

CBS, MSoc. Sc. In Organizational Innovation and Entrepreneurship

# PRACTICAL AND PHILOSOPHICAL OPPORTUNITIES OF CREATION

- HOW THE FIELD OF PROFESSIONAL DESIGN CAN CONTRIBUTE TO THE  
FUTURE DEVELOPMENT OF THE ORGANISATION DESIGN DISCIPLINE

INGRID NORD ØSTENSJØ

Date: 11-01-2012

Supervisor: Daved Barry, Department of Management, Politics  
and Philosophy

STUs: 159 868

Pages: 70

## EXECUTIVE SUMMARY

This report provides an analysis of how the field of professional design can contribute to the organisation design discipline in terms of practical and theoretical possibilities. Towards this end, an empirical, exploratory research has been conducted, based on semi-structured interviews with ten different designers from the classical design fields, and five senior executives working with organisation design on a daily basis. The participants were set to solve the same case presenting an organisation design challenge, thus enabling a comparison between how the two different groups of participants approached and worked with the assignment. The findings revealed that the designers would assume and work with the case challenge as if it were a complex problem, thereby proposing iterative complex problem solving methods from the professional design field to solve it. Conversely, the executives first decided upon a strategy before letting this decision guide the following design process. In addition, the executives' behaviour deviated somewhat from how the contemporary management discourse indicates they would have reacted, to some degree relying upon pragmatic assumptions. The report thus concludes that the approach assumed by the designers differed widely from how the executives normally would work with such an organisation design challenge, and that the field of professional design offers many practical possibilities for how the organisation design discipline can develop and evolve in terms of new practices and directions. The study recommends a number of these possibilities to be adapted by the organisation design discipline, both for new practices and to inspire to new directions in future research. As the study only includes a select data representation it should not be used to generalise findings to encompass all designers and executives. In addition, as the study involves designers and complex problem solving, the main focus of the research has been on how the organisation design discipline could evolve in terms of dynamic and flexible designs.

# **TABLE OF CONTENTS**

<b>1. INTRODUCTION.....</b>	<b>5</b>
<b>2. CONCEPTUAL BACKGROUND .....</b>	<b>7</b>
<b>2.1. DEFINITIONS OF CONCEPTS.....</b>	<b>7</b>
2.1.1. “DESIGN IS TO DESIGN A DESIGN TO PRODUCE A DESIGN” .....	7
2.1.2. OTHER DESIGN CONCEPTS .....	8
2.1.3. ORGANISATION DESIGN.....	9
<b>2.2. STAGNATION IN THE ORGANISATION DESIGN DISCIPLINE.....</b>	<b>10</b>
2.2.2. CONTEMPORARY LITERATURE.....	10
2.2.3. ORGANISATION DESIGN IN TERMS OF COMPLEXITY .....	13
<b>2.3. COMPLEXITY IN TERMS OF DESIGN .....</b>	<b>15</b>
2.3.1. PROBLEM SOLVING METHODS IN DESIGN.....	16
2.4.2. ‘DESIGN THINKING’ .....	18
<b>2.4. THEORETICAL POSSIBILITIES.....</b>	<b>20</b>
<b>3. RESEARCH DESIGN.....</b>	<b>21</b>
<b>3.1. EXPLORING THE WORLDS OF DESIGN .....</b>	<b>21</b>
<b>3.2. A SOCIALLY CONSTRUCTED WORLD.....</b>	<b>22</b>
<b>3.3. AN EVOLVING RESEARCH DESIGN.....</b>	<b>23</b>
3.3.1. SAMPLING METHODS.....	23
3.3.2. INFORMANTS OVERVIEW .....	24
3.3.3. THE INTERVIEWS .....	25
3.3.4. THE ANALYSIS .....	27
<b>4. APPROACHES TO ORGANISATION DESIGN .....</b>	<b>30</b>
<b>4.1. EXECUTIVE APPROACH .....</b>	<b>31</b>
4.1.1. UNDERLYING ASSUMPTIONS, VALUES, AND GOALS .....	32
4.1.1.1. UNDERLYING ASSUMPTIONS .....	32
4.1.1.2. THEIR GOALS WITH THE ORGANISATION DESIGN .....	34
4.1.2. THE ORGANISATION DESIGN PROCESS .....	35
4.1.2.1. INITIAL REACTION AND PREPARATIONS .....	36
4.1.2.2. PROBLEM SOLVING .....	36
4.1.2.3. PRESENTATION AND IMPLEMENTATION .....	37
4.1.2.4. COMMENTS ON THE PROCESS .....	38

<b>4.2. THE DESIGNER APPROACH.....</b>	<b>39</b>
4.2.1. UNDERLYING ASSUMPTIONS, VALUES, AND GOALS .....	40
4.2.1.1. UNDERLYING ASSUMPTIONS .....	40
4.2.1.2 THEIR GOALS WITH THE ORGANISATION DESIGN .....	43
4.2.2. THE ORGANISATION DESIGN PROCESS .....	44
4.2.2.1. INITIAL REACTION AND PREPARATIONS .....	45
4.2.2.2. PROBLEM SOLVING.....	48
4.2.2.3. PRESENTATION AND IMPLEMENTATION .....	50
4.2.2.4. COMMENTS ON THE PROCESS .....	50
<b>4.3. COMPARING THE APPROACHES.....</b>	<b>51</b>
<b>5. NEW POSSIBILITIES AND DIRECTIONS.....</b>	<b>54</b>
<b>5.1. POSSIBILITIES FOR NEW PERSPECTIVES.....</b>	<b>54</b>
5.1.1. PRAGMATIC ASSUMPTIONS OF CREATION AND COMPLEXITY .....	54
5.1.2. DESIGNER ASSUMPTIONS .....	56
<b>5.2. POSSIBILITIES FOR NEW PRACTICES.....</b>	<b>57</b>
5.2.1. NEW ORGANISATION DESIGN PROCESS .....	57
5.2.2. PRACTICAL TOOLS AND METHODS .....	58
5.2.2.1. THE USE OF DESIGNERS AND INTERDISCIPLINARY TEAMS .....	58
5.2.2.2. COGNITIVE TOOLS.....	59
5.2.2.3. PROTOTYPES AND VISUALISATION .....	60
5.2.2.4. THE USE OF CONSTRAINTS TO PROMOTE CREATIVITY .....	61
<b>6. CONCLUSION .....</b>	<b>62</b>
<b>7. BIBLIOGRAPHY .....</b>	<b>63</b>
WRITTEN MATERIAL .....	63
BOOKS.....	63
CHAPTERS IN BOOKS.....	65
JOURNAL ARTICLES .....	66
OTHER.....	68
CONFERENCE PAPERS.....	68
OFF-AIR RECORDINGS.....	68
WEB .....	68
ARTICLES FROM WEBSITES .....	68

# 1. INTRODUCTION

In an ever more rapidly changing world characterised by financial crises causing national economies to collapse and a consequent havoc in the stock markets, as well as technological innovations such as Spotify and the iPhone changing industry landscapes overnight, organisations are faced with increasingly complex and dynamic marketplaces. An enhanced demand for customised and integrated products is only adding to the need for companies to become more flexible and innovative in their organisational setup and administration to deal with a progressively more turbulent and dynamic environment (Kesler and Kates 2011).

In the last decade, organisation design scholars have criticised both management practice for still being too influenced by traditions of bureaucratic assumptions (Daft 2004), as well as organisation design researchers for putting obstacles in their own paths by using limiting and restricting definitions of organisation design (Weick 2004). This call for new thinking in the discipline has also been echoed in more recent publications (Burton and Obel 2011; Stacey 2007) and, viewed in the light of the challenges outlined above, further indicates that one of the more pressing problems in the organisation design discipline lies with how scholars are struggling with how to respond to demands for more dynamic and flexible designs. This concern could be a result of how scholars rely on classical management assumptions of control and predictability (Stacey 2007), which prescribes standardising solutions applicable to generalised situations (e.g. Burton et al. 2006, 2011; Galbraith 2007). In addition, these assumptions of choosing between already existing solutions and customising by doing slight alterations, seem to rule out the creation of new ones (Romme 2003). In one of the latest contributions to the discussion, however, Burton and Obel (2011) agree with earlier statements on how past events should not be used as a guide for the future (Daft 2004), and suggest a future direction of creation within the field of organisation design by focusing on generating new future possibilities, rather than examining what has been in the past.

The need for introducing and facilitating the study of creation in organisational research has earlier been addressed by Romme (2003), who suggests implementing a design mode to complement the existing scientific and humanistic modes on which organisation studies are based, as he argues this would contribute to a shift in the focus from relying on and choosing from existing knowledge and models to creating new theories and solutions. The idea of using design in organisational settings is further discussed by a large number of business and design scholars alike, who propose using different sets of design philosophies and methods from the

field of professional design to solve complex problems and enhance creativity and innovation in organisations (e.g. Brown 2008; Buchanan 1992; de Baillon; Dorst 2011; Martin 2009; Raney and Jacoby 2010).

In terms of assuming a new direction for creation in organisation design, and finding new ways to perceive and deal with complex problems, the field of professional design thus seems to offer valuable opportunities and insights. The idea behind this study then, is to examine what professional design can contribute to organisation design theory in practice. Thus, the purpose of the research is to explore in practice-based ways the possible intersections between professional design and organisation design, and how these intersections can be used to build on and evolve the discipline of organisation design theory.

The thesis starts out with a section which defines and outlines the conceptual background of the study, reviewing the contemporary organisation design literature in terms of what troubles it is facing, how these can be handled through the use of complexity theory, and finally how professional design methods of complex problem solving can be of assistance in this regard. Then the need for more information on how professional designers would work with organisation design challenges is stated, followed by a section which describes the research design of how the study was conducted, and how the required information was collected and analysed. The findings of the research is then presented in the form of two comparative approaches on how the executives and the designers in the study would approach issues of problem solving in an organisation design setting. This furthermore creates the basis for the following discussion on how the possibilities indicated and listed in the designer approach could contribute to practical suggestions in the organisation design discipline, as well as further recommendations generated by the study. A conclusion finally sums up the general findings of the thesis.

## 2. CONCEPTUAL BACKGROUND

In order to gain more background knowledge on the current state of the organisation design discipline and how the field of professional design can inspire to new directions, a review of the existing literature is required. In addition, it is necessary to provide the reader with an understanding of what is meant by the concepts of design and organisation design.

Towards this end, this section will start out by defining some words and concepts that are used throughout the thesis, followed by a review of the current organisation design literature to further explore the existing problems of the discourse; these are then further discussed in terms of complexity theory to see how this can contribute to perceive and tackle organisation design issues differently. Focusing on complexity, the discussion then moves on to how the philosophies and problem solving methods of professional designers can be used for solving complex problems, and how the literature describes in which way these philosophies and methods could contribute to organisational studies. Finally, the section comments on the need for more research on how professional designers in practice-based ways can contribute to the organisation design discipline, leading up to the research design section describing how this was conducted.

### 2.1. DEFINITIONS OF CONCEPTS

The word “design” figures in a number of different contexts, concepts, and meanings throughout the thesis, therefore some space has been devoted to explore the different meanings, definitions, and controversies related to this concept. In addition, the design concepts that are discussed and referred to in the research are introduced and defined. The definitions and meanings of design, professional designers, and organisation design outlined below will thus provide the reader with a basis for understanding how the concept of design is perceived and utilised in the thesis.

#### 2.1.1. “*DESIGN IS TO DESIGN A DESIGN TO PRODUCE A DESIGN*”

– John Heskett

Design as a concept arguably has as many different definitions as there are people having an opinion about design (Heskett 2002). The issue is further complicated by the word itself, which, as aptly illustrated by John Heskett’s quote in the headline, has numerous different

levels of meaning and usage<sup>1</sup>. Heskett's own definition of design is 'the human capacity to shape our environment to serve our needs and give meaning', implying that all humans design in one way or another (ibid.). Although a common definition of design does not exist, the idea of design as change caused by human beings is the general gist of many contemporary design writers' definitions of design (e.g. BBC 2010; Brown 2008; Norman 2004).

Similarly lacking an established definition, professional designers have been described by leading design writers as people who practise design within one of the traditional design fields such as graphic or product design, and possess artistic skills such as illustration and giving form and function to both new and existing objects or systems (e.g. Heskett 2002; Norman 2004). Traditionally, designers have been thought of mainly as product designers, creating and styling new things and products (BBC 2010). However, as new design professions have evolved and branched off, designers have increasingly been associated with the design process itself, rather than the end-product of this process (ibid.; Brown 2008; Norman 2004), consequently creating a divide between designers who pertain to the traditional product-based view and designers who view design as a process. Buchanan (2004) further argues that the popular understanding of design as an artistic activity is in stark contrast to how leading designers view design; as an intellectual and deeply humanistic activity which has as its goal to create practical and effective products or services<sup>2</sup>.

### **2.1.2. OTHER DESIGN CONCEPTS**

In the last few decades, the design discourse has developed an increased focus on user-centred design and ethnomethodology, leading to the creation of concepts such as user-centred design, human-centred design, and 'design thinking' (Brown 2008; BBC 2010; HCDI 2011; Martin 2009; Moggridge 2007; Norman 1986, 2002; Raney and Jacoby 2010). The idea of user-centred design rests on the principles of studying people's needs and behaviour in order to provide them with what they desire (BBC 2010; Moggridge 2007). Along the way, this concept has further evolved into the theory of human-centred design, which, based on the same principles, alters in the way that it perceives and provides people with their actual needs (as opposed to proposed needs in terms of desires) (HCDI 2011). While both of these terms

---

<sup>1</sup> One of the reasons for this, Heskett (2002) argues, is that design has never been established as a unified profession with standards and control of entry level and practices (ibid.) Lacking this governance, design has branched off in all manner of directions and disciplines (e.g. fashion design, software design, brand design, etc.).

<sup>2</sup> It is humanistic in the sense of human experience, and intellectual due to its requirement of an in-depth knowledge of every aspect concerning the new design (Buchanan 2004).



are usually connected with the work of professional designers, the concept of ‘design thinking’ refers to how both designers and other people can use design methods for creativity and innovation (Brown 2008; 2009). The various definitions of ‘design thinking’ largely fall into one of two categories: ‘design thinking’ as an interdisciplinary design method performed by design thinkers (Brown 2008), or ‘design thinking’ as a business strategy which can be adopted by managers (Martin 2009). However, as a concept it has suffered the same confusing fate as design itself, being subjected to different definitions and critiques depending on the speaker. Not only do designers and business researchers disagree on the proposed value of ‘design thinking’, there are also contentious arguments within each camp on what it really entails, if and how it can be applied, and by whom (de Baillon 2011a; Norman 2010a; Nussbaum 2011)<sup>3</sup>.

### **2.1.3. ORGANISATION DESIGN**

The concept of organisation design has different meanings and definitions, depending on its usage. According to Huber (2011), its multiple definitions can be grouped into three categories: organisation design as 1) the process of selecting the different characteristics of the organisation’s primary features, 2) the result of the design process, and 3) the characteristics of the organisation’s structural features. The final category refers to the casual usage of organisation design, yet it also illustrates the classical perspective of organisation theory (Daft 2004). Moreover, some scholars distinguish between organisation design and organisational change; others include organisational change within the field of organisation design (Kesler and Kates 2011). In this thesis, I will be employing all of the three categories of meanings described by Huber, and assume organisational change as an inherent part of the organisation design discipline, which concurrently comes under the heading of organisation studies, on top of which rests the Western management discourse.

Starting out with reviewing the different contributions to the contemporary organisation design literature, the following section will further explore its current state and the conceivable reasons for its presumed stagnation, leading up to a discussion of how complexity can be a source of change in the discipline.

---

<sup>3</sup> The concept of ‘design thinking’ will be further discussed in the section ‘*Design Thinking*’.

## **2.2. STAGNATION IN THE ORGANISATION DESIGN DISCIPLINE**

Early ideas of management principles from Taylor and Fayol formed the basis of what is now known as management practice and organisation design (Daft 2004). In the beginning this was solely concerned with efficiency; administrative principles and little attention to human relations resulted in a tradition for bureaucratic organisations which resembled well-oiled machineries of workers (ibid.). This static view of organisation design remained the general perception up until around the 1980s when increasingly dynamic and unpredictable markets called for organisational structures that could better meet these challenges (Daft 2004; Nadler and Tushman 1987). Yet, although the focus has changed towards handling dynamic environments and ideas of flexibility, designing for the future and constant ongoing change has been introduced, the same underlying assumptions of stability, predictability, and control remain the same (Snowden and Boone 2007; Stacey 2007). These assumptions, Snowden and Boone (2007) argue, are grounded in the Newtonian science that underlies scientific management and which encourage simplifications in management thinking. In the next section, an assessment of the current organisation design literature is presented, in order to further explore and comment on what seems like a problematic psychological paradox in a discipline that seeks to address issues of complexity while assuming a world view based on predictability.

### **2.2.2. CONTEMPORARY LITERATURE**

Managers, it is claimed, are requesting practical guidance in the form of standard models and linear processes that can ensure that they make the right decisions and guarantee good results when organising in a dynamic environment (Burton et al. 2011; Galbraith 2007; Kesler and Kates 2011). In the last couple of decades, scholars within the field of organisation design have therefore strived to construct models and processes that could meet the requests of contemporary managers in their need for a flexible and dynamic organisation design in today's increasingly volatile marketplaces (Burton et al. 2011; Daft 2004; Galbraith 2007; Kesler and Kates 2011; Nadler and Tushman 1997; Stanford 2007). Where some researchers develop models and frameworks (Burton et al. 2011; Galbraith 2007) others devise guides and processes to help managers navigate and choose among existing models and approaches to most efficiently design their organisations (Daft 2004; Kesler and Kates 2011; Nadler and Tushman 1997; Stanford 2007). The setup of these frameworks differs somewhat, also depending on the desired outcome, and while some scholars still prescribe decidedly linear

and standardised processes (e.g. Burton et al. 2006, 2011), the last decade has seen a turn for more dynamic setups and general frameworks (Daft 2004; Kesler and Kates 2011; Stanford 2007). However, regardless of other differences, every framework prescribes choosing a model that fulfils the criteria for the desired organisational change and making small adjustments in terms of e.g. size, industry, and location to adopt the model for the organisation in question<sup>4</sup>.

