and complex economic variables have played a considerable role in developing the need for this approach (Gonen, 2019). Design thinking involves creative problem-solving techniques applied to corporate processes and development. It considers breaking down problems into small parts to analyze them (Reckhenrich, 2017). Design thinking helps to chart out methods to crack open-ended, complex problems. These methods are employed to improve business strategies (Dorst, 2011). With the holistic approach, design thinking finds the balance between customers, technology, and business. Customers are at the heart of design thinking, and it is an empathetic method that considers customer needs, motivation, and behaviours to find the best fit. As a powerful analysis tool, nothing is assumption-based (Young, 2000).

When considering whether design thinking is confined to a particular business operation, there is a long-standing debate. As design thinking is a human-centred approach, it requires research to get human insight; similarly, it may require prototyping to find the best feasible model, both of which are considered expensive processes (Reckhenrich, 2017). However, this essay will consider how design thinking is not just confined to a particular business type but is the modern approach for all businesses and even governments.

Design Thinking And Value

Design thinking uses five steps to solve complex problems in business and society. These five steps are empathize, define, ideate, prototype, and test. Using a series of steps, design thinking focuses on the outcome of creating value for the customers. Simon Sinek defined value as the base, the "why", of any entrepreneurial undertaking, whether innovative or inventive. The idea is to create a better future where value is considered in design thinking (Hacker, 2018). It aims to develop a deeper understanding of the context in which all stakeholders operate. Teams and interdisciplinary

collaboration are essential to work out an innovative pathway to fulfil the needs of the consumer. The exploration that is done in the initial stages can prove vital in the prototyping and testing stage, as alternative solutions may already have been thought through. Also, this exploration leads to redefining and reframing problems. Moreover, the participation of stakeholders in exploration also builds emotional engagement that can improve the processes of management (Liedtka, 2017).

Design Thinking Is Beyond Products

For design thinking, the outcome is never the tangible, physical product but value. It is that intangible and complex idea that is the actual starting point of the process. Considering that the value is the only known thing, a backward approach is considered to move towards the problem logically and inductively (Dorst, 2011).

Design thinking is not just about an end product; it starts with reinventing the internal processes of a business. It is not just about tangible goods but also multifaceted ideas such as customer experience and intangible services that greatly derive benefit from this approach (Kolko, 2015). Businesses may be operating in hindsight where the procedures are not developed considering their customers (Bason and Austin, 2019). The processes through which a client interacts with a business are the touchpoints that aid in the creation of an impression about the business. A complex and tedious process can lead to an annoyed customer. A simplified and refined process can be a game-changer for a business. As the CEO of IBM stated, design thinking and business strategy are no longer two separate ideas. Design thinking is not an extra expense; it is the core competency of the business, as customer experience helps construct it. This, in return, builds a positive customer experience for the company (Kolko, 2015).

Using Singapore as an example that considers good design equivalent to good government, we can see how it has improved every sector of the country. Ranging from healthcare to housing to even law and order, it has used the design thinking model to save costs, innovate, and develop social welfare (Chin, 2016). As a part of the Ministry of Information and the Executive Director of the Design Singapore Council, Jeffrey Ho considers design thinking to be a radical approach taken by Singapore to transform the public sector and policymaking. Singapore's Prime Minister Lee Hsien Loong termed design thinking the core of their nation. He also mentioned that every aspect of the country's processes and systems is well thought out and designed, and nothing is random or by chance (Ganesan et al., 2019).

One of the core aspects of design thinking is to achieve value; therefore, rather than looking at a particular outcome as a goal of design thinking, the way of reasoning to address the complex problems to create value is the goal (Fischer, 2015).

Research And Design Thinking

The argument that research to gain insight into consumer preference is expensive seems to be given a lot of weight. However, there are two points to consider. The first one is that approaching customers to gather insight and feedback can disrupt the experience of the service and cause annoyance. The second is that there are several opportunities to observe and record customer likes and dislikes (Kolko, 2015). Another concern is bias or stress in giving feedback when directly engaged in data collection. The government of Singapore also found that large-scale surveys fail to gather in-depth insight and are also limited in probing the context of the responses. Research methods with ambiguous results do prove expensive, but if the research process has been deliberated using design thinking, it will be cost-effective. To gather in-depth knowledge, the Singaporean government worked with smaller groups. For example, to find out the challenges that disabled people faced in meeting their full potential, they interviewed 25 people. Once the problems were identified, 140 people from sectors ranging from healthcare, members of social and public service, caregivers, and people with disabilities were all brought together to design processes (Ganesan et al., 2019). The process itself is an outcome of design thinking as simplified concepts to reduce cost and streamlined processes add value and create something new. Considering a nation's population and the cost of bringing 140 people together once the process has been designed, the cost-to-value addition is not a valid argument for dismissing design thinking (Volkova and Jakobsone, 2016). Companies already depend on research to stay ahead of their business competitors, enhance market share, and improve business growth and performance. Design thinking helps to achieve these goals, as shown in the case study conducted in Latvia, where 26% of business executives experienced significant growth when they employed design thinking as a strategic tool (Volkova and Jakobsone, 2016).

