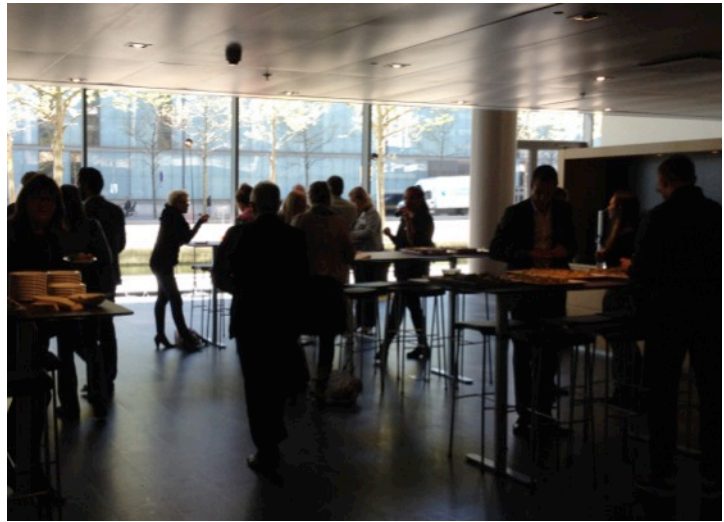


EHDM COPENHAGEN CONFERENCE

ENCOURAGING DESIGN DRIVEN PUBLIC SECTOR INNOVATION



ORGANISATION

European House of Design
Management

LOCATION

Copenhagen, Denmark

DATE

15 May 2014

INTRODUCTION

The EHDM conference on Encouraging Design Driven Public Sector Innovation aimed at celebrating the potential of design and innovation in the public sector whilst previewing the design management toolkit developed under the European House of Design Management project.

The event hosted a range of speakers including industry experts and practitioners that have successfully applied design and innovation methods in public sector.

Deborah Dawton, CEO of the Design Business Association (UK) and coordinator of the EHDM project, closed the event by saying 'Yes, I believe that public sector can change'. We sincerely hope that the EHDM project, toolkit and training, will be able to contribute to this change.

CONTENT

**OPPORTUNITIES AND CHALLENGES FOR PUBLIC SECTOR INNOVATION****Christian Bason, Director of MindLab.**

MindLab is a cross-ministerial innovation unit and part of the multiple ministries in Denmark. MindLab involves citizens and businesses in designing new public policies and services.

**SNAPSHOT #1 – MOBILITY SECTOR; TRAVEL PLANNING SYSTEM****Magnus Christensson, CEO of Socialsquare.**

Socialsquare is a research driven strategy and innovation agency that helps its clients in understanding, prototyping and launching new business and create an organisation that works in a disruptive digital age.

**SNAPSHOT #2 – BUSINESS SERVICES SECTOR; THE BARRIER HUNTERS****Mie Bjerre, founding partner at Copenhagen Living Lab.**

Copenhagen Living Lab assists public and private organisations to realise their innovation and business potential, providing services such as innovation and business development, innovative leadership, development and organisation of user-driven innovation projects.

**SNAPSHOT #3 – HEALTHCARE SECTOR; DESIGNING RELATIONS****Mette Mikkelsen, Vice Dean and Head of Development at Designskolen Kolding.**

Kolding School of Design is a leading cultural and educational institution rooted in the Danish cultural heritage with a special commitment to the issues of sustainability, social inclusion, cultural diversity, and to creating responsible economic growth.

**DESIGN'S JOURNEY TOWARDS PUBLIC SECTOR RELEVANCE****Michael Thomson, Founder and Director of Design Connect.**

Michael facilitates design-led strategy thinking for growth. He works on shaping design consultancies, assists in the development of design management and other strategic projects for global companies around the world and also has a broad background in design policy.

**EHDM DIAGNOSTIC BASED DESIGN MANAGEMENT TOOL****Andy Cripps, independent Design Director and Project Director for the EHDM project on behalf of the Design Business Association.**

Andy is a Design Management specialist delivering design strategy for business growth. Andy works with SMEs in the UK to develop their strategic direction. He undertakes management and embedding of design, creativity and innovation for design agencies and product owning or manufacturing businesses.