The linear fixing scheme approach embraced by several scholars (e.g. Burton et al. 2006, 2011; Galbraith 2007) gives the impression that the authors view organisational change as an isolated problem, which can be solved and then be laid to rest. An organisation's design is thus also perceived to be a separate, external system apart from the rest of the organisation, which actors can plan, design, influence, and change without any of these actions having an effect on the individuals performing them (Stacey 2007). An example of these assumptions is to be found in Galbraith's (2007) star model framework where managers should be able to maintain a flexible setup, by continuously aligning the five major components of the organisation. His idea of the reconfigurable organisation which is claimed to be "able to quickly combine and recombine skill, competencies, and resources across the enterprise to respond to changes on the external environment" further accentuates the classical managerial attitude, as it is based on the assumption that changes in one or more components will produce predictable outcomes elsewhere in the organisation (Galbraith et al. 2002, p. 4; Stacey 2007).

Arguing for an iterative process and a constant, encompassing focus on managing the design of the organisation, Stanford (2007) challenges some of these customary prescripts. As do Kesler and Kates (2011) who, even though intending to define a replicable five milestone process which is proposed as a practical guide to make the process of organisation design straightforward, have developed an approach which allows for more complexity and unknown components than earlier frameworks. Furthermore, elaborating on Galbraith et al.'s (2002) discussion on the importance of involving employees in the design process, they put great emphasis on the importance of facilitating for talent and not separating leadership from the organisation (Kesler and Kates 2011).

---

<sup>4</sup> Allegations that theoretical organisational structures fail to perform are contended by Galbraith (2008) who claims that the fault lies with managers who fail in implementing them correctly. He furthermore argues that companies which are unsuccessful with their designs have not implemented a complete design, neglecting to align all the organisational components (ibid.).

Several authors see organisation design as a tool for achieving competitive advantage when managed correctly and advise managers to align the organisation's components into a tailored design that closely fits with the company's strategy (e.g. Galbraith et al. 2002; Nadler and Tushman 1997; Stanford 2007). However, how this is to be accomplished in a turbulent environment characterised by unpredictability and chaos is not well conceived. One idea put forward by Daft (2004, 2009) is centred on how the 'learning organisation' based on open information, communication, collaboration, equality, adaptability, and problem solving would be better able to tackle the increasingly unstable business environment companies operate in. Another suggestion offered by Burton and Obel (2011) is the theory that what-might-be modelling stands as a future outlook on how organisation design might evolve to include a different approach to possible future scenarios. They argue that organisation design scholars need to expand their domain of investigation to include what-is, what-might-be, and what-should-be studies as having a central position in their field of study, as "What-might-be modelling is a very powerful approach to extend our understanding beyond the confines of what we can observe and perhaps explain" (ibid., p. 7). These thoughts on inviting new thinking into the discipline adheres to Stacey's (1992; 2007) earlier arguments on how there is a need for new ways of understanding and perceiving management and organisational dynamics, as the focus on stability and predictability in management makes companies unable to keep up in the dynamic marketplace.

This review of the current literature gives the impression that scholars are attempting to develop dynamic and flexible approaches with theories and practical recommendations based on the same classical assumptions of control and predictability, which they aim to break out of, with these new approaches. It is thus in this quagmire of psychological assumptions the discipline of organisation design seems to have stagnated. Following Stacey's (1992; 2007) suggestions of shifting the focus in organisational studies, the following section will therefore explore organisation design in terms of complexity starting with the related concept of 'wicked problems', as these two theories have been used to describe how to deal with complex problems for a number of years (e.g. Conklin 2006; McKenna 1999; Rittel and Webber 1973; Stacey 1992, 1996, 2007). In this respect, these theories might give an indication of how the ever more complex challenges faced by contemporary organisations could be perceived and described in order for managers to be able to tackle them in a more efficient manner.

### **2.2.3. ORGANISATION DESIGN IN TERMS OF COMPLEXITY**

In the last couple of decades, researchers discussing how to deal with an increasingly complex and chaotic environment have often turned to the concept of ‘wicked problems’ in order to illustrate how managers can better deal with issues that have no definite or objective answers, by identifying them as ‘wicked’ and treating them accordingly (e.g. Camillus 2008; Finegan 2010). ‘Wicked problems’, which are determined as such by the use of ten characteristics<sup>5</sup> outlined by Rittel and Webber (1973), are frequently used to describe complex problems such as social policy and organisational conundra, and, as opposed to ‘tame’ problems, they are not solvable by scientific methods using a linear approach (ibid., Conklin 2006). However, treating an organisation’s design as a ‘wicked problem’ indicates a perception of organisation design that assumes it to be a problem instead of an opportunity to create value, and moreover, a problem isolated from the rest of the organisation. The concept of ‘wicked problems’ is thus arguably based on the classical management assumptions, consequently not contributing to the organisation design discipline in terms of new thinking.

Actively proposing new thinking, Daft (2004), suggests that organisations and managers should assume a mindset based on natural and biological systems. Further explaining his thoughts through the use of *chaos theory*, he argues that organisations can be seen to be steered by uncertainty, are complex, adaptable, and non-linear and made up of various interconnections and choices which cause unintended and unpredictable outcomes (ibid.). However, it is somewhat inappropriate to use chaos theory to describe the inner workings of an organisation, as it refers to how a model is unable to see far enough into the future and thus assumes that a better model using more intricate algorithms to analyse the same data would be able to make more precise predictions (Bertuglia and Vaio 2005). On the other hand, the related concept of complexity refers to the unfeasibility of constructing a model which “can account for the sudden (and most of all) unexpected ‘changes’ that sometimes take place during the evolution of a system” (ibid. p. VII). Complex systems are further described by Snowden and Boone (2007) as having a large number of non-linear interacting elements where minor changes can result in disproportionate consequences, making it a dynamic system with elements evolving with one another and the environment, among other characteristics. Chaos theory then rests on the same assumptions of predictability as organisational theory and practice, whereas complexity allows for unexpected and

---

<sup>5</sup> The ten characteristics of ‘wicked problems’ were first listed by Rittel and Webber in their article called *Dilemmas in a General Theory of Planning* from 1973, and is still viewed as the main defining characteristics.

unexplainable changes systems might generate in the state of evolution (Bertuglia and Vaio 2005), more accurately mirroring organisational life.

In the light of these insights, the idea of perceiving organisation design in terms of complexity could very well provide the discipline with the new thinking that is needed. This notion is backed by Stacey (2007, p. 4), who defines an organisation as “complex responsive processes of relating between people”, and calls for the need of acknowledging organisation design as a constant, truly holistic and integrated organisational activity. Stacey’s (1992, 1996) theory of complexity is a theory about leadership through chaos and change, where he describes ways of managing on the brink of chaos and prescribes anxiety to maximise creativity. These ideas are in line with McKenna’s (1999) arguments of how the standardised and static processes and the obsession with maintaining control can contribute to actually limiting the possible order emerging from disorderly situations managers are attempting to handle, and how this challenges their continuously imposed need for exerting control, as well as their usual preoccupation with ‘getting things done’.

Illustrating how complexity can truly provide the management discourse, and consequently also the organisation design discipline, with new thinking, Snowden and Boone (2007, p. 3) define the concept as “more a way of thinking about the world than a new way of working with mathematical models”, and describe it as a golden opportunity for innovation. Heywood et al. (2007) concur with these thoughts on innovation, claiming that managers should treat complexity as a challenge to be potentially exploited, rather than something they must overcome, as is often the case currently. They further argue that complexity can be a source of competitive advantage in terms of organisational structures and processes, seeing as the more complex an organisation becomes, the harder its recipe for success is to replicate (ibid.).

Based on the theories listed above, the organisation design field would arguably be better equipped to address dynamic and complex issues if scholars within the management discourse were to adopt perceptions of organisations based on complexity theory. However, seeing as some of these theories on complexity in terms of organisational activity have already been in existence for some time (McKenna 1999; Stacey 1992, 1996), it is not sufficient to merely prescribe the use of these theories as a solution for how to induce new thinking and practices in the discipline, but rather explore how they effectively can be introduced to the field of organisation design in practical terms.

The act of shifting focus from the classical assumptions of organisation design and instead perceiving it in the light of complexity theory opens up the discussion on how different possibilities and methods for handling complex problems can be applied in the discipline. Another important issue raised by complexity theory in terms of organisation design, is the necessity for an enhanced focus on customisation as opposed to standardised solutions, which furthermore indicates a need for more emphasis on creating new solutions, rather than relying on existing models and frameworks. As mentioned in the introduction, numerous scholars have argued for how the philosophies and problem solving methods of the professional design discipline could be used to address both of these issues, thereby making it a natural choice for further research into how the current challenges facing the organisation design discipline can be met. The following section will thus explore the possibilities the field of professional design have to offer in a business setting, as described by existing literature on the topic.

### **2.3. COMPLEXITY IN TERMS OF DESIGN**

In the last decade, several business scholars have argued for the need for introducing philosophies and methods from the professional design discipline into different aspects of the management education and practices to promote an enhanced focus on creativity and customised problem solving (Boland and Collopy 2004; Buchanan 2004; Dunne and Martin 2006; Martin 2005a, 2009; Romme 2003; Weick 2004). Design has been proposed to inspire to new ways of managing and organising organisations (Buchanan 2004), new business strategies (Martin 2009), ensure an enhanced focus on critical and creative thinking in business education (Dunne and Martin 2009), and a different set of attitudes towards problem solving (Boland and Collopy 2004). In terms of organisation studies in particular, Weick (2004) goes as far as suggesting that professional designers and organisational designers are the same type of people – designers who create new things and have the same concerns regarding translations of ideas through layers of people, and Romme (2003) proposes to implement a design mode in organisation research to facilitate the understanding and practice of creation.

The rationale behind Romme's (2003) suggestions is rooted in the epistemological assumptions of pragmatism on which the design discipline is based, which he argues are needed in organisation studies to complement its current humanistic and scientific assumptions (Snowden and Boone 2007). Drawing on Simon's (1996) thoughts on design, he describes the idea of design as involving "inquiry into systems that do not yet exist—either

complete new systems or new states of existing systems. The main question thus becomes, “Will it work?” rather than, “Is it valid or true?”” (2003, p. 558). In this regard, Romme (ibid.) further argues that the pragmatic assumptions of the design discipline could contribute to reduce the gap between theory and practice in organisation studies, and has to this end developed a theory-based framework for how the design-science interface could enable collaboration between the design and science mode while at the same time allowing for methodological differences between these two modes<sup>6</sup>.

This framework exemplifies how it is not only feasible to combine the scientific and humanistic basis of the organisation design discipline with pragmatic assumptions, but also how it opens up to new thinking regarding issues of creation, flexibility, and complexity. To further explore how this can be achieved in practice, this section continues with a review of the current ideas on how different methods and elements of design can be of use in a business setting, starting out with a closer look at how the literature describes professional designers’ problem solving methods and how these methods have been proposed to be implemented in business in terms of ‘design thinking’, accompanied by a discussion of the controversy attached to the concept of ‘design thinking’. A note on how more practical information regarding how professional designers would handle organisation design issues in particular rounds off the background section.

### **2.3.1. PROBLEM SOLVING METHODS IN DESIGN**

The discussion on why and how ideas and elements of professional design can be of use in a business setting has mainly been revolved around the ambiguous concept of ‘design thinking’, which, as outlined above, is marked by a great deal of controversy (e.g. Buchanan 1992; Brown and Katz 2010; de Baillon 2011a; Dziersk 2006; Merholz 2009; Nussbaum 2011). However, those who proclaim it do not disagree on what ideas and methods could be of value, but rather in which ways these are most contributory to organisational life (Buchanan 2004; Brown 2008; Martin 2009). The methods professional designers employ for solving complex problems play a central part in this discussion; this section will therefore examine these in detail, before moving on to the general discussion on ‘design thinking’ in the next part.

In terms of how they approach complexity, it has been claimed that designers are able to assume a truly holistic view of a problem situation, enabling them to perceive problems as

---

<sup>6</sup> How this is to be achieved is further discussed in the section *Problem Solving Methods in Design*.



related and interdependent, and to contextualise smaller, individual problems as embedded in an overarching system of related issues (Dunne and Martin 2006; Romme 2003). This is referred to as ‘systems thinking’, and contributes to making designers better equipped to ensure that they have not overlooked any necessary elements important to the design (Romme 2003.). Thus, the design discipline has generated a complexity based view for problem solving, founded on underlying pragmatic assumptions of knowledge construction through experience and social interaction (ibid.).

The much discussed basis for why and how professional designers have developed good methods for solving complex problems rests on the idea of the distinction between ‘closed’ (tame, determinate) and ‘open’ (complex, indeterminate) problems (Buchanan 1992; de Baillon 2011b; Dorst 2011). ‘Closed’ problems are well understood and promise a solution as both the value (e.g. less back pain) that is to be created and its working principles (e.g. a better sitting device) are known, and can therefore be solved by using conventional problem solving processes based on rational thinking to fashion a solution (de Baillon 2011b; Dorst 2011). ‘Open’ or complex problems, on the other hand, are by Dorst (ibid.) described as problem situations where only the value (e.g. less back pain) is known, challenging the designer to be able to create the solution and its working principle in parallel (e.g. how to reduce back pain)<sup>7</sup>. This arguably requires a more complex problem solving process, where designers engage in extensive research to synthesise, test ideas, refine, and repeat in an iterative process of narrowing down the alternatives (Dorst 2011; Raney and Jacoby 2010), which de Baillon (2011b) describes as making “lots of little decisions” and learning through small iterative trials. The use of prototypes is argued to be an important part of this iterative process, enabling designers to develop new ideas based on tangible lessons (Raney and Jacoby 2010)<sup>8</sup>. Designers thus arguably start creating and testing concepts and products from the very beginning, in a sense designing their way through the problem, constantly formulating a deeper understanding of their options (ibid.).

The logic behind this process has by some design researchers been explained with the concept of abductive reasoning, describing how designers go through all the three steps of logic – abduction, deduction, and induction – in an iterative process of idea generation and verification (Dorst 2011; Dunne and Martin 2006; Martin 2009). Abduction, as the third form

---

<sup>7</sup> These are by Buchanan (1992) compared and referred to as ‘wicked problems’, and are proposed handled with the use of this framework.

<sup>8</sup> Raney and Jacoby (2010) further argue that prototypes do not always have to be something physical, it can also be a virtual or animated representation (ref. the many IT companies who have projects living in beta).

of logic, is described as the creative act of generating new ideas, as opposed to deduction and induction which merely describes an already existing reality (Hansen 2007). In terms of problem solving in general, Hansen (2008) refers to the two forms of abduction as weak and creative, where weak abduction is defined as the daily act of using existing knowledge to hypothesise about things we do not understand, or as a reorganisation and expansion of existing knowledge. Creative abduction, on the other hand, involves making a leap of creativity forced by insufficient knowledge where an entirely new concept is created out of nothing through abductive reasoning (ibid.), and it is this creative form of abduction designers employ when engaged in complex problems solving (Dorst 2011). As abduction merely suggests that something *may* be, theories generated by abductive reasoning are tested through the use of deductive and inductive logic, applying the initial ideas to the context to see if they hold any value (Hansen 2007). The results then indicate possible improvements which are implemented and tested anew in a continued process of verification, until the solution is saturated and no more improvements can be made. Through this process, designers arrive at a solution that cannot be proved to be right until it is implemented, but is nonetheless based on sound logical verification (ibid.; Dorst 2011; Martin 2009).

Although Romme (2003) describes this process in different academic terms, he proposes the same overall idea of combining pragmatic methods of idea generation with the scientific logic of validation when drawing up a framework for how to introduce a design mode in organisation studies. In practical terms then, his arguments indicate that the use of these methods in organisation design would induce pragmatic thinking in terms of problem solving and a practice of creation into the discipline. To continue the discussion on how these methods are suggested to be of use in a business setting, the following section turns to the heated discussion of ‘design thinking’, and how critics of this concept proclaim its death.

#### **2.4.2. ‘DESIGN THINKING’**

Through the use of the methods outlined above, ‘design thinking’ has been presented as the answer to how managers can make their organisations more creative, innovative, and flexible, thereby achieving competitive advantage (Dziersk 2006; Martin 2009; Merholz 2009). However, the last few years have seen a lot of controversy regarding ‘design thinking’, both from business writers who claim it has been revealed as a tool that no one knows how to implement or use correctly (Merholz 2009; Nussbaum 2011; Walters 2011), and design researchers who, vocally pronouncing its death, state that it has just been a useful wrapping

for explaining to the world that design can add value to almost any problem (Dorst 2011; Norman 2010a). It has been argued that the confusion associated with the definition and application of the concept is to blame (Dorst 2011), as a number of ideas and theories on how it should be used, and by whom, is in existence. A closer look at two of the most acclaimed proponents of ‘design thinking’, Tim Brown and Roger Martin, therefore follows, before rounding off the discussion with thoughts on why it has failed as a business strategy.

Viewing ‘design thinking’ as an interdisciplinary design method performed by design thinkers, Brown (2008, p. 2) defines the concept as “a discipline that uses the designer’s sensibility and methods to match people’s needs with what is technologically feasible and what a viable business strategy can convert into customer value and market opportunity”. The idea behind this take on design thinking is that an interdisciplinary team (including designers) using the design process and methods outlined above, should be able to obtain better results than one designer alone when solving complex or ‘greater’ problems<sup>9</sup> (Brown and Katz 2010). Focusing on tailoring the design to meet the consumer’s needs and wants through interacting with customers, Brown (2008) further describes it as human-centred exploration and as a way of achieving innovation. Critics, however, contend that this is “what creative people in all disciplines have always done” (Norman 2010a), and that the innovation it enables does not produce truly ground breaking products or solutions (Verganti 2009).

While Brown and Katz (2010) only propose that design should be closer to executives and the decision-making process, Martin (2009) argues that executives who want to foster innovation and assume the leading position in the industry need to start thinking *like* designers. This is to be achieved by understanding that a designer’s way of thinking is rooted in how knowledge progresses from one stage to another, and embracing the logic of ‘what might be’ through adopting the use of abductive reasoning as described above, which he sees as the most crucial tool designers have for problem solving (Martin 2005b). He does not, however, distinguish between the two forms of abduction, neglecting to clearly state how designers use this differently from other people, thereby indicating that he does not fully succeed in explaining how this is best utilised as a business strategy. Further critics of Martin’s theories claim that he selects only the aspects which suit his purpose and overlooks many elements of how

---

<sup>9</sup> Areas not previously considered design territory, e.g. changing organisational cultures or social problems like crime and childhood obesity (Brown and Katz 2010).

designers think and act, such as empathising with customers, the use of emotion, and the great degree of subjectivity involved (de Baillon 2011a; Laundry 2009)<sup>10</sup>.