There are many methods of research available that are cost-effective. Taking inspiration from observational techniques employed in anthropological studies can be a starter. These techniques help in observing complex elements of people and culture. Furthermore, research techniques that put the researcher in the subject's environment may influence participants' thinking processes. Contextual inquiry is vital for design thinking, and mobile technologies such as mobile diaries and social media provide insight into people's everyday rhythm and thoughts. Traditional research approaches only explore the explicit knowledge and behaviour of participants; however, contextual inquiry uncovers tacit knowledge and underlying assumptions (Young, 2000).

Design Thinking And Sustainability

To consider that a business can survive without design thinking is a flawed approach, for only design thinking can lead the way to sustainability. Sustainability means that current needs should be met without compromising the opportunity and ability of future generations. This requires consideration of social, economic, political, and environmental factors (Fischer, 2015). Nations that understand the dynamic international world understand that design thinking is the only sustainable approach.

Businesses today are operating under social pressure to do what is environmentally responsible. For design thinking, sustainability is a broad paradigm. Companies like IDEO believe that design thinking is an innovative approach to address future environmental challenges. Reducing costs and waste is one way of achieving sustainability (Young, 2000). Companies can revolutionize if they can identify ways to address issues of complex cultural and social context (Járfás, 2018). Design thinking aspires to create value by using a systematic, abductive approach to find solutions to actual problems. Given problem situations are analyzed in detail, and the associated systems, people, and objects are considered from the point of view of sustainability and work values (Fischer, 2015).

Collaboration To Achieve Design Thinking

Collaboration is the key to making design thinking possible for societies, businesses, and cultures. The collaboration will help them achieve their potential and be sustainable towards the environment. Business stakeholders can collaborate using design thinking and co-create or add value to the process, product, or service (Leavy, 2012). The essential component of design thinking is that it is human-centred. This means that the approach taken requires systems that are interactive enough to bring knowledge, experience, techniques, and ideas of people together. This collaboration can benefit much from the fields of artificial intelligence, software solutions, and ergonomics (Giacomin, 2014). The interdisciplinary outlook of design thinking is one of the reasons that unexpected solutions can be identified which are less conventional and more innovative (Young, 2000).

Tim Brown, the CEO of IDEO, suggests that collaboration is essential in design thinking. He stated that design thinking brings a shift from passive association to the active participation of stakeholders to create valuable and meaningful experiences (Leavy, 2012). When customers are engaged in the design process, the relevant outcome is more easily and readily adopted by them, and they will also act as advocates benefiting companies. Co-creation through collaboration addresses people's need to showcase their creativity and to be heard and considered in the process (Young, 2000). While working with Kaiser Permanente, an American healthcare giant, IDEO trained existing nursing staff to use design thinking principles. Later, the same group found a solution to existing problems by coming up with a new shift system, which reduced change-over time to half and also ensured the dissemination of vital information for both nurses and patients (Leavy, 2012).

The case study related to Japanese hospitals discusses that government hospitals in Japan were run by doctors who lacked management and marketing skills. Therefore, hospitals operate from doctors' perspectives and not patients'. A marketing consulting firm, K.K. Daishinsh, used a two-step approach of interview and observation of inside and outside hospital settings to address areas of customer satisfaction, return on investment, management, and monitoring. They interviewed people who frequently came to hospitals and people who did not. Factors such as stress associated with hospital visits helped in designing the "friendly guide" to help the patients who feel lost after talking to receptionists or are shy to ask questions regarding hospital procedures. The friendly guide was a result of observing patient behaviours in the hospital lobby. Poor signage in hospitals was another

problem identified in the research and led to the installation of signs, interfaces to find the way, and even elements of seasonal design to periodically refresh the hospital environment. It is vital to see that design thinking used not only the functional aspect of the hospital but also the non-medical functions that it served to collaborate across various sections of its operations (Uehara and Kay, 2009).

Conclusion

Design thinking is the way forward for the future of business and countries. It employs multiple thinking techniques, brings together people from multiple aspects of life, gives a platform for creative expression and solutions, and leads to long-term ownership and value for consumers. Data about consumer preferences are ever available through social media and business touchpoints. Research and data, when accompanied by observation, become a potent combination to gather insight into consumer behaviours. When companies want to create value for their customers, no matter the size of the organization, design thinking will help in simple improvements in processes and systems. Understanding the value of design thinking will assist companies in innovating sustainably by reducing waste and cost. Considering that design thinking costs and is only for big product-based businesses should not be the reason to dismiss it. Design thinking is not just about the product. We can see from the example set by Singapore that the government has improved public sector services, city planning, and systems to better fit the needs of its citizens. Mere changes in procedures that are better for consumer experience should be incorporated for value and positive experience.

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