**PERSPECTIVES FOR DESIGN DRIVEN PUBLIC SECTOR INNOVATION****Professor Daved Barry, Copenhagen Business School.**

Prof. Barry is a specialist in design, arts, and humanities-based approaches to management and organisation. work has both a methodological orientation (for example, how can analytic approaches in design theory be translated to organizational studies) and an applied one (for example, how might design theory inform strategic management).

OPPORTUNITIES AND CHALLENGES FOR PUBLIC SECTOR INNOVATION

CHRISTIAN BASON

Where has public and private sector creativity gone, and how can we get it back again? To get more public sector innovation, you need better leadership – but what does that mean?

Why are we even talking about something this abstract? It's about the power of bringing the human dimension into how we do things, how we manage public institutions. Design is a vehicle for enabling alternative dialogues between the bottom and the top, and creating much more dynamic conversation around something as powerful as school reform.

What I think design in the public sector is all about is finding new ways of governing. What is the new Danish school reform, being rolled out this August with the help of McKinsey, going to be like in practice? How is it meaningful to teachers and principals? How are we going to work with it?

Teachers from many schools are working together with policymakers and political scientists in the Ministry of Education to consider what new digital platforms might look like and what functionality they might have to enable better teaching.

A new way of governing is a huge opportunity. For political scientists the last 15-20 years have been about dreaming of something else, something better than our current systems. Design is also an opportunity to do something better and more meaningful, for citizens, businesses, public administrators, but the challenge is still leadership – the people in government who design things.

The Governance Lab at New York University asked 'what is your definition of governance?' This is what I came up with: The role of 'governance' is to organise and steer resources to achieve desired outcomes for people and society... at the lowest possible cost.

The idea of co-production goes back to the 70s and can also be known as collaborative government – why not leverage all the resources we have to create meaningful interactions and services for better outcomes, whatever form they may take?

Politics is the authoritative distribution of resources in society: 'We're the ones who produce those resources'. With teaching, they're not starting with the child; they're starting with leveraging.

We said let's look at a different model, which broadens the idea of co-production - let's put children at the centre. We did a workshop and said 'let's imagine what a day is like for the children at the centre of this, one year from now'. The teachers and principals didn't answer the question. They just talked about how things would change in general, not how things would change for the pupils.

We have more work to do but we have to understand that this is very difficult to change. I spoke to the Ministry of Finance and asked them why they're thinking about this now instead of fourteen years ago. This is what happens when you privatise public services. If you have bad managers you get rid of them but if you have well-run, well-led public services, nothing happens.

Three perspectives on how design can help with the process of exploration:

- 1) It can help us look differently at reality. It can bring empathy, meaning, and a qualitative sense of what's happening out there into the fabric of government, at local and at national levels. Exploration of 'a day in the life', and aesthetic and/or qualitative ways of explaining the world, helps us to understand it differently than in a quantitative way.
- 2) Design can be used in various ways to explore scenarios, using all approaches to help the system itself discover what might be good and to help stretch people's thinking and imaginations.
- 3) Design can help enact new futures through modelling, prototyping and testing.

This is my argument – it doesn't matter how much we work on prototypes or radical approaches – someone has to use it and to engage with it and work with it. What does it take for public leaders and managers to engage? They will never be designers, but could they constructively work with designers and design in ways that give us hope of engaging?

Managers are, in a sense, in as much trouble as designers are when facing design problems – public managers are making choices every day, most of it based on that old model of government, and what they really do is make decisions among binary options, make them pretty quickly. A lot of the governance we've inherited is guiding those decisions. Nobody really asks where these decisions come from.

Sometimes I get the sense that we as designers are more ambitious than others are – managers, citizens and society. We have people who are paid very well in government, they're very smart, but they have no ambition, and they're cynical. That makes it really hard to come in and say 'hey, you could change this', and it makes it hard to make the change happen.

