Design Management
history, present and future

The Swedish Faculty for Design Research and Research Education
2009 10 07
Lisbeth Svengren Holm
Design Management in Sweden in the 1980s

- Research project: Design in the furniture industry
- Sweden compared to Denmark and Italy
- Technology/engineering driven industry
- Design Management coopted by advertising agents
- Communication focus
... And what designers need to learn, and this is the most important thing, is the language of the business world. Only by learning that language can you effectively voice the arguments for design.”
—Peter Gorb

Seminar in Lund, in 1986
Design Management

• Industrial Designers – a strange tribe in the business world ... and at business schools
• Not about fashion
• Not about aesthetic – only
• Product development – innovation
• Other ways of solving problems
• Other ways of seeing the products and the users
• Communication – identity
• Holistic approach (innovation + communication + ....)
• Design: the term – definition problem
The first Design Management MBA at London Business School
The UK scene

• Network in the UK
• Design Council
• London Business School
• Large consultancies
• PA Consulting
• Michael Peters Design
• Fitch
• Wolff Olins
• ....
The UK scene

• Design boom
• Consumer boom
• Packaging design
• Retail design
• Corporate Identity
• Emerging design management research community in Manchester (Salford + Sheffield + Open University)
• DIG Design Innovation Group (Margaret Bruce, Vivian Walsh, Stephen Potter, Robin Roy, among others)
The US Scene

• The Design Management Institute, Boston
• Harvard Business School: Do you have cases?
• The TRIAD Design Project
• The US + Japan + Europe
The TRIAD Design Project: The Role of Product Design for Market Success

• 13 case studies
  – 5 in Japan (the role model for success in the 1980s)
  – 4 in Europe
  – 4 in the US

• Karen Freeze
  – Researcher in technical history
  – the case writer

• Professor Robert Hayes
  – Dean of Operations Management
  – Critical approach to American industry and its focus on marketing
Angela Dumas, London Business School and Henry Mintzberg, McGill University
Articles in Design Management Journal
1) Managing Design/Designing Management
Vol. 1, No. 1, Fall 1989
2) Managing the form, function and fit of design
Vol 2, no 3, Summer 1991
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The Forum for International Design Management Research and Education
1990 at Harvard Business School
1991 at London Business School
1992 at Harvard Business School
1993 in Paris at ....

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The European Academy of Design
1995 in Salford
1997 in Stockholm
1999 in Sheffield
2001 in Aveiro
2003 in Barcelona
Design Management in Sweden

• Technology/Engineering driven industry
• Design Management – advertising agents
• Thesis project: Industrial design as a strategic resource (Svengren, 1995)
  – Combining innovation and communication
• Two case studies
  – Bahco Tools
  – Ericsson Mobile Communication
• Two German case studies
  – Braun
  – ERCO Leuchten
• Bahco Tools: a success for the design concept
• Ericsson: design a tactical instrument: 1-400
• Braun and ERCO: strategic design
Beside the management theories ...

- Industrial design history
- Social dimension of industrial design
- The classical design management cases: AEG, Olivetti, Braun and IBM
- Architects/designers in charge of
  - Product design
  - Communication design
  - Environmental design
- Enlightened managers
Scandinavian management and marketing

• Normann
  – The dominant logic of the industry
  – The history of the company matters
  – Significant actors within the company

• Mintzberg
  – Emergent strategies
  – Process oriented

• Hamal & Prahalad
  – Core competence

• Barney
  – Resource based perspective
Industrial design as a Strategic Resource

Conceptual integration

Design as a strategic resource

Functional integration

Visual integration
"The discipline of design management ..." (1992)
Design Management:
• Product design
• Communication design
• Environment design
= Corporate Identity (1991)
The legitimate problem: Can it be measured?