Stating that “‘design thinking’ is highly interpretive and subjective, and that most of its outcomes are dependent on the designer’s capabilities”, de Baillon (2011a) suggests the reason for its failure to be closely related to how the business world has removed the subjectivity from the concept in its pursuit of turning it into a process. Subjectivity is thus described as the paradox of ‘design thinking’: too much and you end up with guru designers running the show, too little and the whole concept becomes a dry business process (ibid.). These thoughts are echoed by Nussbaum (2011) who argues how companies captivated by the process of ‘design thinking’ have turned it into “a linear, gated, by-the-book methodology that delivered, at best, incremental change and innovation”. ‘Design thinking’ as a business strategy can thus be said to consist of managers attempting to adopt intuitive ideas of creativity and innovation by trying to press them into the same linear and rule-based thinking that they are proposing to change in the first place. It is therefore not the purpose of this thesis to argue for, or develop a new direction of design thinking, but rather to examine how elements of the design discipline and the practical demonstrations of professional designers can contribute to evolve and guide the organisation design discipline in new directions in terms of new thinking and practical suggestions.

## **2.4. THEORETICAL POSSIBILITIES**

Looking back at the contemporary challenges the field of organisation design is faced with, the principles and methods offered by the professional design discipline suggest several theoretical possibilities for how the organisation design discipline can evolve. Especially the ideas of introducing pragmatic assumptions of creation, and methods for complex problem solving seem to be of interest. However, in order to explore how design can contribute to the organisation design discourse in practise, more information on how designers might work with organisation design challenges is needed. To this end, a number of interviews with designers and executives have been conducted, presenting them with a case on organisational change to see how and in what ways their approaches might differ.

---

<sup>10</sup> Peter Laundry is a professional designer and adjunct lecturer at Institute of Design in Chicago; here referenced from his reply in the comment field to an excerpt from “What is Design Thinking Anyway?” by Roger Martin.

### **3. RESEARCH DESIGN**

This section will describe the perceptions and assumptions behind the research, as well as what methods and models were used, in order to clarify to the reader which research principles it is based on and how the data was collected and interpreted. First, there will be a methodological description of the study, followed by a review of philosophical reflections which defines what premises the study is based on. Then, the sampling methods used for finding and selecting informants are discussed and an overview of the participants is presented. Finally, the methods used in the data collection and analysis will be described, as well as the setup of the analysis.

#### **3.1. EXPLORING THE WORLDS OF DESIGN**

By aiming to explore in practice-based ways what the field of professional design can contribute to the organisation design discipline in practice, it is an exploratory empirical study, seeking to gain new insights and assess the phenomena of organisation design in a new light. To this end, the research has been flexible and adaptable to change, letting the results of new data alter its direction and purpose. Furthermore, it can be categorised as an inductive study, seeking to develop concepts and understandings from patterns in the data rather than collecting a set of data to verify existing theories (Saunders et al. 2007; Taylor and Bogdan 1998).

Interviewing experts has long been recognised as one of the best and simplest methods for gathering data on exceptional performance (Ericsson 2006). Using qualitative case-based research methods in the form of semi-structured interviews, practitioners from the fields of professional design and organisation design have been interviewed in order to approach the topic from a practical level. Verbal protocol analysis and semi-structured interviews in the form of open questions were used in order to maintain a flexible setup, allowing the participants to freely offer opinions and information within loosely set frames (Saunders et al. 2007). Closed questions using a more rigid interview structure were deemed too controlling for this sort of flexible research design.

In accordance with qualitative research as described by Taylor and Bogdan (1998), the study furthermore aims at understanding the informants in light of their own frames of references. The use of multiple cases in the form of interviews provides the study with breadth, as the

findings can be used to form more generalised assumptions than would have been possible using only a single case (Yin 2003).

### **3.2. A SOCIALLY CONSTRUCTED WORLD**

Following the purpose of the research of merging two different disciplines, the principles behind the research philosophy is guided by the pragmatic perception of the possibility of working with combined philosophies (Saunders et al. 2007). Both professional design and organisation design are intangible and abstract concepts which are created through the actions and perceptions of social actors, and which would therefore not exist without human beings constantly renewing them (ibid.). Therefore, in the same way that it is suggested that pragmatism is to be introduced into organisation studies to facilitate for creation, so is this study following pragmatic assumptions in order to allow for the creation of new knowledge through interaction between humans and experience (Hansen 2007).

The epistemological direction of interpretivism urges the necessity of understanding the differences between humans in their roles as social actors, furthermore underlining the difference of studying people as opposed to objects (Saunders et al. 2007.) Interpretivism assumes that we as actors interpret our social roles based on the meaning that we assign these roles, and that we interpret the roles of others based on our own sets of meanings (ibid.). Thus, the way one person views and experiences another can differ widely from how that person sees himself, as well as his beliefs and actions.

Interpretivism is developed from the intellectual traditions of phenomenology and symbolic interactionism which are closely interlinked (ibid.). Taylor and Bogdan (1998) argue that the phenomenologist is dedicated to understanding social phenomena from the actors own viewpoint and explore how the world is perceived and experienced. This corresponds with their view that qualitative methodologists are charged with capturing how people construct their own realities, and that they should study people in their natural context (ibid.).

Blumer (1969, cited in Taylor and Bogdan 1998) claims that symbolic interactionism rests on three basic principles: 1) how people act towards things and people is determined by the meanings they have for them, 2) that meanings are social products that arise during interaction – not inherent in objects, and 3) that social actors assign meaning to things and people through a process of interpretation.

Thus, a subjective and reflexive research design and the pragmatic view that reality always is in the making (Delanty and Strydom 2003; Hansen 2007) create the basis for how the findings in this study are interpreted.

### **3.3. AN EVOLVING RESEARCH DESIGN**

The use of a flexible research design has allowed the findings and results to freely guide the study in new directions. Using a case study strategy to do “research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence” (Robson 2002, p. 178), the cases were selected from different areas of design practices to provide the study with a broad foundation. The initial purpose of the study was to examine whether designers might come up with “better” solutions than executives when solving an organisation design case, through a series of interviews. However, the interview responses revealed that the solutions offered by the participants were not comparable in terms of which one was the “best” one, as was initially assumed. Consequently, the methods used for the analysis were changed, and the findings ended up creating the basis for a comparison between a designer approach and an executive approach towards organisation design work, based on the participants in the study. A full review of the methods used in the case sampling, data collection, and analysis is given below, including also an overview and visual presentation of the participants in the study.

#### **3.3.1. SAMPLING METHODS**

The methods used for selecting the interviewees have been characterised by contacts and availability. The initial idea was to have approximately two to three designers from each of the following categories: graphic, product, industry, service, fashion and architecture. However, the types of designers who agreed to participate turned out to be from slightly different disciplines: graphic, product, strategic, interaction, scenographer, and architecture. These are not evenly distributed, but were determined by availability and the willingness to participate. Roughly twice this number was contacted, of which half declined or gave no response. The research could therefore be biased in terms of only having the thoughts and opinions of people who wish to contribute to such a study. The designers were contacted with

the help of prominent figures in the Danish design community, from organisations such as Danish Designers, Danish Design Association, and CIID<sup>11</sup>.

Regarding the executives, the first notion was to interview only two-three top executives to hold up as benchmarks for the designer interviews. However, as more interviews were conducted and the study evolved, it became evident that more were needed to have a stronger research base. The participants were selected on the basis of experience and variety in terms of backgrounds and industries, ending up with four CEOs and one head of HR from such varied industries as IT, furniture, engineering, and entertainment (theme park). The executive who is also an architect was sought out due to her unique combination of education and work experience. All the executives who were contacted agreed to participate.

### **3.3.2. INFORMANTS OVERVIEW**

The interviewees consisted of 10 professional designers and 5 executives practising organisation design in their daily work. One of the executives also has training and work experience as a designer.

Most of the designers have many different roles and do a lot of different work, and are thus not easy to categorise in a static table. This has been solved by presenting all the interviewees<sup>12</sup> in a more loosely connected outline as illustrated below<sup>13</sup>. The sketch is inspired by one of the designers who declared that she ‘doesn’t think square’ and does not like having things drawn up in squares<sup>14</sup>.

---

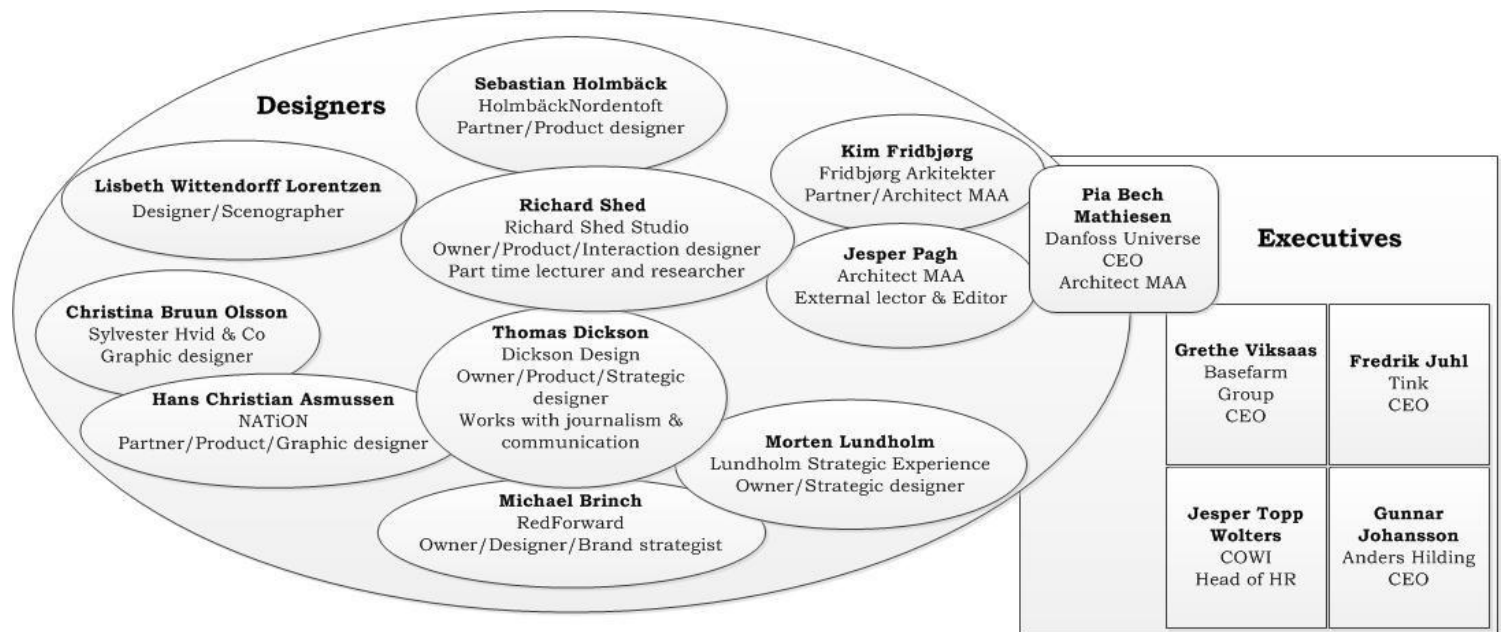
<sup>11</sup> Copenhagen Institute of Interaction Design

<sup>12</sup> A participant who wished to remain anonymous is represented with pseudonyms, both for himself and the company he works for.

<sup>13</sup> For a fuller description of each participant, see Appendix 4

<sup>14</sup> Lisbeth Wittendorff Lorentzen, Appendix 14





### 3.3.3. THE INTERVIEWS

For the empirical data collection, 15 interviews were conducted. In the interviews, the participants were asked to solve a Harvard Business case outlining a challenge within the area of organisational change<sup>15</sup>. The case was chosen due to its relevance in terms of questions and challenges, as well as its shortness in length (only three pages of text), and business focus. The case served both as a tool for comparison between mind-sets, approaches, and solutions, as well as a conversation piece on organisation design, as some of the participants had little knowledge of this topic. In addition, the participants were asked about their daily work activities, methods, and views on design, organisation design, and management, depending on their occupation.

Initially, the interviews were intended to follow the method of verbal protocol analysis, where the interviewee is asked to think aloud while working on a task (Ericsson 2006), here represented by the case the participants were set to solve. Consequently, the participants were presented with the case at the interview and not beforehand, so their first impressions and thoughts could be observed (except one interview where the informant expressed a wish to be able to prepare in advance). A critique of verbal protocol analysis suggests that participants

<sup>15</sup> The case used for this purpose presented the problems and challenges facing the then newly appointed vice president for Disney's Consumer Products division in Europe in terms of radical organisational change (from 1987). See Appendix 1

arguably will alter their sequence and content of thought when presented with the additional effort of verbalising their thoughts, consequently producing faulty results (Smagorinsky 1998). Here, however, the problems encountered with using the method seemed to be caused by the fact that the designers were too unfamiliar with the content and framework of a Harvard Business case to be able to effortlessly work on the case, hence making it rather difficult for them to describe their thought processes. It became rapidly apparent that more guidance in the form of questions and explanations was needed to make the interviews more efficient in terms of time and results. The approach used in the designer interviews was therefore changed to better resemble the method of semi-structured interviews, having a conversation with a list of questions and themes to be covered (Saunders et al. 2007). The executives had no such troubles and these interviews were therefore conducted using verbal protocol analysis while discussing the case. The remaining part of the interview, discussing daily work activities, methods, and personal views were in all cases organised as semi-structured interviews.

It was also quickly recognised that the case itself needed to be altered in order to make it more accessible to the designers. The first attempt consisted of dividing up the case into small slivers of information which were handed to the interviewee upon request<sup>16</sup>, pursuing the belief that it would be interesting to see what kind of information the designers would be looking for. However, this only slightly changed the presentation of the case, not the information itself which was perceived by the designers as too limited and somewhat incomprehensible, due to being written in a business discourse. Thus, to make the information in the case more ‘designer-friendly’, the case was therefore totally rewritten, and structured as a set of correspondence between the actors in the case<sup>17</sup>. The information existing between the lines was clearly spelled out, and more graphics and a different layout made the case more accessible to visually oriented people. The designers responded much better to this setup, showing greater ease when navigating through the proffered information. This version of the case was consequently used for the remaining designer interviews.

All the interviews were tape recorded in order to have full audio documentation for later references. These were then fully transcribed, although for some of the less important parts in

---

<sup>16</sup> Appendix 2

<sup>17</sup> Appendix 3

some interviews this has been done in key word sentences<sup>18</sup>. The designer interviews were also video recorded to capture the visual responses and methods of practical thinking (e.g. facial expressions, sketching, arranging of papers, pointing, etc.). Field notes were taken at some interviews; in some cases the interviewees were talking so fast it was deemed more important to focus on the interview than taking meticulous notes.

Most of the interviews were conducted at the offices or work spaces of the participants, save three. One was held in a café, the other at CBS's<sup>19</sup> facilities, and the third was held online via Skype<sup>20</sup>. Furthermore, all the interviews were conducted in English, save three. Two were held in Norwegian and one was held in Danish, due to request. Each interview lasted from one hour to an hour and 30 minutes. In general, the designer interviews lasted longer than the interviews with the executives. The interviews were held over a time frame of roughly three months, from the start of May till the start of August 2011. However, the main bulk of the interviews were conducted during the first two months<sup>21</sup>.

### **3.3.4. THE ANALYSIS**

The analysis process started directly after the first interview was conducted and continued in parallel with the data collection and throughout the study, contributing to guiding and altering the research accordingly (Taylor and Bogdan 1998). All along, memos were used to keep track of thoughts and patterns gleaned from the responses through coding, as well as casual relationships in the findings which were worked out using comparison tables and boxes and arrows diagrams (Miles and Huberman 1994; Taylor and Bogdan 1998; Yin 2003). Together with field notes and transcripts, this was all organised into a data base on which the written report is based, all along maintaining a chain of evidence (Yin 2003). In keeping with qualitative researchers' minimal commitment to theory and a priori assumptions, relevant literature and theoretical frameworks were not consulted until the very end of the data collection phase (Taylor and Bogdan 1998). The concepts and frameworks which have some relevance to the research have been tailored to fit the data, rather than the other way around, as several scholars recommend (Miles and Huberman 1994; Taylor and Bogdan 1998; Yin 2003).

---

<sup>18</sup> An extraction of each interview containing the most interesting and important sayings with regards to this research is to be found in the appendices: Appendix 5 – 19

<sup>19</sup> Copenhagen Business School

<sup>20</sup> Online video conference program

<sup>21</sup> The last interview was delayed due to reduced access during the summer holidays.

As mentioned above, it became evident as the study evolved that the a priori assumptions concerning the participants' solutions to the case did not hold. The findings revealed that designers have very different work methods and approaches to problem solving than do managers, having also different requirements to time and resources when working with assignments. As a result, the designers did not solve the case as such, rendering the findings incomparable in terms of which was the "best" solution in terms of recommendations and suggestions. Seeing as the solutions no longer could be used in the intended way, the findings have instead created a basis for an analysis of how the designers and the executives in the study might approach working with an organisation design challenge. The raw data has thus been used to examine how the designers and executives approached the case, e.g. how they perceived the problem that was presented to them, their reactions and questions, which issues they focused on, how they normally would approach such problems, etc., as well as their underlying assumptions, values and goals, in order to gain an insight into the philosophical foundation these reactions and perceptions are based on. In addition to providing the designer approach with a clear benchmark, the outline of the executive approach has also been used to exemplify how current executive practices might differ from the contemporary literature, seeing as the replies of the executives deviated somewhat from the assumed 'classical' management approach.

To enable easier comparison, the executive approach has been arranged to parallel the structure of the designer approach, following the same setup and headlines. However, the content of the two approaches does not correspond in an accurate manner, which in some areas has resulted in sections in the executive approach that might seem short and artificially divided until compared with the designer approach. To facilitate a clearer overview and easier comparison (Miles and Huberman 1994), a comparison table of the main differences between the two approaches has been used to introduce the section. The executive approach has further been used to some extent to compare with, and comment upon, aspects of the designer approach, preparing the reader for the final comparison of the two approaches discussed at the end of the analysis section.