SNAPSHOT #1 – MOBILITY SECTOR; TRAVEL PLANNING SYSTEM

MAGNUS CHRISTENSSON

I work with design, technology, change and interaction – today I'll speak about the work we did with the Rejseplanen travel information service, which started in 1998 and contains all the information about buses and trains in Denmark. The mission was to get the information to people in whatever form they need it and wherever they are, so their service experience is everywhere. We were creating a product service strategy for the foreseeable future.

On the market relationships side, people like us are changing the relationship people have with technology all the time – and the relationship has actually declined. We use services like Facebook and Google, so people who are used to using the likes of Facebook and then go to pay taxes online in Denmark are disappointed with the latter experience.

The Rejse is owned by eight companies and linked to another seven, of various sizes. How do eight plus seven organisations agree on what needs to be done? You can't deliver a perfect experience if you don't have data, so we did market research, workshops, and created prototypes. How do you create the conditions for developing this service?

You need to be ambitious.

You need to say to clusters 'you are not ambitious enough' Change doesn't happen if you don't subscribe to it.

You need to dream it, and you need to do it in smart ways. You need to work in an agile, iterative, very fast way to move forward.

It's important to recognise that strategy and implementation are simultaneous. It's important to have fun – without having the customers on board, nothing happens. One of the things to get people to move is to bring proof to the table.

The final thing is to draw people together. It's easier to talk together about the solution than to just talk to each other.

SNAPSHOT #2 – BUSINESS SERVICES SECTOR; THE BARRIER HUNTERS

MIE BJERRE

The first successful Barrier Hunter project took place six years ago – it looked at business, employment, tax and customs, with the objective of identifying and proposing solutions to unnecessary burdens and barriers to SMEs in dealing with public administration.

Knowing that SMEs spend a lot of time involved in interaction with the public administration, the question was raised: how are the interactions and encounters actually being experienced by the people working in the SMEs?

We were also confronted with the fear of not knowing what people would say. We set up a very systematic approach to the research design, so it was based on a model of understanding service delivery. We went out and did research in 24 SMEs covering six industries.

The process was to create a very systematic methodology from the outset. The information emerging was that we came out with nine different main experiences of the service encounter from the SME perspective. These were combined with all the different points of annoyance. Ninety-five opportunities came out of this, all with the goal of reducing barriers to accessing services.

We were interested to find out how the service encounter is experienced, seen from the SME perspective. What is forming the encounter, seen from the backstage perspective?

What came out of the research?

95 opportunities were presented to managers to decide which to take forward – of these, 31 were opportunities for simplification. As a result of this project it is already easier to run a business in Denmark.

SNAPSHOT #3 – HEALTHCARE SECTOR; DESIGNING RELATIONS

METTE MIKKELSEN

We worked on this project, looking at design methods in social inclusion, for three years – the first six months were about introducing design methods and the next two years were measuring them. This project was with a highly excluded group of people, as can happen with certain citizen communities in Denmark; they are unable to choose who they spend time with and the only people around them are people who are paid to be around them, so they are highly excluded, often even from their families.

How can design contribute to problem solving in complex systems? At the Kolding School of Design we try to use a map as a diagram for explaining the design process. You start in the middle, trying to establish a collaboration with something, then you go out and gather information about the world as it is; you try to transform that into something you can comprehend, then you make concepts, new ways of inspiring the future, you make prototypes, you put them into collaboration with society, and you test the results. Does it work if you try to integrate this method into the field of social inclusion?

This project is a collaboration between the Social Steering Committee of Denmark, the Municipality of Vejle and the Kolding School of Design. The 46 people in this community have multiple impairments and are at the developmental level of a six month old child so can't choose their interactions. We were asked to establish and unpick relationships for these people who couldn't communicate, mapping their life quality. Our aim was to maintain their life quality or improve it. We had to use the staff as drivers of the relations. We had to focus on relationships that were neither paid, from the staff, or from the very few relatives in the system. Whatever we did initially came up as an interpretation of the staff's reading of the citizens' experience. We didn't give up on counting the citizens' interactions throughout the focus week.

