Embedding a culture of design thinking

There is little doubt that technology has fundamentally shifted enterprise goalposts and redrawn the lines that once were the parameters of the business. It is embedded in every business, integrated into every person's life and heavy with potential as it continues to evolve.

Phathizwe Malinga, managing director at SqwidNet

However, this potential comes at a cost. It puts pressure on organisations to constantly compete in fragile and fragmented markets. It pushes consumers in multiple directions, challenging their loyalties and their attention. These intelligent solutions offer up a tasty tray of technology titbits that are hard to resist. They are also redefining how organisations shape their cultures and their business models.

A recent Forrester survey – *The Global Business Technographics Priorities and Journey Survey 2018* – asked more than 2,000 global enterprises what they were doing to drive innovation. More than 40% stated that emergent technologies were driving their shift towards new business models that would allow them to change how they innovate with technology. And this is where design thinking becomes a core component of how the organisation changes its engagement with customers and innovation.

"Design thinking is a tool that organisations can use to understand their customers better," says Phathizwe Malinga, managing director at SqwidNet.

"It is a tool that induces empathy towards a customer and leads the organisation down the right paths to communication. To ensure that what they offer remains as profitable as possible, a company needs to bed down a culture of design thinking. It is this that will allow them to adapt alongside the constantly changing market by understanding their customer pain points and needs far better."

Change is constant

In markets powered by disruption and transformation, the one constant is change. Customers are constantly looking to improve their quality of life and to get as much value as possible for their investment. They want what they buy to have emotive and functional weight when balanced against their chequebook. This is where design thinking steps in. It allows the company to adapt to how customers think and speak to them in a language that they understand.

"The Internet of Things (IoT) is one area which is ideally suited to supporting the growth of design thinking within the organisation," says Malinga.

"IoT is about increasing company awareness of the effectiveness of its capabilities, whether these are internal or external. If a company can match the rate of change between the needs of the customer and its own capabilities, then it will not only remain profitable, it will likely have a far better brand image and identity. It is designing for the thinking of the customer."

Design thinking helps an organisation to understand the changing needs of its customers over time, thereby providing insight into the effectiveness of products and solutions for these customers. IoT allows for deeper control over these processes, providing the organisation with insights into spending the right amount of capital at the right time to ensure it meets the right deadlines.

From intuition-driven model to data-driven leadership

A combination of IoT and design thinking will help any company to shift from an intuition-driven model to data-driven leadership. It allows for the enterprise to avoid the over-engineering anti-pattern where the company uses or borrows capital to build a ton of features into their products just in case the customer's taste changes to, well, anything.

"This anti-pattern is usually called 'futureproofing' and the product becomes the Swiss army knife of leadership's imagination," says Malinga.

"Design thinking ensures that the company knows and understands the customer, especially their frustrations, and then uses emergent technologies such as IoT to generate the right insights that allow for fundamentally intelligent improvements to products and services."

To embed a culture of design thinking into the organisation, enterprises should first invest in a good training provider who can teach leadership and employees how to use design thinking tools. Then it is simply a matter of using every opportunity to use these tools, whether in design when creating products, or in the field when trying to understand how a product is being used.

The more people learn to put the customer at the forefront of every decision, the more design thinking will seep into the fabric of the organisation.

"Companies should organise themselves around this understanding, not the other way around," says Malinga.

"For example, when it comes to traditional banking, why is the bank open when people are at work but closed when they knock off? They close early on the day that people do errands. This has forced a rapid adoption of digital banking, which is

not a bad thing, but nobody should be surprised when more branches close as they are not designed for customer needs."

Tangible rewards

Design thinking offers tangible rewards to those who invest in its potential. In the short term, it allows for the enterprise to gain a deeper understanding of customer needs and this will allow for improved innovation and more relevant products and solutions.

It is a far richer path to follow than to simply copy what the competition is doing. In the long term, when embarking on research and development to innovate products, a design culture allows for the enterprise to instinctively put the customer first and thereby design solutions that are precisely what the customer needs, not what the business thinks they need. Which is definitely the right way forward in a highly competitive and challenging market.