In terms of differences between the participants' statements and perceptions, throughout the analysis the general views are presented first, followed by a description of how some of the interviewees might differ in their opinions if such is the case, which is then commented upon and analysed. Thus, when specific topics, reactions, and sentiments are discussed, it is indicated whether the statements are made by all, some, or just one or two of the interviewees.

It is not the intention of this study to generalise these findings to apply to all designers and executives, but rather to develop an example of how the two contrasting approaches provided by the study might indicate some of the existing differences between how these two groups of people would approach and work with organisation design, thereby pointing out some possibilities to how professional design can contribute in terms of inspiration for new directions in organisation design.

## **4. APPROACHES TO ORGANISATION DESIGN**

The findings from the interviews are presented in the form of two opposing approaches of how to deal with organisation design work. The descriptions of the approaches both start with analysing the underlying assumptions, values, and goals of the organisation design pertaining to the participants, which are separated from the design process to allow for easier comparison. Furthermore, the process described by the designers is not linear, and therefore has no steps to follow or structure after. Once again for the purpose of easier comparison and analysis, this process has been divided into three phases a project always goes through: initial reactions and preparations of the participants, problem solving, and the final presentation of the solution and the following implementation. The executive approach correspondingly follows the same structure, but differs somewhat in content, as the participants in the two groups differed in what aspects and topics they discussed concerning organisation design and design.

To indicate and prepare the reader for what sort of differences will be encountered, a table of comparison is presented below, outlining the main issues which will be further elaborated upon and analysed in the three following chapters. Figuring as a benchmark and an example of how contemporary executives' practices might differ from the organisation design discourse, the section starts out with describing and analysing the approach of the executive participants in the research. Next, a corresponding approach describing and analysing the designer participants' views and process is presented, which is somewhat more elaborate than the executive approach due to the more encompassing and detailed responses provided by the designers. Finally, the two approaches will be held up and compared against each other, presenting a number of differences which creates the basis for the subsequent discussion.

TABLE OF COMPARISON

CATEGORIES	EXECUTIVES	DESIGNERS
<b>UNDERLYING ASSUMPTIONS</b>	<b>SCIENTIFIC AND HUMANISTIC</b>	<b>PRAGMATIC AND HUMANISTIC</b>
LEVEL OF CUSTOMISATION	GENERALISED VIEW/CONTROL	UNIQUENESS OF EVERY SITUATION/ CASE
VIEW ON PRE-SET RULES	RELY ON WHAT'S USUALLY DONE	DO 'WHAT WORKS'
VIEW OF ORGANISATION DESIGN	SEPARATED	HOLISTIC
HUMAN-BASED APPROACH	FIND THE RIGHT PEOPLE/DEVELOP TALENT	HUMANS AS THE BASIS FOR BUSINESS
CONSTRAINTS	--- ■ ---	POSITIVE VIEW
<b>GOALS OF THE DESIGN</b>		
THE SOLUTION	MOST EFFICIENT	BEST POSSIBLE
FOCUS	FITS THE STRATEGY – COMPETITIVE	SUSTAINABLE
INVESTMENTS	RESULTS/INVESTMENTS IN EMPLOYEES	INVEST IN THE FUTURE
	--- ■ ---	FOSTER CREATIVITY – PROMOTE INNOVATION
<b>THE PROCESS</b>		
ACCEPTING THE CHALLENGE	UNCRITICAL	CRITICAL
PROBLEM SOLVING	DECIDE ON A STRATEGY – FORMULATE A VISION	START WITH IDEAS, THE PROCESS LEADS TO THE RIGHT SOLUTION
RESEARCH	ANALYSING RESOURCES AND RESULTS	IN-DEPTH – COMPANY'S PERSONALITY, EMPLOYEES
PROCESS	LINEAR (ASSUMED)	ITERATIVE
FRAMEWORKS	USE TAILORING A STANDARDISED SOLUTION TO A GENERAL SITUATION MODELS	CREATING NOVEL SOLUTIONS CUSTOMISED TO THE PROBLEM
LOGICAL THINKING	RATIONAL AND INTUITIVE THINKING	ABDUCTIVE REASONING
VISUAL TOOLS	--- ■ ---	PROTOTYPING
COLLABORATIVE EFFORTS	WITH EMPLOYEES	WITH EMPLOYEES AND PEERS
PRESENTATION	--- ■ ---	VISUALISATION/STORYTELLING
IMPLEMENTATION	WITH EMPLOYEES	WITH EMPLOYEES + PERSONAL INTEREST IN THE IMPLEMENTATION

#### 4.1. EXECUTIVE APPROACH

Reflecting back on the organisation design literature discussed above, the executives in the study demonstrated a perception and approach towards business and daily organisational life that was easily recognisable as largely based on the classical management assumptions based on predictability and control. However, in terms of organisation design in particular, the executives, some to a greater degree than others, displayed a relatively different behaviour than what was anticipated according to the literature. In addition, there was a greater variation between the responses from the executives than what was experienced with the designers, and consequently there has been placed more emphasis on differing between statements in the analysis of the executive approach.

Pia, who is a designer in addition to being a senior executive, was naturally the one who deviated most from classical management assumptions and practices. In addition, Jesper TW (head of HR) and Gunnar (senior executive) also showed signs of behaviour in some areas that is somewhat removed from what the classical literature describes as normal executive behaviour (Isenberg 1984). Grethe and Fredrik (both senior executives) also demonstrated some unexpected behaviour in their responses, although on a lesser scale than the others<sup>22</sup>. Speculations on what might have caused these differences are discussed in the analysis below.

Starting out with a review of the executives' underlying psychological assumptions, as well as their stated values and goals, the section then moves on to analyse how they would proceed when handling an organisation design challenge, both in terms of the case and their everyday work, finally rounding off with some comments on this process.

#### **4.1.1. UNDERLYING ASSUMPTIONS, VALUES, AND GOALS**

The executives' stated and demonstrated perceptions and goals were noticeably different depending on whether general business aspects or the more specific topic of organisation design were discussed. A distinction between how these vary has therefore been made, in addition to the distinction made between the differences of the executives' individual perceptions. Starting out with discussing the executives' underlying assumptions, the section then moves on to describe the focus and goals they have for organisation design.

##### **4.1.1.1. UNDERLYING ASSUMPTIONS**

On an overall level, all of the executives showed signs of adhering to the classical management assumptions outlined in the background section. This was especially true when discussing business aspects not relating to organisation design such as sales, marketing, strategic management, etc., where they all seemed to expect a measure of control and predictability; decisions and plans were assumed to produce predictable outcomes, which in turn indicates assumptions of there being a certain amount of control in their organisations. In terms of organisation design in particular, the executives displayed aspects of pragmatic perceptions in their everyday work in the form of being inclined to tailor solutions to the specific situation by focusing on what seemed to 'work' and finding the right people for the job. Especially Jesper TW<sup>23</sup> emphasised this approach, addressing the need to be flexible and

---

<sup>22</sup> For further information on the participants, see the individual descriptions in Appendix 4.

<sup>23</sup> Appendix 19



create organisation designs for the future in order to keep up in a turbulent environment, and not basing these creations on past experiences:

“When you work in a company like this, usually a lot of the structures that you can buy off the shelf don’t work, because it’s extremely varied what we do, and the challenges to do it are very difficult.”

That being said, all the executives readily assumed a generalised view of the problem situation in the case and found it easy to generate a standardised solution which fitted this type of challenge, making a few alterations to make it fit more closely with the characteristics of the assignment. It was further expressed by most of the executives that this was what “would normally be done”, or what “they usually did”, in a situation like this, with some also referring to what would be the “right” thing to do.

Keeping with the classical management perceptions, two of the executives spoke of an organisation’s design as if it was a structure or an issue separate from other aspects of the organisation, thereby illustrating Stacey’s (2007) theories describe above. The other three, who, as mentioned above, consequently assumed a more pragmatic view regarding certain issues, seemed to adopt a more holistic and encompassing view: both when discussing the case and their daily activities, organisation design was by these three perceived as being a fundamental aspect of the company, and as integrated and inseparable from the organisation and its individuals. Jesper TW<sup>24</sup> underlined this by stating that if the organisation design is not integrated into every part of the company, then it is just a structure which shows who is reporting to whom. Connected to this integrated view was a focus shared by all the executives on finding and selecting the right people for the job, and then further develop and grow the talents and skills of these employees through empowerment and freedom of execution. This was deliberated upon by Gunnar<sup>25</sup>:

“I’ve always said that it’s teams that work and for that I need competent people. So for me the starting point is to find the right people for each role – do I have the right people, do I need to get them, whom do I have to remove, who are with me, who are my supporters, who can join in, and who are mainly just destructive to the company and the change process, the future. Then you treat these people differently, remove the

---

<sup>24</sup> Ibid.

<sup>25</sup> Appendix 17

obstacles and see if you can develop the people who are not stars, and invest in the people that are the future.”

Despite how this was proclaimed by some of the executives to be human-based approach, it is more correctly described as an assumption of people as resources, and how these resources can be developed and utilised. Only Pia assumed aspects of the truly human-based approach employed by the designers in the study, which will be elaborated upon further in the review of the designers’ assumptions.

#### **4.1.1.2. THEIR GOALS WITH THE ORGANISATION DESIGN**

The executives all described an ideal organisation design as a structure that would align with, facilitate, and guide an organisation’s strategy, which was a goal they all aimed at achieving both when solving the case and in their everyday work. Thus, a company’s organisation design was perceived by the executives to be a tool for promoting its strategy and vision and to organise and use all its resources in the most efficient way, e.g. by enabling synergies through closer collaboration between different departments. In this sense, it seemed like the executives deemed the best solution to an organisational change to be the one which in the most efficient way ensured the new strategy to be carried out and generate the most income or best results. As a result of these goals, the executives stated that they assumed long-term perspectives when dealing with the type of fundamental organisational change as was described in the case.

Most of the executives emphasised the importance of clear and communicative leadership when dealing with organisation design, exemplifying this by elaborating on how the new vice president in the case should manage and drive the business by stating a clear vision and empower the country managers to execute the strategy he had set, in their own fashion. The leader of an organisation was thus viewed as having a critical role on which the organisation depended on for the successful running of the business, here illustrated by Fredrik<sup>26</sup>:

“[...] he should be the guy who drives the change [...], and also the guy who sets the scene of what needs to be achieved and hold the regions accountable for achieving and take the right consequences for people who do not deliver on a senior level.”

---

<sup>26</sup> Appendix 16

The executives were all also particular about the need to pay attention to cultural differences between markets and be careful with employing a ‘one-size-fits-all’ approach when devising a new structure for an international division.

Jesper TW, who through the entire interview showed a very innovative approach towards organisation design, was the only one who talked about the need for highly dynamic organisations to make designs for tomorrow’s market, developed by generating new ideas of what the future might be like. His argument was that it was impossible for these companies to stay ahead and remain flexible by relying on past results to make decisions as is usually done, and that his company (COWI) would not be able to stay as competitive if they had employed this ‘outdated’ approach. Thus, it seems like this company is a good example of how this type of organisation design work is feasible in practice, which is probably also one of the main reasons why Jesper TW displayed a remarkably different take on organisation design than the other executives.

#### ***4.1.2. THE ORGANISATION DESIGN PROCESS***

The executive’s organisation design process is thus both influenced by their classical management assumptions of standardisations and predictability and a strong focus on human assets, mixed with evolving pragmatic assumptions of customisation and complexity. This has resulted in a linear process of analysis, decision making, and collaborative development of the final solution. Even though the final stages of the process also were described as linear, the executives discussed these final stages in terms which indicated that they would allow for iterations allowing for the process itself to guide its direction to a certain extent. Thus, the process was only thought of and described in linear terms, which could be the result of influences from the management discourse and its tendency to describe processes as linear (Stacey 2007), clearly exemplified in the organisation design literature where some scholars prescribe linear step-by-step processes (e.g. Burton et al. 2011). In line with this linear approach, the process is divided into three categories which correspond to the designer approach described below: the executives initial reactions and preparations, how they deal with problem solving or decision making, and finally the presentation and implementation of the solution. In addition, the section rounds off with a note on the process itself and the dissimilarities exhibited by the executives.

#### **4.1.2.1. INITIAL REACTION AND PREPARATIONS**

All of the executives accepted the case information and challenge straight on, quickly immersing themselves in the problem situation. They could all easily relate the case to their own work, and stated that they were solving the case in the same manner as they normally would deal with similar challenges in their own organisations. The rationale behind, and the decision upon which the assignment was based was not questioned as such, but some of the executives argued that they would start out by further exploring and clarifying the motives behind the decision in order to better define the challenge, which would make it easier to decide on the way forward. Gunnar<sup>27</sup> in particular offered the opinion that he would like a clearer formulation of the assignment:

“I would have started with making this more concrete – what is it that we really need, what is our goal with this, what is it that we need to do?”

Accepting the challenge and its information without question, the executives thus displayed what Simon (1996) describes as a ‘decision attitude’ which “carries with it a default representation of the problem being faced” (Boland and Collopy 2004, p. 12). One of the reasons for this could be that they all seemed to accept the decisions behind the challenge as sound, another that they as senior executives perceive decisions as something which must be made when the information provided does not immediately reveal a given conclusion. A third possibility is that they are so familiar with these types of challenges that they had no problem with thinking up a swift reply.

#### **4.1.2.2. PROBLEM SOLVING**

The first step in the design process as described by the executives would be to develop and decide upon a strategy, which then would be translated into a vision that could be presented to the rest of the organisation. It was stated by most that this was something they had to do alone, or in collaboration with a few others, and was necessary to determine in which direction to go. When working with the case the executives used the information provided to analyse the results of the different divisions and the current structure and reporting to develop a general understanding on which they would base their recommendations for what a possible solution could look like. It was argued that in real life this normally would take some weeks to accomplish (depending on the size of the issue), but that the decision would be based on the

---

<sup>27</sup> Appendix 17

same sort of information and analysis (with the exception of Jesper TW who, as stated above, also would synthesise and interpret current data to generate ideas of how future environments might look and then create a strategy to fit with this picture).

To a large degree this seemed to be an analytical process of evaluating results and rationally deciding upon the best course of action, yet it was evident that all the executives also relied heavily upon an intuitive sense for the best course of action which appeared to be the result of experience after many years in a senior position. Based on the analysis and information the executives explained they would next formulate a strategy, and a general framework for what the solution would look like would be decided upon. Using the case information to demonstrate, most of the executives readily generated a range of different alternatives to how the case could be solved, stating that they would need more information to know which one would fit the case company best. In this sense their behaviour was also coherent with how Boland and Collopy (2004) define managerial problem solving as decision making, arguing that managers deem it easy to come up with many different scenarios to choose from, and then seeing the challenge as choosing the right alternative.

#### **4.1.2.3. PRESENTATION AND IMPLEMENTATION**

As the next move, all of the executives claimed it to be extremely important to develop a crisp vision based on the strategy which then should be clearly communicated to the managerial team. This was to ensure that everyone in the team was on board and understood the strategy and the way forward, which the executives claimed was essential to having a successful process. In accordance with the focus on finding and developing the right people, the executives all discussed at some length how they would spend time on making sure that the managers in the team would be able to execute the strategy according to the vision they had set, underlining the benefits of having excellent employees on which they could rely and trust as superior to that of a structure based on strict control and set processes. In this regard, it was stated by all that any persons who did not comply or adhere to the set vision would be removed from the team. The executives then described the act of sitting down with the team and further develop an organisation design based on the strategy and the pre-selected framework as the start of the design process. It was argued by most that a new structure and setup developed in collaboration with the managers who were to finally implement the changes would cause them to assume ownership of the solution and greatly reduce the risk of there being any problems with the employees accepting and embracing these changes.

#### **4.1.2.4. COMMENTS ON THE PROCESS**

Reflecting on the outline above, it seems like the executives generally view the design process itself as a further development and implementation of the strategy that was decided upon and formulated based on initial research of the current situation of the organisation by the executive alone as the first act of preparation. In terms of the problem solving methods outlined in the background section, the executives are then arguably treating organisation design challenges as ‘closed’ problems where it is assumed that they know both the value that is to be created (a more optimised organisation) and its working principle (a new organisation design). Thus, it is no problem to use rational thinking and conventional problem solving methods to further develop and design the final solution. The strategy is arguably developed in the same way, although here the executives seemed to rely upon intuitive thinking as well as rational analysis.

On an overall level, this explanation matches the descriptions of all the executives. However, both Gunnar and Pia showed signs of engaging in a more designer-like approach. Gunnar<sup>28</sup>, when talking about his daily work, described how the strategy formulation for him was a collaborative effort:

“I’m still in the phase we’re I’m trying to learn about the people – I’ve started to initiate strategy processes, and I’ve started to involve people that never before have been involved in participating to build up a strategy, participating to share and find the goals – where do we want to go, where are the problems?”

This process of collaboratively seeking out the fundamental problems and formulating the strategy furthermore seemed to a greater degree to merge with the organisation design process, compared to the other executives’ descriptions. Like the other executives, Pia would in contrast develop the vision on her own or with a few others, but then employ classical design methods to develop the solution using human-based research and employee involvement. The implications of these differences and how they correspond to the designer approach will be further discussed when comparing the two approaches after the next section, which will describe the designer approach using the same framework as the executive approach.

---

<sup>28</sup> Ibid.

When approached on the topic of this research, all the executives except Pia were sceptical towards having designers working with organisation design in an organisational setting. They were also unsure of what design in itself could contribute with, further indicating that Pia<sup>29</sup> was right in her statements on the lack of collaboration between designers and business people:

“I’ve been in the business for 30 years and when I started out I was amazed at how bad designers and business people worked together. And sad to say, 30 years later, I still think we have a big challenge in using each other’s competencies. And I just think there’s a big potential. Everybody, business people and designers, know the importance of working together, but with the education we have I think we don’t spend enough time in learning how to work together in the right way, and how to respect each other’s competencies.”

## **4.2. THE DESIGNER APPROACH**

None of the designers in the study had ever worked with organisation design before and were therefore totally unfamiliar with the concepts and terms. As mentioned above, they failed to solve the case, mainly due to their methods and time and resource requirements, which will be elaborated upon below. However, even though the designers did not solve the case as such, their reactions and approaches towards this type of problem solving give a good indication of how the designers would approach an organisation design challenge. Most of the designers reframed the problem, referring to it in terms of how they normally deal with design challenges, and used their usual design process and methods to describe how they would have gone about solving the case. The following analysis of how the designers presumably would work with organisation design is therefore based on the designers’ reactions to the case, their descriptions of their assumptions and everyday work, and their own accounts of how they believed they would have solved the case in a real-life setting.