For the first time the staff discovered that the citizens have relationships between themselves – that they like some neighbours and not others, some places, some sensations and phenomena. We invited all staff to create common understanding and use design for creative change. It can be difficult when you use design in that way as we tend to think of design as furniture design rather than as a driver of change.

We went out to try to understand the users and find out who they are. For instance, Helena doesn't have a personal story – the staff has to translate that for her. The system surrounding the citizens is what creates their story. Having spent a long time at the place we saw that one issue was the place itself – we were treated with a great deal of suspicion when we arrived. The focus of the staff was that they were creating a good life for the citizens, but they never communicated with us - the system was not at all oriented around opening up to outsiders. You can't go there if you want to have a cup of coffee because there's nobody to speak to. We did a lot of co-creation with the team to show that it wasn't a home, but a workplace. They were very embarrassed.

We made some concepts from inside and out – we established some tools for citizens to meet the outside without staff present, then we tried to scan the neighbourhood – was there anyone who could come in and be visitors or guests? We then started working on the meeting point, which was where we created the prototype. We also introduced the same thing the other way round, through activities – for instance just turning up with a dog, which created a lot of excitement, fuss, frustration – and we could then ask what happened with the citizens, the staff, the outsiders.



The staff, leadership, and relatives had to create new meaningful relationships with everyone without us – we trained them to reinvent the system to create good relationships for citizens with the society surrounding Skansebakken.

We could discuss evidence-based innovation here. What we can measure is that the citizens now have many more relationships. Skansebakken is now part of the community. It is used as a playground once a week, bands and choirs use the space for rehearsal, and most importantly the staff have changed their minds and are now ambassadors for the citizens – they're always looking out for new ways to create new relationships.

DESIGN'S JOURNEY TOWARDS PUBLIC SECTOR RELEVANCE

MICHAEL THOMSON

Designers are ambitious and are driven by social conscience; they have a belief that things can be better for people and for society at large.

How can you manage design successfully and efficiently?

We know from the private sector that design adds economic value, creating growth – we know this from longitudinal studies such as Red Dot studies and others. Design is a competitive factor; design creates success.

Apple is a big story about design. China is looking for ways to take design management thinking in their processes. That design is a competitiveness factor is very well understood in the private sector globally.

The language of design is changing and the spaces in which design can be enacted are changing as well. If we go to Korea we know they have design policies. They stated that by 2015 Korea would have 95% design competence. As an example, Kia has been the fastest growing car manufacturer in the world for the last two years running.

Case studies

British Airways developed 'the lounge in the sky' – the innovation from Tangerine in London was to get some passengers to face backwards, optimising space and comfort. In 2004 they realised it was as cheap to do a redesign as a tweak, and they were able to allow 25% more space per passenger, while retaining the lie flat bed, in the same footprint as the original seat – this was clever design, clever engineering, clever innovation.

The broadcaster Channel 4 invested in the creative process, embraced multidisciplinary working and worked to build buy in through engagement when launching their digital platform.

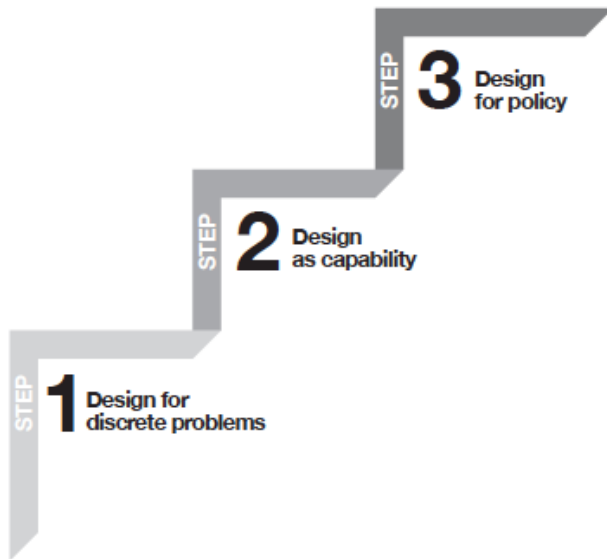
The pharmaceutical company Merck Serono came up with a new approach to dispensing growth hormone drugs. There was a strong user focus in the design process; it sought a key innovation; it focused on universal usability.