1994

The premise of the articles within is that design management merits the attention of decision-makers because it enhances performance and improves the bottom line. Several essays support this conclusion with hard numbers. There are data outlining corporate outcomes generally, and more specific statistics linking effective design management with positive results in the areas of product, communications, and interior design. Contributors also suggest processes, methods, and technologies that leverage the qualitative impact of design. Research must be refined and expanded, but we are proud to present these initial assessments.
Design – a way to approach things

- To get design oriented: a conscious choice
- Passion for artefacts – aesthetic concerns
- Empathy for the users
- Vision about the future
- Courage and active
"What is design management?"
(1998)

WHAT IS DESIGN management? If only it were that simple; but there's no one definition. Design management encompasses so much, from project management to strategic planning. We celebrate a decade of publication in this volume by distinguishing key themes in the profession. Our lead highlights the attitudes, skills, and knowledge essential to effective design management. Complementing this perspective, experts from around the globe offer their views of the discipline. Several articles explore important design management strategies. There are case studies on product, branding, and environmental design, and commentary on design centers, digital technology, and education as vital supports to design management success.
The new millennium

- Collaboration with Ulla Johansson
- Breakthrough at VINNOVA – 3 years funding
- Möten kring design
  - Relation between industrial designers, engineers and marketers
Brand Frontiers—Designing More than Experiences

Assessing Future Challenges and Current Trends

What content and technologies are shaping tomorrow's brands? What are the most effective brand strategies from a consumer perspective? How should brand be managed inside the organization? This quarter, authors share thoughtful responses to these critical questions. They outline issues that define the future of brand design. They highlight elements that contribute to success. They balance theory and a broad overview with practical insight, amplifying important lessons in case studies from General Motors, Procter & Gamble, Johnson & Johnson, Océ Technologies, and several other companies.

Brand management takes over (2003)
"In branding and marketing and as the centerpiece of product development and innovation, design is an essential resource" (2004)
... and design for innovation ...
The cutting edge in business (2005)
... and user-driven innovation (2005)

User-Focused Innovation

Consumer-Inspired Design Leadership

Creatively interpreting and managing design to address consumer needs can be a source of great business success. Articles in this issue offer insights on finding opportunities in new constituencies. They demonstrate research techniques and design processes that yield a clearer picture of user perspectives. They reveal how responding to distinctive market segments can generate high-margin products and services. Including profiles on innovative design in mobile phones and user-focused trends at the US Postal Service.
Design can even be specialized in different fields (+ brands) (2007)

Strategic Approaches to Environments and Branding

The Nexus Between Business Objectives and Designing Place

From packaging and displays to exhibits, from retail and service centers to office facilities, from the making of space to creating identities for cities or regions, environments are critical dimensions of corporate design. Contributors reveal how to effectively manage this resource across these several arenas. A case study on Urban Outfitters demonstrates how a company that eschews advertising exploits its stores to create a powerful and growing brand. Another analysis examines the impact an aging population has on environments and the business opportunities that emerge from this trend.
The integration of design as a strategic resource (2007)
Yes, design is accepted as a strategic resource for innovation, brand management, User-driven innovation, etc. Now the turn comes to Asian industries (2008)
And what’s next in the West? (2008)

Designing for the Service Industry

Delivering Value in the Customer Experience

Service is the essence of business in the twenty-first century, and contributors this quarter probe how best to manage this reality. Success requires a thorough understanding of customer needs and the choreography of customer interactions. It taps into multidisciplinary expertise and exploits a panorama of media and touch-points. Articles identify service design priorities, web strategies, research techniques, and the return on service design investments. Engaging case studies concern a car dealership, a mobile phone company, a sales pitch for annuities, and the New Zealand department of Inland Revenue.
Short Summary of the Design Management Development, concerns, influence and issues

1980s
Consumer boom
Aesthetization of society
Emerging design management research
Design industry – a critical mass
Possible to measure

1990s
Design Management courses emerge
At design schools (and at some business Schools)
Multidisciplinarity – team building
Finding a role for design - legitimate
Corporate Identity

2000s
Brand management
Experience economy
Digitalization
Innovation management