It was argued by the designers in the study that not all types of designers would be able to perform the transfer from traditional design settings to working with abstract problems like organisational issues on such a large scale. Most of the participants claimed that only designers who view design as a process, can expand beyond their own field of expertise, and who are adept at interdisciplinary work methods and collaborating with others would be able

---

<sup>29</sup> Appendix 18

to make this transition. This is then a synthesis of how the designers in the study might approach working with an organisation design challenge, which further can be used as an indication of how ‘good’ or ‘great’ designers<sup>30</sup> who are capable of transferring their skills to working with organisational issues in a business setting might approach and work with organisation design.

Structured to correspond with the executive approach described above, the following section starts out with an examination of the designers’ basic assumptions, values, and goals, followed by the proposed process the designers would go through if faced with an organisation design assignment, and some final comments upon the process. The executive approach will be used as an element of comparison throughout the analysis, thus leading up to the next section which will compare and discuss how the two approaches differ.

#### ***4.2.1. UNDERLYING ASSUMPTIONS, VALUES, AND GOALS***

The analysis of the designers’ perceptions is founded on their stated beliefs, values, and goals, as well as their behaviour during the interviews. In contrast with the executives, these views and assumptions mostly corresponded with the stated beliefs of design researchers, revealing no surprising findings. They do, however, show a remarkable difference in thinking compared to the assumptions and behaviour demonstrated by the executives, indicating considerable differences in how the designers tackled the case and organisation design in general. Keeping with the structure of the executive approach, the section first reviews the designers’ underlying assumptions before exploring their goals with design and organisation design in particular.

##### **4.2.1.1. UNDERLYING ASSUMPTIONS**

Although none of them used the academic terms to express this, it was evident from the interviews that the designers all adhered to pragmatic world views. Despite a wide array of different personal definitions of design, their statements and behaviours showed a strong indication of their overall view of design work as an act of creation and causing change to the world. In relation to this, the designers were all very particular on how designers in general are extremely good at creating and envisioning things that do not yet exist. The focus on

---

<sup>30</sup> The designers in the study would refer to how a ‘good’ or ‘great’ designer would think and act when discussing general designer skills, which is in accordance with how some design researchers distinguish between designers in their texts, i.e. Dorst (2011) who refer to ‘experienced’ designers.



creation and the ensuing pragmatic notion of uniqueness was exemplified already at the very beginning of the interviews by the way the designers would not willingly produce a tangible solution to the case off-hand, as this would entail making a generalisation based on a standardised answer to a certain situation. It was in different contexts later on explained by various designers that they always viewed every situation or case as unique, which consequently makes each design solution a novelty as well: an act of creation. Further underlining the difference with the executives on this point, some designers expressed the view that the standardisation of answers and approaches which contributes to efficiency in the business world was one important reason for a high number of failed business projects.

An extension of the focus on individuality is the “what works” attitude which was plainly visible in every aspect of the designers’ opinions and work methods. Presumably a result of their self-proclaimed human-centred design approaches<sup>31</sup>, the designers all kept referring to the need for discovering what would “work” for that specific client or organisation. In terms of the case, they stated that the solution should be based on what fitted with the company’s characteristics at that point in time, regardless of what had been done before or what was perceived to be “right” by a set of standards. The alleged business way of ‘doing what was “right”’ further clashed with how some designers claimed it was impossible to know or prove if anything was absolutely correct, only that it ‘felt’ right when they somehow knew they had arrived at the best possible solution. This was described as a usual problem when presenting clients with design solutions, as they had no other “proof” to show for it than their gut feeling.

The designers furthermore showed signs of the pragmatic perception of knowledge creation through social interaction (Romme 2003), which was effectively illustrated by Kim<sup>32</sup> with a statement on the nature of design:

“Design in itself is nothing. It’s the meaning behind design which can change things – or the process of giving meaning to things. Basically it’s a collective agreement that we have with each other.”

These assumptions were exemplified while discussing that case, with most of the designers emphasising the importance of understanding how the employees and managers in the case interacted with, and created the organisation around them. Thus assuming a truly holistic view

---

<sup>31</sup> They all described their views and work as being focused on humans, and as aiming to provide clients and customers with their needs. The specific term, however, was only mentioned by a few.

<sup>32</sup> Appendix 5

of organisation design, the designers perceived the individuals and the organisation of which they were a part of as one – neither could exist without the other, nor could they be separated. Any changes to the organisation or its employees would ultimately affect the other, which again would cause new changes for all actors involved in a constant evolution. Once again, the academic terms were not used; the designers rather spoke of the importance of seeing the whole picture of the situation, and how everything in the case organisation was inherently interrelated.

Acknowledging social interaction as a basis for their understanding of design indicates that the designers had a strong human focus, a point that also was heavily underlined by the designers themselves. This human-based approach shared by all the designers was summed up by Kim<sup>33</sup> already in the first interview:

“It’s all about humans. Maybe it’s business, but it’s still humans. Humans meeting the product, and it’s humans making the product.”

Both in the case and in real life, the humans meeting the product – the customers – and the humans making the product – the employees – were seen as equally important to the core operation of business, which was described as providing customers with what they want and need. In addition to viewing business as a human-based activity, the designers also seemed to sympathise and be more concerned with the well-being of the employees and the customers in the case, than with the short-term financial goals and opinions of the managers. This was, however, stated as being part of their exceedingly empathetic and human-centred design methods and work processes, which the designers further described as being heavily focused on collaboration and communication<sup>34</sup>. Teamwork and collaboration between designers were seen as an accelerant for creativity by most, the argument being that discussions and feedback were important for even the very best designers to refine ideas and make iterations that would enhance the quality of the solution. In addition, using multidisciplinary teams were thought by many to be a great way of combining skills to thoroughly explore, and better to deal with, more complex assignments such as organisation design. These thoughts were also demonstrated by several of the designers who, as opposed to the executives who were unaffected by having to deal with the case alone, expressed wishes of working with another designer when solving the case.

---

<sup>33</sup> Ibid.

<sup>34</sup> These will be elaborated upon below, when discussing the organisation design process.

In terms of clear communication and collaboration with the client, the designers stated that it was important to be absolutely clear from the outset of the design process on what was supposed to be designed, and how this was to be done. Moreover, the designers were all dismayed by the lack of restrictions in the case assignment, and agreed on the fact that tighter constraints and clearer assignments made their jobs easier, as well as contributing to facilitate for creativity and innovation. This was especially pointed out in relation with the design brief, which was viewed as an important tool in the design process. Hans<sup>35</sup> in particular offered an opinion about the importance of a clear brief:

“[...] in the advertising industry you could spend weeks writing up the brief, and then the planner or the project manager could go to the creative team and get a solution within hours. On the other hand, if you get a shitty brief you’re gonna work for months without ever reaching anything’s that’s good. So the heart work of the brief is fundamental to creativity, and that would apply for a corporation as well.”

Constraints in the sense of clear parameters of what the assignment includes, however, must not be confused with constrictions on work methods and freedom of creativity. This was also deliberated upon by Hans<sup>36</sup>, who claimed that creativity comes from freedom and the ability to act on a whim, unhampered by strict rules and standardised systems which can kill off creativity in any type of organisation. Similar statements were made and discussed by most of the other designers as well.

#### **4.2.1.2 THEIR GOALS WITH THE ORGANISATION DESIGN**

According to the designers, a design solution should be tailored to the specific situation at hand, accurately answering the needs and characteristics of the particular problem it aims to solve, thus making the ultimate goal of any design to be the ideal solution to a specified problem. In addition, it was stated by most of the designers that a design should be a sustainable, long-term solution to a problem, based on human needs, user-friendly, preferably beautiful to look upon, and most importantly (it seemed) something they themselves were satisfied with and proud of making. The last observation is based on how many of the designers argued that they did not like creating products and solutions they themselves did not view as ‘good’ or ‘ideal’, and that they therefore not always accepted assignments based on

---

<sup>35</sup> Appendix 12

<sup>36</sup> Ibid.

personal reasons (i.e. they did not agree with the clients views, the project did not feel right for them/they were not the right persons to solve the problem). Furthermore, and keeping with their holistic assumptions, some designers also argued that a truly good design would solve more problems than the one being addressed. Thus, they fully agreed with Boland and Collopy (2004, p. 10) who argue that “a good design solution is one that is more satisfying in more ways than any available, feasible alternative. A good design solution solves many problems, often ones that were not envisioned in its development”.

These statements and opinions were subsequently exemplified while discussing the case by how the designers all would aim at creating solutions that would ensure sustainable, long-term changes to the case company, most importantly among these a configuration that would let the organisation be geared for constant change and adaptability. Innovation was seen by all as a key to this goal, and it was argued by most that building a structure that facilitated and incorporated innovation into every aspect of the organisation on a very basic level would create an organisation which highlights innovative thinking and has a focus on constant improvement. In lines with their notions of how freedom fosters creativity, many of the designers further argued that to achieve these goals it was necessary to ensure empowerment of employees and fewer restrictions in forms of rules and set processes. The human-based focus was also exemplified here by how the designers focused on the importance of taking into account the cultural differences in the case, both within the company and in terms of customising for each country’s customers. In addition, it was suggested by most of the designers that the case company could create long-term sustainability in terms of customer loyalty through making investments in image and brand awareness. This, however, was by some designers indicated as unlikely to be accepted by the directors and managers of the organisation, as they supposedly only cared for short-term profit and being able to present good results. Similar statements regarding managers were expressed by most of the designers, indicating a general feeling of distrust and disregard for the way managers think and work.

#### **4.2.2. THE ORGANISATION DESIGN PROCESS**

The designers’ focus on individuality and excellent, human-centred, long-term solutions has resulted in a problem solving process that is quite different from the executive process described above. The first difference plainly visible in the interviews was how the time perspectives deviated between the two groups of participants. While the executives had no qualms with producing an answer straight away, all the designers claimed that it would take

much longer than the allotted time of the interview to come up with any tangible solution to this sort of problem, as the design process they used was a long-term, iterative process based on in-depth research. In addition to the scarce amount of information in the case, this was proposed as the reason for why they willingly would not produce a specified solution.

Some designers stated that they would let the process guide them to the right solutions, while others claimed they usually had a general idea of what the end-result would be, and used the process to get there. This seemed to be related to personal differences and work methods, as there were no indications of any correlation between this difference and their occupations or view on design. This notion is further backed up by Lisbeth<sup>37</sup>, who stated that “[...] if I don’t have a clear idea within the first two days [of what the solution will look like], then the task is not for me”, referring to how the designers would turn down assignments based on personal reasons. Similar to all, however, were that the entire process was thorough and time-consuming, and that they would never rush to come up with something they were not truly satisfied with.

While discussing their design processes, some designers claimed that they did not have a specific process as such and that each assignment called for different ways of working. Consequently many of the designers disliked the word “process”; they would rather explain what ‘they usually did’ when designing, indicating that their aversion to generalisations has caused them to view a “process” as something standardised and linear. “Process” was therefore used in an ambiguous manner throughout the interviews, but is here meant to describe the entire course of the design procedure, from receiving the assignment, going through an iterative problem solving phase, to implementing the solution. This is therefore also how the section is structured, discussing how the designers would approach working with organisation design and in some places making comparisons with the executive approach outlined above.

#### **4.2.2.1. INITIAL REACTION AND PREPARATIONS**

All of the designers in the study, regardless of which version of the case they received, were critical towards the assignment and its presentation, with many of the designers also discrediting the decisions on which the challenge was based. Consistent with their view of constraints, it was deemed by the designers that the brief was too “fluffy” in design terms,

---

<sup>37</sup> Appendix 14

having few constraints and very little information. This critical attitude assumed by the designers greatly contrasts with the executives' manner of accepting the information and challenge head on. As opposed to the 'decision attitude' assumed by the executives, the designers thus showed clear signs of assuming Simon's (1996) 'designer attitude', which "begins by questioning the way the problem is being represented" (Boland and Collopy 2004, p. 12).

In accordance with this theory, the designers started out by posing critical questions which were along the lines of: "there is no real brief, no actual assignment, what is it that I am supposed to do?" and "why are they doing this, what is the value of this decision?". Some then moved on to question the decision itself: "is this the right decision to make?", "what is the decision based on?", and "maybe they should do something entirely different?". It was felt by many of the designers that it was necessary to determine the real, underlying problems to ensure that the fundamental issues were being addressed. Therefore, several of the designers argued that the real effect of the design process would be lost if they not were introduced earlier in the process. According to them, they should be part of the decision-making to ensure that this actually was the right decision. If it turned out to be the wrong decision for the company, the only thing design could contribute with was a nice wrapping, or styling so to speak. This was illustrated by Morten<sup>38</sup>:

"[...] it's a shitty job for a designer to come in at this point. We got this saying in the design world: "it's kind of like wrapping something that smells really badly". Even from an organisational point of view this could be a kind of styling, making this look great, coming up with a fancy service design to make this look compelling. But it might even be the wrong decision, because this is way too late to have designers get into the process."

It is then plausible to assume that in an organisation design setting, designers would wish to be part of the decision making process from the very beginning, working closely with executives to determine the underlying issues of the problems the organisation is facing, and thereby guide the decision-making process in the right direction. In order to figure out and determine these underlying causes, it was argued by the designers that a considerable amount of in-depth research was needed, which also would be the first initial step in any design process once the challenge was accepted and clear constraints were agreed upon.

---

<sup>38</sup> Appendix 8

Moving on, the designers all agreed that the first thing they would do if working with an organisation design challenge was to embark on an extensive, explorative research of the client company and the problem-setting; examining every channel of communication, and doing in-depth interviews and research. This would be done to determine who the company was, how it worked, its visions and value – also referred to as the company's 'personality' – and to discover all the possible causes and angles of the problem. It was argued by some of the participants that designers are particularly good at doing thorough research and analysis, taking everything into consideration, seeing the whole context, interpreting the situation, and discover the principles behind decisions and structures. This initial research could then be used to generate some start-up ideas, giving the designers something tangible to work with in the ensuing problem solving phase. The idea then was to do thorough groundwork in order to let the analysis and the process point in the direction of the right solution.

Related to the idea of designers being able to interpret the information and understand the context in which the problem is set, is the theory of how designers reframe the information they process, and are thus able to apply it into other settings and frames of reference to generate new ideas based on the unanticipated possibilities these different combinations might offer (Dorst 2011). The designers in the study exhibited this ability by relating aspects of the case to their own daily work, referring to organisation design issues in terms of e.g. platforms of visibility and space, the physical environment the organisation operated in, as a visual personality, etc. In this way, the designers applied the new information to existing frames and were thus able to use reframing as a tool for exploring new and creative ways of perceiving organisation design challenges.

Reviewing their initial reactions, the designers also demonstrated Boland and Collopy's (2004) definition of a 'design attitude', which describes how designers deem it difficult to generate good alternatives off-hand, but that the best scenario will present itself when going through the design process of testing and refining. This is most likely a result of the focus the designers had on making great and closely tailored solutions, thereby assuming it not desirable to apply a standardised answer that would largely correspond with a general problem. In keeping with their aversion towards creating solutions they were not satisfied with themselves, they were thus reluctant towards generating a general solution which loosely fitted with the case description. An additional reason could be linked to the designers' concern that the real underlying problems were might not being addressed, thereby leading them to assume that they only knew the value that was to be created (a more optimised organisation),

but neither the solution (e.g. to initiate an organisational change), nor its working principle (e.g. a new organisation design), as it was not certain that a new organisation design would actually realise this goal, according to the designers. Also here the contrast with the executives' approach is considerable, and indicates that the designers, as opposed to the executives' apparent perception of organisation design issues as 'tame' problems, view this sort of challenges as 'open' or complex, thereby applying the use of complex problem solving methods to solve them.

#### **4.2.2.2. PROBLEM SOLVING**

The description of their problem solving phases varied greatly among all the designers, each having their own personal way of working, using different specified methods and tools, collaborating with different people or no one at all, and having different requirements to work spaces, level of freedom of creativity, etc., all of which in turn would be further influenced by the type of assignment the designers were set to work on. However, these descriptions all had a recurrent theme of an iterative process of idea generation based on the initial research, testing, more research, improving, over and over again until they ended up with an idea which seemed to satisfy all the criteria of the problem situation in the most ideal way. This generalisation was stated by some of the designers themselves, as well as commented upon by Hans<sup>39</sup> who claimed that: "[...] when doing design you do nothing but reflection and action. You tend to have a lot of reflection and action and then it narrows down until you have a decision", thus describing the same iterative process in a more formal fashion. Referring back to the theories of designers' complex problem solving methods in the background section, the literature's proposed description of abductive reasoning employed by designers thus fits well with the problem solving process as described by the designers in the study. However, none of the designers used any of those terms to explain their methods, and some stated that no model would ever be able to accurately describe how designers did what they did, or how it was done. Especially the intuitive and subjective practice of deciding upon the solution that 'feels right' was argued by most of the designers as something which could not be analysed and 'figured out' by scientific methods. While a lot of time could be spent deliberating on each designer's personal methods in this process, here the focus will be kept on how they suggested they would utilise these tools and methods in working with an organisation design

---

<sup>39</sup> Appendix 12



challenge, thus creating a set of possibilities of how the designers' approaches to this type of problem solving could inspire to new practices in the organisation design discipline.

The problem solving process itself was seen by many of the designers as the most important tool they had if set to work with such an abstract and complex challenge as organisation design, as it allowed them to narrow down on the solution through interacting and collaborating with the employees and managers of the problem organisation, developing it in unison with the very people it would impact on. Some designers also stated that they would recruit employees from the organisation to aid in the design process on a more constant basis, teaching them the methods and thus creating a competence in the company that could be used for making refinements and create future solutions to similar challenges. Further emphasising on the benefits of collaboration, many of the designers referred to the great possibilities for combining business and designer skills through the use of multidisciplinary teams, thus adding a wider set of idea generation and reflection. In line with the human-centred approach to design as outlined above, most of the designers underlined that the solutions this kind of process would produce would not necessarily be synonymous with the client company's expressed wishes, but rather what was actually needed, which would be revealed through the process.