What has been the impact of design innovation on technology companies? Where are companies on the Design Ladder? Tim Brown at IDEO, Roger Martin at the Rothman School and others began to talk about 'design thinking'. I think that design thinking has really helped accelerate the migration of design-based methodologies from the private sector to the public sector.

I think there's been a move towards design and innovation within services, and that's happening at a European level as well; in Australia they have integrated strategies for design, and the Design for Growth and Prosperity report has happened at European level. There has been a parliamentary report in the UK on design and the public sector. Design is not a matter of surface appearance.

Leadership, the public sector and the design sector.

The public sector design ladder, as created by the UK Design Council is as follows:



Step one is for one off projects where design thinking isn't embedded in the culture of the organisation. Step two is where public sector employees maybe understand the design process and might bring in designers where budgets allow, and step three is where designers and design thinkers are brought in by policy makers. There are now a lot of people talking this language; I think there will be a tsunami in the next five years of people in the public sector using design to solve problems that they can't solve otherwise.

Local authorities are using design to help them communicate and are using design to help them build new strategies to deal with issues in local mental health care services. The strategies place users at the centre, involve collaborative working, require asking good questions, and force people to stand back and take a fresh view of the situation.

In conclusion - I think there's a perception change happening in society at large. It varies wherever you are in Europe, but people are moving from designing objects to services, to systems, to strategies. As you move up the ladder things become more intangible, and they also become more about embedded behaviour change.

EHDM DIAGNOSTIC BASED DESIGN MANAGEMENT TOOL

ANDY CRIPPS

Design has a role to play in society as a whole – the private sector and the public sector – but it's about the right design, at the right time, for the right reasons. The diagnostic-based design management tool that we've developed at the EHDM is about allowing intelligent, knowledgeable, experienced individuals to use and learn better ways of doing things.

We're in the middle of a three-year project that began at the end of 2012 and will end at the end of 2015. This is a collaborative project with five members from around Europe – UK, Denmark, Italy, Estonia, and a range of design trade associations and the public sector. We've also looked at three story elements, and we've run workshops with our public sector users in London, Milan, Perugia and Tallinn. At all workshops we had a five-question questionnaire about new services our participants are developing. Half are outsourcing. How are the half that are engaging with designers using them? Are they properly identifying what their needs are and talking to a specialist about their needs?

The EU have described it as a tool but we prefer to use the word 'resource'. It will be web based, and free to use. We need to create some form of business model around this to create a legacy at the end of our project. There will also be an opportunity for training; although we see this as a standalone resource many of these issues are too complicated to get across without having an expert facilitator in some form or other. That training might be one to one or one to many.

Core constituencies:

The project is about design management, not project management. We're trying to help the leader of a project; whatever their level of experience, to more effectively deliver the project they're trying to deliver.

The tool comprises:

- A layer supporting an existing project management process
- A bespoke guide for each user based on an initial diagnostic and assessment
- A generic but comprehensive resource of best practice including case studies, top tips and methods
- A support process to enable the commissioning and management of design practice into measured effectiveness - citizen value

If we find there's something we're not addressing we can look at this. Our ambition is to make this a living thing – it's not set in stone. Evidencing what we're claiming is absolutely key.

This is not a toolkit to allow individuals to do a DIY design job. Designers have craft, skills, experience, intuition, and we want to encourage that, but we want users of design to have empathy for design.

My ambition for this toolkit is to allow intelligent, experienced, individuals in the public sector to have that level of conscious competence that they will know about design management at a level that will allow them to commission it, to manage it, to have a realistic expectation of what the outputs will be.

Part of the tool is about understanding where you are – your position, your limitations – and about where you want to be.



We use the Design Ladder. We feel in the work we've done thus far is that our target audience will be people in Stage 1 and Stage 2, people who use design in low risk scenarios, and in doing so become more confident. These people might be complete beginners or relatively new users.

