Executive Summary

Design for Business: Research
International Conference and Publications

Creating Strategic Business Solutions: Design vs Future Thinking

Presenting the latest thinking on design as a strategic resource for business

> **"Design thinking is a deeply human process that taps into abilities we all have but get overlooked by more conventional problem-solving practices. It relies on our ability to be intuitive, to recognize patterns, to construct ideas that are emotionally meaningful as well as functional, and to express ourselves through means beyond words or symbols."**

ideo.com

The intrinsic nature of foresight and design is what makes them (futures thinking and design thinking) together a powerful tool.

Newbury, 2012

This is the fifth issue of a bi-monthly bulletin sharing executive summaries of international research papers about design driven business strategy.

Researchers profiled in these Executive Summaries come from esteemed universities, research centres and businesses.

Their expertise in design and business-led innovation has been sought by leading businesses such as Coca-Cola, P&G, Turner Broadcasting, Unilever, General Motors, Kraft, Nielsen, Rio Tinto, BHP Billiton, Melbourne Airport, ANZ, Deloitte, Fuji Xerox, Vodafone, Bentley, Cadbury, Sydney and London Olympics, Nespresso, NFL, General Electric. IBM, Harley-Davidson, Nike, Converse, GAP, Caterpillar, British Airways, MasterCard, and many others.

This fifth issue presents
Design thinking and futures thinking – strategic business partners or competitors? Exploring commonalities, differences and opportunities

by Bridgette Engeler Newbury,
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Design thinking and futures thinking – strategic business partners or competitors? Exploring commonalities, differences and opportunities

Bridgette Engeler Newbury, Swinburne University of Technology

Design thinking is a way of shifting organisations from an overreliance on analytical thinking to abductive thinking, where the first step of reasoning is not observation but wondering.

Design thinking and futures thinking are generally treated and communicated as separate and distinct disciplines, each with its own approaches, methods, tools and theories. Yet they share some fundamental principles and some similarities in processes. Both futures thinking and design thinking are cross-disciplinary or multidisciplinary, and both have clear links to strategy, innovation and systems thinking.

What is futures thinking?

Futures thinking is the process of developing a range of views to solve complex problems. It's also a process to explore ways in which the future could develop, and ways to understand the outcomes sufficiently well that people can comprehend what choices and decisions can be taken today to create the best possible tomorrow. Futures thinking stimulates innovation, gives space to alternative opinions and views, and can be a powerful planning tool.

A clear objective of futures thinking is to involve people – from anywhere, any time – in an integrative and collaborative process that fosters a strategic conversation about futures. It's a way to inspire the formation of shared values and visions about a preferred view of the future. By getting everyone involved in the process to explore and imagine a range of possible desirable opportunities and future states, futures thinking can also inspire

strategic action that will help create that preferred future, starting immediately.

What is design thinking?

Design thinking is a way of shifting organisations – at the moment predominantly businesses – from an overreliance on analytical thinking to abductive thinking, where the first step of reasoning is not observation but wondering. In his book 'The Design of Business' (Harvard Business Press 2009), Roger martin says abductive thinking is 'the designer's most crucial tool', which can be used to 'challenge accepted explanations and infer possible new worlds'. The more design thinking is used to innovate and solve problems across many professions, the more design itself will be brought into significant conversations and decisions that shape the collective future of designers in the business world.

Design thinking or futures thinking?

Design thinking and futures thinking both draw on creativity and imagination, strategy and analysis. Yet design thinking is the more recent and higher profile player in the business strategy game.

The opportunity – or not?

Bringing futures thinking and design thinking together could foster and advocate design that: operates at system-wide levels; invites

interdisciplinary collaborations; augments existing synergies, co-creates new thinking and co-design possibilities, and/or uncovers new ones in unexpected places; and seeds or sets up the conditions for new processes of change to emerge.

Design thinking could help create genuine lifestyle changes (not just products or services) if it is integrated with futures thinking in four key ways:

- extending design's potential beyond aesthetics

- ensuring a long-term future focus

- contributing to making futures more tangible and accessible

- going beyond the surface to system-wide innovation

The stages of both the futures thinking and design thinking processes are similar in that they are well defined but still fluid and flexible. Both processes are determined by the quality of inputs, which go through several stages of process work before outputs are provided, tested and ultimately delivered. However, the demands of each process are different and the questions asked at each stage are distinctive to each process. The foresight process ends with the output of strategy, which is potentially a point for the design thinking process to enter and the task of design to begin.