In terms of effective communication and feedback during this process, the aspect of visualisation and prototyping was deliberated upon by all, most of the designers underlining that designers are exceptionally good at creating new possible futures and scenarios, and, moreover, at visualising their ideas and visions to effectively communicate these to others. Prototypes were discussed by some as great ways of interacting with and achieving concrete feedback from managers and employees, as well as providing the designers with the opportunity of taking a possible solution apart and examining it from every possible angle, thus making their knowledge more tangible. It was further argued by many designers how combining prototyping with envisioning future scenarios would enable a designer to present the decision-makers in the client organisation with a range of different possible futures by bringing them to life through visualisation which could be of great assistance when creating and assessing new strategies. Relating it to designers' talent for contextualising information and explaining the underlying principles, Morten<sup>40</sup> dubbed this particular skill as storytelling, stating that it gives a designer the ability to tell the whole story based on interpretations and

---

<sup>40</sup> Appendix 8

synthesis, and make it come alive by telling it through the use of visualised scenarios and prototypes.

#### **4.2.2.3. PRESENTATION AND IMPLEMENTATION**

The use of visualisation and prototypes could for the designers thus be of use both in the design process itself, and for the final presentation of the design solution to the client organisation. On the aspect of how to present the solution to their clients, the designers differed somewhat in their approaches. Further indicating the importance of personal integrity in their work, some designers claimed they would present their client with only one solution, not wanting to be forced to produce something they were not be fully satisfied with, as it had happened before that clients chose the ‘wrong’ solution. If presenting their client with different solutions to choose from, some designers described how they normally would present three different solutions – the one they wanted the client to choose, and two others that were respectively too boring and too radical, to guide the client into choosing the solution the designers themselves preferred. That this tactic is feasible clearly exemplifies how powerful these tangible presentations can be, as well as how receptive people can be towards visual props and demonstrations.

Moving on to describe the implementation process, most of the designers argued that they would here make use of the high level of employee involvement in the design process to facilitate a smooth implementation. It was expressed by many that they would desire to be part of this stage of the process, as the process itself in their view was not finished before the solution had been implemented and showed to be working in its intended way. Some of the designers commented upon how this approach greatly contrasted with the McKinsey approach and that of other consultancy agencies that, according to the designers, would ‘leave before things were working’. The same designers further stated that this resulted in making those consultants less aware of the feasibility aspect of the solutions they produced, an aspect which the designers themselves viewed as crucial.

#### **4.2.2.4. COMMENTS ON THE PROCESS**

After having outlined the process they would go through, many of the designers debated whether it would be possible for professional designers from the classical design fields to work with organisational challenges in a business environment, even if they were able to transfer their skills to working with more abstract problems. One of the main arguments

against this possibility was that designers in general did not know enough about business concepts and strategy, which to some degree also was exemplified in the study by the designers themselves through sometimes making stigmatised and untrue statements concerning business and managers in general. On the other hand, Morten<sup>41</sup> argued that designers who were adept at the methods and skills outlined above could be of great use in this line of work, given the right leadership and collaboration across disciplines, thus exploiting and building on each other's competencies – an insight which was based on experience from working with both designers and managers on formulating creative strategies for large companies, often through the use of multidisciplinary teams. The need for constraints and guidance was echoed by several of the other designers who claimed that sometimes designers needed someone to keep them in reign, as it could be easy to drift off course due to a designer's intrinsic interest in just about everything. In terms of the nature of the process itself, Morten<sup>42</sup> further argued that it would be a great approach for future investment and growth, being correspondingly profitable in the long run, but that it also was an inherently time consuming approach which took effort and resources, thereby making it unsuitable for organisations which needed to cut down costs or were going through a crisis.

### **4.3. COMPARING THE APPROACHES**

Having described and analysed both approaches, it is evident that the way the designers in the study would approach an organisation design challenge differ widely from how the executives described their normal approach, both in terms of assumptions and practices. The main difference between the two approaches lies in how the executives and the designers each perceive the challenge, which consequently has an effect on how they view and use the design process.

The executives arguably view organisation design assignments as 'tame' problems, assuming that the problem issues are known and that both the value (a more optimised organisation) and its working principle (a new organisation design) are confirmed, meaning the only question remaining is how the new design should look. The executives would then provide the basis for this by formulating and deciding upon a strategy and an entailing vision, by themselves or in collaboration with a few others using rational analysis of current information and past results, as well as a measure of intuition. Thus, the goal is set for what is to be developed, and

---

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

the executives use their management team and employees to help in the design process, which is more a development and implementation of a decision, using conventional problem solving methods. In this sense, the problem solving process of the executives is more correctly referred to as decision making, deciding upon the general outcome at the beginning. What they then determined as the design process only entails further developing and working out the finer details of the decision. This is then perhaps also why Jesper TW<sup>43</sup> spoke of designers as the ‘practical guys’ who he claimed was good at making things real in the design process, and perceiving them more as engineers than as creators of decisions.

The executive approach greatly contrasts with how the designers assume that the decision itself will be the outcome of the process, not its guiding light. In this sense, the designers seem to view organisation design assignments as complex problems; the problem issue is not known, only the value (a more optimised organisation) is confirmed, and both what (e.g. an organisational change) to develop and its working principle (e.g. a new organisation design) will have to be created in parallel. The designers would therefore start from scratch, doing in-depth research to figure out and address the real, underlying problems. When these are determined, they would start designing based upon initial ideas generated through synthesis of the information found in the research, make prototypes, test ideas, reflect upon the feedback from the employees and decision makers and improve, over and over again until they have narrowed down on the best solution, guided and aided by the process. This perception of organisation design thus prescribes a design process aimed at both creating the final solutions and the strategy that guides it, simultaneously<sup>44</sup>. Based on pragmatic assumptions and values, the designer approach to organisation design thereby seems like an arguably better way of handling the complexity of dynamic business environments compared to the executive approach. The designer approach further provides the opportunity of using the design process to synthesise and generate new possible futures and scenarios, which could be used to answer what Jesper TW outlined as the need to focus on creating organisation designs for the future.

When comparing the approach demonstrated by Gunnar with the designer approach, it is evident that he employs some of the same methods and aspects as the designers when working with organisation design. In addition, Pia claimed she would use some of these methods in the process of developing the organisation design after having decided upon a strategy, indicating

---

<sup>43</sup> Appendix 19

<sup>44</sup> The claim made by some designers that they usually knew what the process would bring would not refute this theory, as using the process to arrive at an assumption is not the same as developing a decision that has already been made.

that she was open to unforeseen opportunities which could emerge during this process. In this way they both clearly illustrate how it is possible to use some aspects, or the whole process itself in phases of the organisation design process in practice. The term ‘designer mindset’ was mentioned by several of the designers, who thought of it as a way of describing their way of thinking. According to some, this mindset is also shared by other people who display some of the same skills and way of thinking as designers. This is concurrent with the statements made by some of the executives, who claimed that really good or successful executives had designer mindsets, i.e. holistic and pragmatic views, more human-based, long-term goals, etc. In this sense, it seems plausible that senior executives would have no problems assuming pragmatic views of creation in terms of organisation design, as they seem able to combine the two approaches (e.g. Pia and Gunnar).

The two approaches and the differences between them indicates that the designer approach offer a wide range of possibilities for how design methods and philosophies can contribute to, and inspire new practices and directions within the organisation design discipline. In the next section these will be listed and reviewed in terms of the existing literature, further discussing the different implications and challenges they present.

## **5. NEW POSSIBILITIES AND DIRECTIONS**

Reflecting upon the issues and problems of the current organisation design discourse as pointed out in the literature review, this section will discuss how the findings from the research might offer some possibilities for how the organisation design discipline can develop and evolve, in terms of practical suggestions and inspiration for new directions and theory. It is here important to stress that these possibilities and suggestions are only relevant for the area of organisation design, as some of these approaches and methods are not suitable for other aspects of a business operation. Moreover, this thesis has focused on the challenges offered by the increased amount of complexity in the contemporary business environment, thereby addressing these issues in particular. The suggestions that are offered are therefore aimed at creating new opportunities for dealing with complexity and designing for dynamic and flexible organisations. In this regard, it is not intended as a recipe for how to ‘fix’ the organisation design discipline, but rather provide possible new direction for how to go about designing dynamic organisations.

### **5.1. POSSIBILITIES FOR NEW PERSPECTIVES**

The literature review indicates that there is a lack of focus upon creation in the organisation design discourse, and that scholars tend to prescribe already known information rather than recommend creating new solutions and knowledge. The findings show that the pragmatic assumptions and practices of the designers can facilitate a mode for creation in organisation design practice, furthermore confirming that Romme’s (2003) suggestion of mixing pragmatic thinking with the scientific and humanistic modes in the organisation design discourse is feasible. This is especially exemplified by some of the executives, who seem to use pragmatic assumptions with great success when dealing with organisation design issues, while relying on other perspectives and principles in other aspects of their work. The pragmatic assumptions of the designers, and also some of their other perspectives and philosophies, can therefore provide the organisation design discipline with some interesting opportunities in terms of new ways to perceive the challenges of complexity.

#### **5.1.1. PRAGMATIC ASSUMPTIONS OF CREATION AND COMPLEXITY**

The most apparent value provided by assuming a pragmatic approach to organisation design is how the focus can be shifted from *choosing* between existing knowledge to find the right model or framework, to *creating* a novel design which is customised to the organisation and

its challenges. The inherent 'what works' attitude of pragmatic assumptions further assists this transfer by eliminating the principle of disregarding new solutions just because they have not yet been proved to work (Romme 2003). By adopting pragmatic assumptions into the organisation design discipline, scholars would then be able to address issues of complexity by developing new creations and designs, rather than trying to adopt frameworks and models based on existing knowledge to be able to allow for complexity and designing dynamic organisations, as is the current practice (e.g. Daft 2004; Galbraith 2007). Towards this end, the designers' pragmatic assumptions of the uniqueness of every situation could be of service when designing dynamic organisations that needs to be able to handle complexity, as this will prescribe the creation of novel solutions which will be tailored to fit with every characteristic of the organisations and their problem issues. The decidedly long-term perspective of this approach could perhaps be an issue in a business setting where time is a scarce resource. However, it would be plausible to assume that when dealing with such important issues as fundamental changes of its structure and business model, an organisation would be willing to invest in a longer process to ensure a novel solution that would be hard to copy, as this could be used as a possible source for competitive advantage (Heywood et al. 2007). In addition, the fact that COWI, where Jesper TW currently works, has already employed aspects of the idea of creating new organisation designs for tomorrow's market indicates that this is a feasible and desirable approach for companies, who place a great deal of emphasis on having a dynamic setup which needs to be flexible and adaptive.

A pragmatic approach to organisation design would furthermore entail assuming a truly holistic perception of organisations and their workings, which is closely connected with viewing organisation design in terms of complexity theory (Stacey 2007). This would then enable practitioners to assume the organisation's design as integrated and inseparable from the rest of the organisation, effectively allowing them to perceive and manage the design on a daily basis, and shifting the focus from something which must be decided upon and dealt with at a point in time to something which could be managed as an opportunity for constant improvement as recommended by Heywood et al. (2007). Assuming a complexity-based perception of organisation design furthermore aids practitioners and scholars to realise the interconnectedness of every action when managing the design, and how it is difficult to predict the outcome of changes made to different aspects of the organisation. This effectively leads to viewing organisation design challenges as complex problems, for which complex problem solving methods then could be applied.

### **5.1.2. DESIGNER ASSUMPTIONS**

The designers' expressed focus on sustainability and innovation further implies the possibilities of creativity and creation that the designer approach to organisation design seem to offer. However, in terms of how this focus could be beneficial to the organisation design discipline, the designers' stated goals for the case solution of creating an organisation which would be geared for constant change in a sustainable manner suggest a potential area of research on how this could be achieved. The same applies for the aim of integrating innovation into every aspect of the organisation, which furthermore was argued to enhance creativity and employee satisfaction. If having designers working with organisation design could produce these kinds of outcome, it would indeed be a valuable opportunity. Once again, the long-term perspective and the resource demands related to these complex problem solving methods indicate that in practical terms many organisations would not see it as worth the effort. Although as a future direction for more research in organisation design it could offer valuable insights and opportunities.

Of the other designer-related perspectives and values adhered to by the designers in the study, the most controversial in terms of being applied to a business setting is arguably the fundamental human-centred approach, which the designers placed a great deal of focus on. On the one hand, assuming this approach might be challenging in the business world that is focused on competition and profit, making it in this sense neither feasible nor desirable. On the other hand, this focus also entails human-centred design which prescribes spending more time on understanding the behaviours and needs of customers, thus being able to tailor product offerings to more closely correspond with the customers' expectations (Brown 2008; Raney and Jacoby 2010). These insights correspond closely with how Brown (ibid.) describes 'design thinking' and could be used for engaging in focused research on how an organisation through changing its business model and infrastructure could better address the desires and expectations of customers, in terms of organisation design. The gap between what a company viewed as its value offering, compared to how its customers perceived it, was described as remarkably wide, by several of the designers. By narrowing the gap, it was further argued by these designers that the company could more effectively spend its resources on things that generated profit.



## **5.2. POSSIBILITIES FOR NEW PRACTICES**

In addition to the possibilities generated by assuming different and complementing philosophical perspectives, the findings also suggest some practical opportunities for the organisation design discipline. These could of course also inspire to the development of new theory and direction within the field of organisation design, but are here discussed in terms of how they would be applicable in practice for a company looking for new ways of dealing with organisation design in terms of complexity and flexibility.

### **5.2.1. NEW ORGANISATION DESIGN PROCESS**

The organisation design process as described by the designers, using complex problem solving methods to create a closely tailored solution for an organisation, offers managers an opportunity to create dynamic organisation designs, which are customised to fit with their organisation's characteristics and the complex issues it is facing. This process is furthermore able to create solutions for future markets, through the use of design methods such as framing and abductive reasoning to generate new possible futures, and henceforth visualising these futures to make them more manageable. Thus offering some interesting possibilities, the designers' approach creates the basis for a suggestion of a new way of working with organisation design.

By assuming a pragmatic approach and perceiving organisational problems as complex, managers could employ complex problem solving methods as described in the background and analysis sections to discover the real, underlying problems of the situation which has initiated the need for change, and develop the strategy to address these issues and its solution simultaneously. This process then calls for a considerable amount of in-depth research, addressing the real problems – not just perceived ones, an iterative process of working with idea generation and testing through prototypes and interaction, as well as the use of interdisciplinary teams.

A second possibility could be to structure the organisation design process in the same way that Pia did, first deciding upon a vision and then using the complex-based design process in the development phase to explore unforeseen possibilities which could lead to innovation. The benefit of this suggestion is that it has been confirmed as feasible, whereas the organisation design process, as described by the designers, is a synthesis of how they believe they would have gone about working with this type challenge. In addition, the executives argued that an

organisations strategy was the most important aspect of its operating function, and should therefore be clearly outlined and communicated at all times to ensure a collective effort by all the employees to attain the same goals.

In contrast with the different ‘design thinking’ theories, it is not suggested that managers should be able to employ these methods by themselves (Martin 2009), nor are these suggestions meant as the final formulation of what these processes would look like. Instead, it is suggested as a possibility for further research on how companies can make use of this kind of approach to organisation design. One possibility could be to involve designers in the design process, either by keeping them on a permanent basis working with organisation design in the company, or hiring designers as consultants. The implications and challenges this suggestion entails will be further elaborated upon in the following section.

### **5.2.2. PRACTICAL TOOLS AND METHODS**

The following tools and methods are intended as practical suggestions describing opportunities for organisations to allow for more creativity and innovation in the organisation design process, either by being used in the process described above, or employed on their own.

#### **5.2.2.1. THE USE OF DESIGNERS AND INTERDISCIPLINARY TEAMS**

The main argument against having designers working with organisation design, both on permanent basis and as consultants, refers to how most designers were argued to have too little knowledge of business concepts in general and therefore also of aspects relating to organisation design specifically. In addition, the designers argued that only professional designers who are able to transfer their skills to working with abstract problems on a large scale would be able to make this transition. Nevertheless, Morten argued how designers could be of great value in any kind of design process, as long as they had the right kind of leadership and were able to collaborate with others who possessed the skills they lacked. It follows that having designers working in inter-disciplinary teams with business people who are skilled in business ways of thinking and working with organisation design, could be potential solution to how it is possible to make use of designers’ skills in the organisation design discipline. The use of interdisciplinary teams are furthermore one of the main principles of Brown’s (2008) ‘design thinking’, which underlines how designers are especially adept of excelling in these kinds of collaborative settings. In terms of their desire to

make this transfer, some of the designers claimed that they would get bored and lose their creative edge if they were hired permanently as organisation designers in a large company, as they would feel crippled by the bureaucratic rules and system. The most desirable possibility for all parties was therefore described as hiring design consultants to work in interdisciplinary teams to deal with organisation design challenges.

This suggestion is made despite the expressed scepticism by both the executives and the designers towards having designers working with organisation design at all. Pia's claims that designers absolutely could contribute in this context is instead taken into account, as she arguably would have better insight into the matter, wearing both hats so to speak. Furthermore, her statement on how this lack of faith in designers working in business settings probably is a result of bad communication and a lack of ability to collaborate across disciplines, goes some way to explain the real reasons for this attitude.

In terms of how the following methods described in the practical recommendations can be of use in organisation design, the best solution for all cases would of course be to have designers make use of these methods. However, this is not a prerequisite, and the methods are described in terms of how they can be transferred to the organisation design discipline.

#### **5.2.2.2. COGNITIVE TOOLS**

The critical and inquisitive nature of the designer approach greatly contrasts with the direct approach of the executives, and somewhat confirms Smith's (2003) criticism of the lack of critical thinking in the discourse, as well as Donaldson's (2010) claim that managers accept information at face value, not going out of their way to interpret or analyse the data, and thus missing out on important implications and the consequences of these. McCullagh (2007) further argues that designers possess a remarkable ability to interpret, translate, and make connections between wildly different areas of information, which they integrate into a new whole through synthesising. The designers' ability for research and interpreting and reading contexts could therefore be of great value in an organisation design setting, and moreover as an inspiration for how to introduce more inquisitiveness into the discipline. These aspects of designer behaviour relate to the holistic view and ability to contextualise, which is described by Boland and Collopy (2004) as some of the most important aspects for managers to adopt in order to perceive business matters in a more explorative and encompassing way.