There are twelve questions we ask project leaders. The tool is based on the output of that diagnostic. It also assesses the level the user is at in their usage of design and design management. At the moment we have three levels of guide but as the project progresses we have the scope to increase that.

There is often an end goal but there isn't a known methodology to get there, e.g. we need to make 20% savings on our budget in the next year. Part of the tool is a 'pre-ject' activity so you can scope and define your approach to that type of challenge. On the other hand there are plenty of properly scoped projects that just need to be delivered, e.g. a website to design; we have a seven stage process that will allow you to do that. There's a pre-ject part and an operational part to the process. There's an opportunity in the pre-ject part to brainstorm, helping users to provide the evidence showing that some approaches will be better than others.

There's also a downloadable worksheet for every stage. People can use this as a linear process or can drop in for specific guidance; for instance, if you already have a designer and want some help in writing a brief, you don't have to go through the whole process. In the future we hope that the website will be searchable.

Within the public sector there's an increasing expectation of better, more extensive service, played out against the reality of decreasing budgets. We've also heard that design is going to be a key player in making both those sides balance, but it's not just design practice - it's well-managed, appropriate and properly delivered design.

PERSPECTIVES FOR DESIGN DRIVEN PUBLIC SECTOR INNOVATION

PROF. DAVED BARRY

How do you design better organisations?

In Lisbon we ran an MBA course with a mix comprising half MBA students and half masters level design students, all of whom were in their late twenties or early thirties. The basic logic was to redesign consultancy. We had two design professors from the design school helping us out. We noticed something interesting – over time, the business students began to come in with more colourful clothes, funkier shoes, and they were really fascinated with the design students; conversely, the design students thought the MBA students were boring so they stopped coming to meetings, so we had a teaching problem on our hands – how do we get the design students to come to the meetings? The design students said to the business students, ‘you do the financials, the Gantt charts, leave the design to us’. We couldn’t get the students to come together enough to provide something that was useful to the consultancy.

Having moved to Denmark, I asked ‘**what happens when designers design organisations?**’ I took a Harvard Business School case study and gave it to a number of top designers in Denmark and Norway, and also gave it to some business executives. It has teaching notes that go with it – there’s a ‘right’ and ‘wrong’ way to go about it. The first place we went to was a well-respected architecture firm, where we gave the case to the CBO. He was reading the verbal protocol analysis, where the person reads this out loud and then thinks out loud, and he got about two pages into it and just dropped it on the desk and said ‘what is this?’ We said ‘The proposition is that you have to redesign Euro Disney’ and he said ‘But there are no people here! You need people!’ He asked to get some other people in, and for a week to do it, but we said ‘no, you have two hours’ – and we had the same experience with all the design people we went to. When we gave the case study to the business executives, they never wanted to talk to anyone else, took a maximum of twenty minutes to work on the solution, and their solutions looked exactly the same.

So you’ve got this radically different cultural thing going on. Can we really ask executives to design? These are two different worlds. You’ve got ‘designer’ design, and classic organisation design, which is more like engineering design, where there’s none of this designerly stuff going on.

I teach an organisation design project here at Copenhagen Business School. I had my students go out and work with Nobel because they had an innovation project they wanted to look at. They had an innovation centre that wasn’t making money. About seventy students worked for around 4-5 months, using an array of tools, talking to people, and they were given prizes for their work, first, second, third; weeks later I went back to the Nobel guys and said, ‘are you using this stuff?’ They said ‘no, but we did bring in an innovation consultancy, have you heard of them, have you heard of their book?’ I said ‘no...’ They said it turns out there are ten types of innovation, and 103 tactics for doing these ten types of innovation. They said, ‘the more types of innovation you do, the better you’ll be’. So what did they say? They said the same as what my students had said. I told them I didn’t understand – our students had spent four months, interviewed the same people, came to the same consultants – but the response was that ‘the innovation consultants cost millions and you guys were free so money talks...’

Having ten types of innovations makes the processes look blocky. Even the core logic behind it – build your organisation like Lego – is very appealing to executives. So now I’m starting to think that maybe you don’t want to train executives in design – maybe you should hire designers and put them on the team.