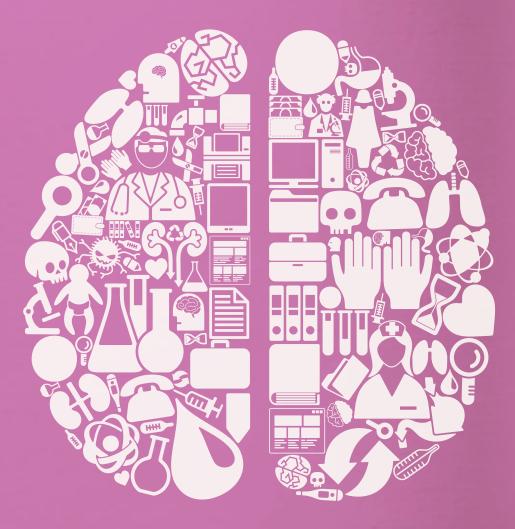### Futures, design, vision – bringing futures thinking and design thinking together

Simply put, there's an opportunity to combine futures thinking and design thinking and create a new approach to design: one that challenges us to hold multiple simultaneous perspectives and to address different levels of awareness across the spectrum of human development.

This could bring about changes in values, beliefs and behaviours that will change design, and potentially be a far more effective way of problem solving than creating more artefacts and technical fixes.

In the present: linking futures, design and strategy

As design mostly focuses on business needs, applying futures thinking and design thinking in combination must show tangible business benefit. The intrinsic nature of foresight and design is what makes them together a powerful tool, for not only increasing the shareholder value of corporations but also benefiting their customers by providing business models that result in elegant yet effective products and services.

Often the biggest challenge is to identify the real problem that must be solved; this is where using foresight and design methods and tools can help businesses, from the very early stages of strategy and planning.

Design for Business

The Design for Business program conducted in Melbourne is a key event at the annual Melbourne International Design Week. The program is presented by Ideas on Design in partnership with the State Government of Victoria. The program includes a Business Seminar and Research Program.

Research Program

Initiated in 2011, this trans disciplinary conference invites researchers and professionals from Australia and around the world to present their latest studies on the intersection of design and business. All submissions are subjected to rigorous peer review. Reviewers are drawn from a panel of over 100 internationally acclaimed experts.

By encouraging discourse on design and its benefits to business, we help our stakeholders to further understand the role of design in creating value. Full papers presented at this conference are published globally via Intellect Books and their association with University of Chicago Press.

This research program is presented in partnership with Swinburne University of Technology with support from Auckland University of Technology and RMIT University School of Business.

Business Seminar

Another key event for business presented annually by Ideas on Design during Melbourne International Design Week, Business Advantage, presents business case studies about how design can make a difference to awareness, performance and profits.

The selected speakers for Business Advantage are pivotal in applying the power of design to achieve highly effective solutions. Through their case studies, we show how design is essential for innovation.

Design Matters

The Victorian Government Department of State Development, Business and Innovation has partnered with the Design Foundation to establish Design Matters. We exist to highlight, celebrate and nurture all forms of design in the state of Victoria from an international perspective and present the Melbourne International Design Week. Our goal is to help raise awareness about the role of design as a catalyst for innovation to raise standards of living and increase economic prosperity.

designmattersvictoria.com should be your first port of call when you're looking for Design Matters events during the year. This online portal will promote design events across Victoria throughout the year for the Victorian public, and national and international visitors.

Partnership Opportunities

The program offers a number of key opportunities and benefits for brand awareness across a range of diverse marketing channels, including event publications, current partnerships and event tickets.

Contact us for information about aligning your brand with a world class research program committed to sharing and developing design and design thinking for improved business outcomes.

Additional Resources

For video content from the business seminar and research conference and details about the next live event or to find research experts for your business needs, go to **ideasondesign.net**

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Design for Business: Research Program Advisory Board

This research conference is organised and presented by Ideas on Design under the guidance of an advisory board of eminent academics.

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Upcoming issues of the Design for Business bulletin will present abstracts from papers addressing the following topics:

- Collaborating with design consultancy firms for effective strategic decision-making in new product developement

- Ambush Marketing: Learning for Nike

- Making sense of flying: Designers give sense to the aviation manufacturing industry

- Innovation is in the eyes of the beholder: The case of the ageing consumers

- Design as a competitive advantage in startup fundraising

- Exploring the role of mindset in design thinking: Implications for capability development and practice

- Service design integration with business development: Six Finnish case studies of digital service development

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The Design for Business bulletin is published by the Design Foundation, a not-for-profit organisation that manages the online design resource platform Ideas on Design, agIdeas events, Design Matters and Melbourne International Design Week.

We seek to encourage excellence in design and promote design-driven innovation.

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