The complex problem solving methods of iterative idea generation and testing through the use of cognitive tools which the design discourse has defined as abductive reasoning and framing is another valuable element of the designer approach exemplified in the research. The possibility of introducing abductive reasoning to the business world has already been addressed by Martin (2009), who is referring to the concept in a simplified manner, removing it somewhat from its context. It is therefore important to emphasise that these complex problem solving methods should not be removed from their context of pragmatic assumptions of complexity if they are to have any value when transferred to other disciplines. In terms of organisation design, these methods have been exemplified as a way to be able to generate and design future possibilities, thus providing the discipline with great opportunities both for practical use and further research into how they could be applied in other areas of organisational studies. A controversy regarding these methods relate to how designers maintain, but are unable to explain that they know when a design is the right solution. It is therefore suggested that designers try to gain more knowledge of their own work methods, in order to better explain and “sell” their process to people outside the discipline. The concept of framing has not been referred to as much in the ‘design thinking’ literature as abductive reasoning, but nevertheless seems to be a good tool for interpreting and synthesising information in order to create new possible ideas and frames in the research phase. As a tool it could be a valuable exercise for managers used to thinking in the same old frames, and could further inspire to how a reframing of the organisation design discipline could lead to new inspiration and directions.

#### **5.2.2.3. PROTOTYPES AND VISUALISATION**

Much was said in the interviews about designers’ ability to visualise and make tangible prototypes, thus enabling easier communication with clients and end-users. This is supported by McCullagh (2007) who state that designers are good at making abstract concepts tangible by visualising and fashioning prototypes that can be more closely examined, taken apart, rearranged, and thus made easier to deal with. Prototypes are further recommended by Raney and Jacoby (2010), who argue that as a tool prototypes facilitate closer collaboration and get a discussion going. It follows that making use of prototypes and visualisations could be of particular value for an abstract discipline like organisation design. Being able to make their ideas and visions come alive and present these to others present managers with a powerful tool for communication, which greatly could aid in the process of developing new

organisation designs. Discussing future possibilities for the organisation design discipline, Burton and Obel (2011) theorise about how might-be-modelling could enable scholars and practitioners to create new futures instead of relying on old frameworks, effectively rolling both pragmatic assumptions of creation and the use of prototypes and visualisations into one.

#### **5.2.2.4. THE USE OF CONSTRAINTS TO PROMOTE CREATIVITY**

The designers in the study were particular about the need for clear constraints to keep designers on the right track, also claiming that tighter constraints and clearer assignments made their jobs easier, as well as facilitating for creativity and innovation. This is echoed by Dorst and Cross (2001, p. 431) who claim that “defining and framing the design problem is [...] a key aspect of creativity”. In terms of organisation design, Kesler and Kates (2011) have stated that unclear problem formulation is a fundamental problem in the discipline, as projects without clear constraints are prone to drift off course and become never-ending processes, quite accurately mirroring Hans’<sup>45</sup> statement on the importance of constraints. In this relation, the organisation design discipline could benefit from adapting the designers’ attitude towards constraints. This was further exemplified by some of the executives who also would like a clearer problem formulation in relation to the case.

Based on the possibilities listed and discussed above as presented by the findings, it is clear that the field of professional design has much to offer the organisation design discipline in terms of practical and theoretical suggestions of new practices and directions. To round off and sum up the research, a conclusion is presented in the next section.

---

<sup>45</sup> Appendix 12

## 6. CONCLUSION

The aim of this thesis has been to explore the practical and theoretical possibilities offered by the field of professional design in terms of how these could contribute to develop and grow the organisation design discipline. By reviewing the concept of organisation design in terms of complexity theory, the literature review pointed towards the opportunity of using complex problem solving methods from the field of professional design as a way of tackling the complexity issue encountered by organisation design scholars trying to develop better ways of designing dynamic organisations. Determining the existing theories on how to use design methods in business settings as lacking in terms of addressing the purpose of this study, more research was called for.

Presenting participants from both the organisation design discipline and the field of professional design with the same case on organisation design, the course of the interviews revealed a considerable difference between how the participants reacted to and addressed the case problem. Whereas the executives in the study readily solved the case in the same manner they would approach their daily work, the designers were unwilling to produce a solution within such a short period of time, assuming a pragmatic stance towards complex problem solving. The executives thus exemplified how they viewed organisation design issues as closed problems, deciding upon a strategy at the beginning of the process which would steer the design process. Conversely, the designers assumed the organisation design problem as being complex in nature, and towards this end applied complex problem solving methods to describe how they would solve the case in a real life setting. The designers' assumed approach towards working with an organisation design challenge thus greatly differed from how the executives would approach the same kind of work. This then resulted in a number of different practical possibilities for how the organisation design discipline could be inspired by the field of professional design in terms of new practices and new directions. In addition, the executives' behaviour differed somewhat from the contemporary literature, indicating that some of these possibilities already are in use in organisations today.

## 7. BIBLIOGRAPHY

### WRITTEN MATERIAL

#### BOOKS

BERTUGLIA, C. S. AND VAIO, F. (2005) *Nonlinearity, Chaos & Complexity – The Dynamics of Natural and Social Systems*, Oxford: Oxford University Press

BURTON, R. M., DESANCTIS, G., OBEL, B. (2006) *Organizational Design: A Step-by-Step Approach*, Cambridge: Cambridge University Press

BURTON, R. M. DESANCTIS, G., OBEL, B. (2011) *Organizational Design: A Step-by-Step Approach*, 2<sup>nd</sup> ed., Cambridge: Cambridge University Press

CONKLIN, J. (2006) *Dialogue Mapping: Building Shared Understanding of Wicked Problems*, England: John Wiley & Sons Ltd

DAFT, R. L. (2004) *Organization Theory and Design*, 8<sup>th</sup> ed., Mason, Ohio: South-Western

DAFT, R. L. (2009) *Organization Theory and Design*, 10<sup>th</sup> ed., Mason, Ohio: South-Western

DELANTY, G. AND STRYDOM, P. (2003) *Philosophies of Social Science*, Maidenhead: Open University Press

GALBRAITH, J., DOWNEY, D., KATES, A. (2002) *Designing Dynamic Organizations: A Hands-On Guide for Leaders at All Levels*, New York: AMACOM

GALBRAITH, J. (2007) *Designing Your Organization: Using the Star Model to Solve 5 Critical Design Challenges*, San Francisco: Jossey-Bass

GALBRAITH, J. (2008) *Designing Matrix Organizations That Actually Work: How IBM, Procter & Gamble, and others design for success*, San Francisco: Jossey-Bass

- HESKETT, J. (2002) *Toothpicks & Logos: Design in Everyday Life*, Oxford, New York: Oxford University Press
- KESLER, G. AND KATES, A. (2011) *Leading Organization Design: How to Make Organization Design Decisions to Drive the Result You Want*, San Francisco: Jossey-Bass
- MARTIN, R. (2009) *The Design of Business: Why Design Thinking Is the Next Competitive Advantage*, United States: Harvard Business School Press
- MILES, M. B. AND HUBERMAN, A. M. (1994) *Qualitative data analysis: An expanded sourcebook*, Thousand Oaks: Sage
- MOGGRIDGE, B. (2007) *Designing Interactions*, Cambridge, MA: The MIT Press
- NADLER, D.A. AND TUSHMAN, M.L. (1997) *Competing by Design: The Power of Organizational Architecture*, Oxford: Oxford University Press
- NORMAN, D. (2002) *The design of everyday things*, New York: Basic Books
- NORMAN, D. (2004) *Emotional Design – Why We Love (or Hate) Everyday Things*, New York: Basic Books
- PEIRCE, C. S. (1955) *Philosophical writings of Peirce*, Justus Buchler (Ed.), New York: Dover Publications.
- ROBSON, C. (2002) *Real World Research*, 2<sup>nd</sup> ed., Oxford: Blackwell
- SAUNDERS, M. THORNHILL, A., LEWIS, P. (2007) *Research Methods for Business Students*, Harlow: Pearson Education Ltd
- SIMON, H. (1960) *The New Science of Management Decision*, New York, NY: Harper and Row
- SIMON, H. (1996) *The Sciences of the Artificial*, 3<sup>rd</sup> ed., Cambridge: MIT Press



STACEY, R. (1992) *Managing Chaos*, London: Kogan Page

STACEY, R. (1996) *Complexity and Creativity in Organizations*, San Francisco: Berrett-Koehler

STACEY, R. (2007) *Strategic management and organisational dynamics: The challenge of complexity to ways of thinking about organisations*, Harlow: Pearson Education Ltd.

STANFORD, N. (2007). *Guide to Organisation Design: Creating high-performance and adaptable enterprises*, Profile Books Ltd.

TAYLOR, S. J. AND BOGDAN R. (1998) *Introduction to Qualitative Research Methods: A Guidebook and Resource*, 3<sup>rd</sup> ed., Canada: John Wiley & Sons, Inc.

VERGANTI, R. (2009) *Design-Driven Innovation: Changing the Rules of Competition by Radically Innovating What Things Mean*, United States: Harvard Business School Publishing Corporation

YIN, R. K. (2003) *Case study research, design and methods*, 3<sup>rd</sup> ed., Newbury Park: Sage Publications

### **CHAPTERS IN BOOKS**

BOLAND JR., R. J. AND COLLOPY, F. (2004) Design Matters for Management, in Boland Jr., R. J. and Collopy, F. (eds.), *Managing as Designing* (pp. 3-18), Stanford, California: Stanford University Press

BUCHANAN, R. (2004) Management and Design: Interaction Pathways in Organizational Life, in Boland Jr., R. J. and Collopy, F. (eds.), *Managing as Designing* (pp. 54-63), Stanford, California: Stanford University Press

ERICSSON, K. A. (2006) Protocol analysis and expert thought: Concurrent verbalizations of thinking during experts' performance on representative task, in K. A. Ericsson, N. Charness,

P. Feltovich, and R. R. Hoffman, (eds.), *Cambridge handbook of expertise and expert performance* (pp. 223-242), Cambridge, UK: Cambridge University Press

HANSEN, H. (2008) Abduction, in Barry, D. and Hansen, H., (eds.), *The Sage Handbook of New Approaches to Organization Studies* (pp. 454-468), London: SAGE Publications Ltd

NORMAN, D. (1986) Cognitive engineering, in Norman and S. Draper, (eds.), *User Centered System Design: New Perspectives on Human-Computer Interaction* (pp. 31-61), Hillsdale, NJ: Lawrence Erlbaum

WEICK, K. E. (2004) Rethinking Organizational Design, in Boland Jr., R. J. and Collopy, F. (eds.), *Managing as Designing* (pp. 36-53), Stanford, California: Stanford University Press

#### **JOURNAL ARTICLES**

BROWN, T. (2008) *Design Thinking*, Harvard Business Review, June, (pp.1-10)

BROWN, T. AND KATZ, B. (2010) *Change by Design*, Journal of Product Innovation Management, Vol. 28, Issue 3, (pp. 381–383)

BUCHANAN, R. (1992) *Wicked Problems in Design Thinking*, Design Issues, Vol. 8, No. 2, Spring, (pp. 5-21)

BURTON, R. M. AND OBEL, B. (2011) *Computational Modeling for What-Is, What-Might-Be, and What-Should-Be Studies—And Triangulation*, Organization Science, Articles in Advance, (pp. 1-8)

CAMILLUS, J. C. (2008) *Strategy as a Wicked Problem*, Harvard Business Review, May, (pp. 99-106)

DORST, K. (2011) *The core of ‘design thinking’ and its application*, Design Studies, doi:10.1016/j.destud.2011.07.006

DORST, K. AND CROSS, N. (2001) *Creativity in the design process: co-evolution of problem–solution*, Design Studies 22, (pp. 425–437)

DUNNE, D. AND MARTIN, R. (2006) *Design Thinking and How It Will Change Management Education: An Interview and Discussion*, Academy of Management Learning & Education, Vol. 5, No. 4 (pp. 512-523)

HARGADON, A. (2005) *Leading with Vision: The Design of New Ventures*, Design Management Review, Winter, 16, 1, (pp. 33-39)

ROMME, A. G. L. (2003) *Making a Difference: Organization as Design*, Organization Science, Vol. 14, No. 5, September–October, (pp. 558-573)

GIBBERT, M. AND SCRANTON, P. (2009) *Constraints as sources of radical innovation? Insights from jet propulsion development*, Management & Organizational History, Vol. 4(4), (pp. 385-399)

ISENBERG, D. J. (1984) *How Senior Managers Think*, Harvard Business Review, November-December, (pp. 81-90)

MARTIN, R. (2005a) *Embedding Design Into Business*, Rotman Management, Fall (pp. 4-7)

McKENNA, S. (1999) *Learning through Complexity*, Management Learning, Vol. 30(3) (pp. 301-320)

NADLER, D. AND TUSHMAN, M. (1987) *Organizing for Innovation*, California Management Review, Vol. XXVIII, No. 3, (pp. 74-92)

NORMAN, D. (2009) *Systems Thinking: A Product Is More than the Product*, Interactions, September (pp. 42-46)

RANEY, C. AND JACOBY, R. (2010) *Decisions by Design: Stop Deciding, Start Designing*, Rotman Magazine, Winter, (pp. 35-39)

RITTEL, H.W.J. AND WEBBER, M.M. (1973) *Dilemmas in a General Theory of Planning*, Policy Sciences 4, (pp.155-169)

SMAGORINSKY, P. (1998) *Thinking and speech and protocol analysis*, Mind, Culture, and Activity, Vol. 5 (pp. 157-177)

SNOWDEN, D.J., BOONE, M.E. (2007) *A Leader's Framework for Decision Making*, Harvard Business Review, November, (pp. 1-9)

## **OTHER**

### **CONFERENCE PAPERS**

FINEGAN, A. (2010) *Making Sense of Wicked Projects*, Project and Organisation Management II, (pp. 1-15)

HANSEN, H. (2007) *Theory construction as undisciplined abduction: Big and little bangs*, Presented at the Annual Academy of Management Meeting, Philadelphia, Pennsylvania, August 2007

### **OFF-AIR RECORDINGS**

BBC (2010) *The Genius of Design Series*, episodes 1-5, off-air recording, TV

## **WEB**

### **ARTICLES FROM WEBSITES**

BACKETT, P (2011) *What must be changed in design education* [Web page]

[http://www.core77.com/blog/education/teach\\_less\\_integrate\\_more\\_by\\_paul\\_backett\\_20264.asp](http://www.core77.com/blog/education/teach_less_integrate_more_by_paul_backett_20264.asp)

[First accessed 30.10.2011]

DE BAILLON, T. (2011a) *The Catch Behind Design Thinking* [Web Page]

<http://www.debaillon.com/2011/05/the-catch-behind-design-thinking/>

[First accessed 29.10.2011]

DE BAILLON, T. (2011b) *Tackling Complexity and Wicked Problems with Design Thinking*

[Web Page]

<http://www.debaillon.com/2011/07/tackling-complexity-and-wicked-problems-with-design-thinking/>

[First accessed 29.10.2011]

DZIERSK, M. (2006) *Design Thinking... What is That?* [Web Page]

<http://www.fastcompany.com/resources/design/dziersk/design-thinking-083107.html?page=0%2C1>

[First accessed 21.10.2011]

HC DI (2011) *A Definition of Human Centred Design* [Web Page]

<http://hcdi.posterous.com/a-definition-of-human-centred-design>

[First accessed 29.10.2011]

HEYWOOD, S., SPUNGIN, J., TURNBULL, D. (2007) *Cracking the complexity code* [Web Page]

[https://www.mckinseyquarterly.com/Cracking\\_the\\_complexity\\_code\\_2001](https://www.mckinseyquarterly.com/Cracking_the_complexity_code_2001)

[First accessed 05.12.2011]

HUBER, G. (2011) *Description and definition of Organizational Design* [Web Page]

<http://www.asb.dk/en/research/researchcentresandteams/researchteams/odcommunity/organizationaldesign/>

[First accessed 09.09.2011]

LAUNDY, P. (2009) Comment to article - *What is Design Thinking Anyway?* (Martin 2009)

Comment 10 from the top, left 10.16.09 at 12:13 [Web Page]

<http://observatory.designobserver.com/entry.html?entry=11097>

[First accessed 15.09.2011]

MARTIN, R. (2005b) *Creativity That Goes Deep* [Web Page]

[http://www.businessweek.com/innovate/content/aug2005/di20050803\\_823317.htm](http://www.businessweek.com/innovate/content/aug2005/di20050803_823317.htm)

[First accessed 15.09.2011]

MCCULLAGH, K. (2007) *Riding the Flux: Design is changing in myriad ways. Are you?* [Web Page]

[http://www.core77.com/reactor/07.07\\_flux.asp](http://www.core77.com/reactor/07.07_flux.asp)

[First accessed 21.10.2011]

MERHOLZ, P. (2009) *Why Design Thinking Won't Save You* [Web Page]

<http://blogs.hbr.org/merholz/2009/10/why-design-thinking-wont-save.html>

[First accessed 21.10.2011]

NORMAN, D. (2010a) *Design Thinking: A Useful Myth* [Web Page]

[http://www.core77.com/blog/columns/design\\_thinking\\_a\\_useful\\_myth\\_16790.asp](http://www.core77.com/blog/columns/design_thinking_a_useful_myth_16790.asp)

[First accessed 15.09.2011]

NORMAN, D. (2010b) *Why Design Education Must Change* [Web Page]

[http://www.core77.com/blog/columns/why\\_design\\_education\\_must\\_change\\_17993.asp](http://www.core77.com/blog/columns/why_design_education_must_change_17993.asp)

[First accessed 15.09.2011]

NUSSBAUM, B. (2011) *Design Thinking is a Failed Experiment. So What's Next?* [Web Page]

<http://www.fastcodesign.com/1663558/design-thinking-is-a-failed-experiment-so-whats-next>

[First accessed 29.10.2011]

WALTERS, H. (2011) *"Design Thinking" Isn't a Miracle Cure, but Here's How It Helps* [Web Page]

<http://www.fastcodesign.com/1663558/design-thinking-is-a-failed-experiment-so-whats-next>

[First accessed 29.10.2011]

# APPENDIX

<b>CASES .....</b>	<b>75</b>
<b>APPENDIX 1 .....</b>	<b>75</b>
THE DISNEY CASE – HARVARD VERSION .....	75
<b>APPENDIX 2 .....</b>	<b>76</b>
THE DISNEY CASE – IN PIECES .....	76
<b>APPENDIX 3 .....</b>	<b>82</b>
THE DISNEY CASE – REWRITTEN .....	82
<b>BACKGROUND DESCRIPTIONS .....</b>	<b>94</b>
<b>APPENDIX 4 .....</b>	<b>94</b>
KIM FRIDBJØRG.....	94
JESPER PAGH.....	94
MICHAEL BRINCH .....	94
MORTEN LUNDHOLM .....	94
THOMAS DICKSON.....	94
RICHARD SHED.....	94
SEBASTIAN HOLMBÄCK.....	94
HANS CHRISTIAN ASMUSSEN .....	95
CHRISTINA BRUUN OLSSON .....	95
LISBETH WITTENDORFF LORENTZEN.....	95
GRETHE VIKSAAS.....	95
FREDRIK JUHL .....	95
GUNNAR JOHANSSON .....	95
PIA BECH MATHIESEN.....	96
JESPER TOPP WOLTERS .....	96
<b>INTERVIEW EXTRACTIONS .....</b>	<b>97</b>
<b>APPENDIX 5 .....</b>	<b>97</b>
KIM FRIDBJØRG.....	97
CONCERNING THE CASE.....	97
METHOD AND EVERYDAY WORK .....	97
EXAMPLE: THE LIVING HOUSE.....	99
	71

THOUGHTS AND VIEWS ON DESIGN .....	99
<b>APPENDIX 6 .....</b>	<b>101</b>
JESPER PAGH.....	101
CONCERNING THE CASE.....	101
METHOD AND EVERYDAY WORK .....	102
EXAMPLE: THE LAPTOP COMPANY.....	104
THOUGHTS AND VIEWS ON DESIGN AND BUSINESS .....	104
<b>APPENDIX 7 .....</b>	<b>106</b>
MICHAEL BRINCH .....	106
CONCERNING THE CASE.....	106
METHOD AND EVERYDAY WORK .....	108
THOUGHTS AND VIEWS ON DESIGN .....	109
<b>APPENDIX 8 .....</b>	<b>111</b>
MORTEN LUNDHOLM .....	111
CONCERNING THE CASE.....	111
METHOD AND EVERYDAY WORK .....	114
THE DESIGN PROCESS .....	116
THOUGHTS AND VIEWS ON DESIGN AND BUSINESS .....	117
<b>APPENDIX 9 .....</b>	<b>120</b>
THOMAS DICKSON.....	120
CONCERNING THE CASE.....	120
METHOD AND EVERYDAY WORK .....	121
THOUGHTS AND VIEWS ON DESIGN AND ORGANISATION DESIGN .....	122
<b>APPENDIX 10 .....</b>	<b>124</b>
RICHARD SHED.....	124
CONCERNING THE CASE.....	124
METHOD AND EVERYDAY WORK .....	126
THOUGHTS AND VIEWS ON DESIGN .....	126
<b>APPENDIX 11 .....</b>	<b>129</b>
SEBASTIAN HOLMBÄCK.....	129
CONCERNING THE CASE.....	129
METHOD AND EVERYDAY WORK .....	130
THOUGHTS AND VIEWS ON DESIGN AND BUSINESS .....	131
<b>APPENDIX 12 .....</b>	<b>133</b>



HANS CHRISTIAN ASMUSSEN .....	133
CONCERNING THE CASE.....	133
METHOD.....	136
THOUGHTS AND VIEWS ON DESIGN AND BUSINESS .....	136
<b>APPENDIX 13 .....</b>	<b>140</b>
CHRISTINA BRUUN OLSSON .....	140
CONCERNING THE CASE.....	140
METHOD AND EVERYDAY WORK .....	141
THOUGHTS AND VIEW ON DESIGN .....	143
<b>APPENDIX 14 .....</b>	<b>145</b>
LISBETH WITTENDORFF LORENTZEN.....	145
CONCERNING THE CASE.....	145
METHOD AND EVERYDAY WORK .....	147
THOUGHTS AND VIEWS ON DESIGN AND BUSINESS .....	148
<b>APPENDIX 15 .....</b>	<b>150</b>
GRETHE VIKSAAS.....	150
CONCERNING THE CASE.....	150
METHOD AND EVERYDAY WORK .....	151
VIEW ON DESIGN/DESIGNERS IN BUSINESS .....	152
<b>APPENDIX 16 .....</b>	<b>153</b>
FREDRIK JUHL .....	153
CONCERNING THE CASE.....	153
METHOD AND EVERYDAY WORK .....	157
THOUGHTS AND VIEWS ON MANAGEMENT .....	158
<b>APPENDIX 17 .....</b>	<b>160</b>
GUNNAR JOHANSSON .....	160
CONCERNING THE CASE.....	160
METHOD AND EVERYDAY WORK .....	162
VIEW ON ORGANISATION DESIGN AND MANAGEMENT .....	164
<b>APPENDIX 18 .....</b>	<b>167</b>
PIA BECH MATHIESEN.....	167
CONCERNING THE CASE.....	167
METHOD AND EVERYDAY WORK .....	168
THOUGHTS AND VIEWS ON DESIGN .....	169

VIEW ON MANAGEMENT AND ORGANISATION DESIGN .....	170
<b>APPENDIX 19 .....</b>	<b>172</b>
JESPER TOPP WOLTERS .....	172
CONCERNING THE CASE.....	172
METHOD AND EVERYDAY WORK .....	174
VIEW ON ORGANISATION DESIGN.....	176

# CASES

## APPENDIX 1

### ***THE DISNEY CASE – HARVARD VERSION***

NANDA, A, (1996) *Walt Disney's Dennis Hightower: Taking Charge*, case no. 9-395-055, Harvard Business School, May 6

## **APPENDIX 2**

### ***THE DISNEY CASE – IN PIECES***

#### **The Disney Organisation**

The Disney organisation was founded in 1923 by the Disney brothers, Walt and Roy. By 1987 it has grown into an entertainment industry giant with sales of nearly \$3 billion. The company is involved in film and television production, theme parks, and consumer products.

#### **Licensing in the Disney Organisation**

In 1929 Disney struck its first consumer product licensing agreement with the merchandising of a Mickey Mouse pencil tablet. Subsequently the Disney Consumer Products (DCP) division was established to manage the licensing of the Walt Disney name and the company's characters songs, music, and visual and literary properties. By 1987, the division's revenue had reached \$167 million, with operating income of \$97 million. Frank Wells was the current president and COO of the Walt Disney Company.

#### **The Disney Organisation in Europe, 1938 – 1987**

Walt Disney first visited Italy in 1934 to initiate a licensing business with an Italian publisher. After the war he hired his first country manager, for France.

By 1987, DCP had eight wholly-owned European subsidiaries that operated in 20 different markets and together employed 102 people. Each subsidiary reported directly to Barton ("Bo") Boyd who was the worldwide head of consumer products, located at Disney's headquarters in Burbank, California.

#### **Differences between the European markets**

The country managers operated in very different environments with diverse business compositions. E.g. the French and Italian operations were driven by book and magazine licensing, German and U.K operations were driven mostly by merchandising licensing, and the German market was much larger than the Portuguese market. The business being licensing-driven, management had made little investment in hard assets; it was a very high-margin enterprise.

#### **Dennis Hightower - Background**

Born into a black family with rich military heritage, Dennis Hightower had joined the army in 1962 and served eight years with distinction. In June 1970 he resigned from the army and joined the Xerox Corporation. He noticed at this point the need for an MBA in order to be able to achieve higher positions, and was admitted to Harvard Business School on a fellowship.

#### **Dennis Hightower – Work experience**

Upon graduating from Harvard he joined McKinsey where he stayed four years before moving on to General Electric in 1978. There he served in a strategic planning role, and later as a vice president and general manager in Mexico. In 1981 he was hired by Mattel as a vice president of corporate planning. Through difficult times he assisted the chairman in

downsizing and restructuring Mattel, ending up without a job due to any more openings at the corporate level in the company. He joined Russell Reynolds, and became head of its Los Angeles office in 1984.

### **Hightower's work philosophy**

Current consideration rather than any grand plan had motivated Hightower's career moves. He summed up his advancement philosophy thus: "I have always had the confidence that, without my actively seeking them, the right opportunities will find their way to me. Other than follow a generalised desire to associate with the best, I have tried not to over-manage my career."

### **The Country Heads in Europe**

The French country manager hired all the subsequent European country managers, and has been credited with having essentially built Disney's European business since World War II.

Proudly independent and perceived as "senior senators", the country managers for all practical purposes *were* Disney in Europe. They had developed book and magazine publishing and a full range of merchandising licensing of apparel, toys, housewares, and stationary.

### **Close relationships between the country heads and the Disney family**

All eight country managers had spent substantial time in their positions (see Exhibit 3). The longer-tenured country managers knew the Disney family personally. Most had known Walt and his brother, Roy Disney Sr. The Disney children were regularly sent to Europe on vacation, and frequently stayed in the homes of the country managers. The current vice chairman, Roy Disney Jr., had "learned the business" from the French and German country managers when he became active in the company nearly three decades earlier.

### **Opportunities in Europe**

In the 1990's, the Disney management foresaw tremendous opportunities opening in Europe. The 1992 opening of the Euro Disney theme park near Paris would greatly reinforce Disney's presence in Europe, and the European Community was moving towards market harmonisation. Prospects for cooperation across countries were blossoming.

### **New European Headquarters**

It was decided that a European headquarters for DCP would be established in Paris. Everything concerning the eight country subsidiaries that had previously been managed by Burbank would now be run in Paris. A newly created position, vice president of DCP-Europe, would head the office. The sentiment of the country managers who had been consulted on this decision, was that a new European head should not be a European; the notion of an American who could "relate" to the studio (as the Burbank headquarters was called) and build credibility locally was much more appealing to them.

## **The Search**

Once the decision was made to establish the Paris office, Disney hired the search firm Russell Reynolds to recruit candidates for the new European vice president job. Dennis Hightower, head of Russell Reynolds' Los Angeles office was put in charge of the search.

Boyd and Hightower spent three weeks in Europe meeting with each country manager in an effort to understand the business issues confronting them and get a sense of the kind of person who would win their confidence, respect, and trust. As they interviewed a number of prospective candidates, they became increasingly familiar with one another. "The more I travelled with Hightower, the more I like him", recalled Boyd.

## **Hiring Hightower**

When they had narrowed the search down to six final candidates, Frank Wells announced to Hightower that they wanted him personally for the job. Boyd was very pleased with the job Hightower had done so far, and after some checking they had arrived at this conclusion.

Boyd had already spoken with the three senior-most country managers from France, Italy and Germany who had all approved of the choice.

## **The Challenge**

In June 1987, Hightower was presented with this challenge by Frank Wells, COO of Disney: "Go out and grow the business. Do something that has not been done in the past. Develop a strategy and bring it back to us in three months."

How was he to develop a strategy that would unify Europe, grow the business beyond any one individual area, and introduce critical thinking and creative approaches – all in three months? Where to begin?

As he contemplated his newly created job and the challenge he had been posed, Hightower thought wryly: "If you don't know where you're going, any road will take you there!"

## **Hightower's Musings**

Hightower's first concern was the move done by the Disney management, offering him the job after he had originally been hired to find the right candidate. The country managers had candidly shared their points of view with him, and he was worried that it would be uncomfortable to go back as their boss.

The country managers had been running themselves for years. They have been very successful, but the operations could also have been even more profitable. Hightower was not only an outsider, but also a boss they had never had before and probably did not want – no matter how much they intellectually agreed to the need for one.

## Walt Disney Company Financial Performance and Business Composition

	1940	1950	1960	1970	1980
<b>Financial performance: 1940-1980</b>					
Sales (\$ m)	2.5	7.3	46.4	167	915
Net income (\$ m)	(0.1)	0.7	(1.3)	22	135
Return on Equity (%)	(1.7)	11.7	(6.2)	10.0	12.6

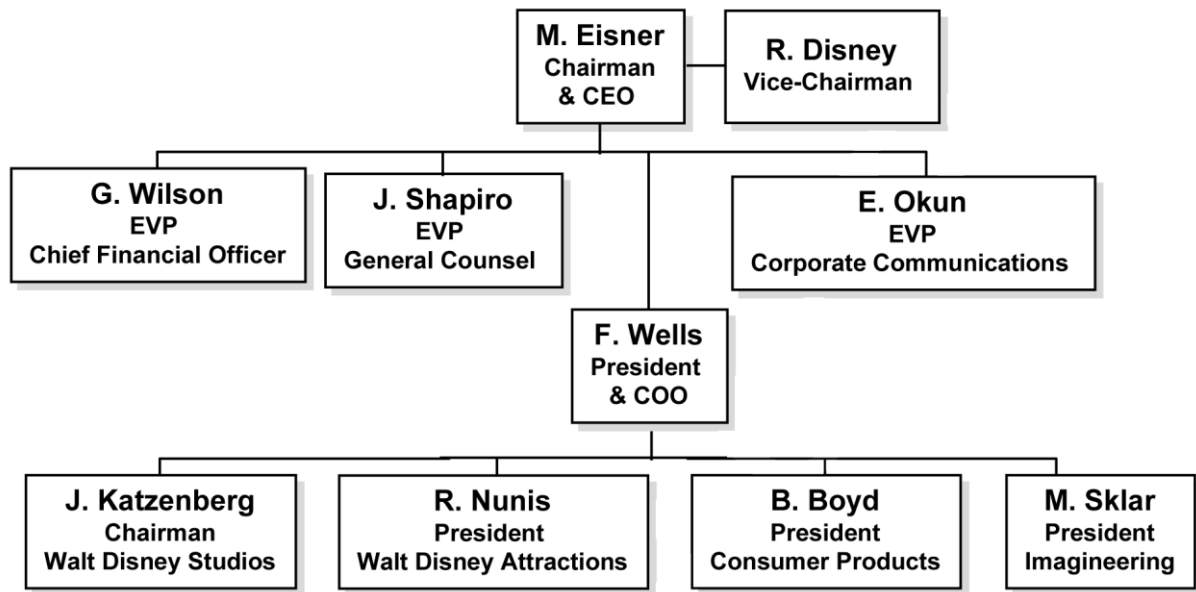
### Business composition: 1940-1980 (% of revenue)

Film/Television	77	74	50	41	18
Theme parks/resorts	-	-	39	49	70
Consumer products	23	26	11	10	12

### Divisional revenues and operating income: 1981-1987 (\$ m)

	1981	1983	1985	1987
<b>Film and Television</b>				
Sales	175	165	320	876
Operating Income	35	(33)	34	131
<b>Theme Parks</b>				
Sales	692	1,031	1,258	1,834
Operating Income	124	190	255	549
<b>Consumer Products</b>				
Sales	139	111	123	167
Operating Income	51	57	56	97

### Organisation Chart of the Walt Disney Company, 1987



### Disney Consumer Product's European Country Managers, 1987

Country	Age of Country Manager	No. of years in the role
France	70	40
Denmark	60	24
Germany	60	30
Belgium	60	35
Italy	60	26
Spain	44	16
Portugal	41	10
United Kingdom	41	15



## DCP Europe: Market Size and Performance

The European Market, 1987

	Population (millions)	Per capita GNP (in US \$) <sup>a</sup>	Production (m US \$)		
			Merchandise	Publishing	Music
France	55.5	15,987	155	22	18
Denmark	5.1	19,373	17	2	1
West Germany	61.2	18,183	158	15	37
Italy	57.3	13,129	114	10	6
Spain	38.7	7,499	55	6	3
Portugal	10.2	3,510	11	1	1
United Kingdom	56.8	12,533	114	22	19
<b>Europe</b>	<b>831.5</b>	<b>7,877</b>			

Sources: *European Marketing Data and Statistics*, and *National Accounts OCDE*.

<sup>a</sup>1987 exchange rates.

Estimated Composition of DCP-Europe's Revenue and Income in 1987

\$ m	Product-line				Total
	Merchandise Licensing	Publishing	Music	Others	
<b>Revenue</b>					
France	2.8	5.7	1.5	0.1	10.1
Denmark/Nordic countries	2.5	6.1	0.3	0.1	9.0
West Germany	4.1	4.1	0.4	0.2	8.8
Belgium	1.4	2.0	0.1	0.2	3.7
Italy	3.6	3.6	0.3	0.0	7.5
Spain	1.2	1.0	0.2	0.1	2.5
Portugal	0.4	0.3	0.1	0.0	0.8
United Kingdom	4.2	0.6	0.3	0.1	5.1
<b>Total Revenue</b>	<b>20.2</b>	<b>23.4</b>	<b>3.2</b>	<b>0.8</b>	<b>47.6</b>
<b>Operating Income</b>	<b>15.3</b>	<b>17.3</b>	<b>2.0</b>	<b>0.0</b>	<b>34.6</b>

## APPENDIX 3

### *THE DISNEY CASE – REWRITTEN*



#### **The Design Brief**

In June 1987, Dennis Hightower was hired as the new vice president of the European Disney Consumer Products division.

He had to come up with a new strategy and an organisational design for the European division. This involved deciding upon a new structure and communication system for the division that would unify and grow the European business. The strategy should ensure a unified Europe, growth beyond any individual area, critical thinking and new creative approaches.

To help him attack this problem from a new angle his first move has been to hire you as a consultant to help him come up with a new organisational design for the division.

How would you go about coming up with a solution to his problem? What kind of methods would you use? Where do you start?

*Memo from Boyd to Wells  
giving a sum-up from a meeting  
deciding upon new European headquarters*



**November 10, 1986**

**From:** Barton Boyd  
**To:** Frank Wells

Hi Frank,

Here is a sum-up of the main points we discussed at our meeting yesterday:

- We expect to have tremendous opportunities opening up in the European market at the start of the 1990's
- Especially the 1992 opening of the Euro Disney theme park near Paris will greatly reinforce Disney's presence in Europe
- Also, the European Community is moving towards market harmonisation and prospects for cooperation across countries seem to be blossoming
- We agreed upon the need for a European headquarters for Disney Consumer Products that will be established in Paris
- This office will be headed by a new position – the vice president of DCP-Europe
- It was a strong feeling among ourselves as well as the European country managers that this person should be an American who can "relate" to the studio and build local credibility
- In order to find the best candidate we will engage a search firm e.g. Russell Reynolds
- We decided upon a new logo for Disney Consumer Products

The opportunities are certainly there, and I feel our decision to establish European headquarters is in high time. Hopefully the new vice president will be able to not only take advantage of the situation, but also make the operations in Europe more streamlined and efficient. Although the country managers have done well on their own so far, I am convinced that there is more profit to be gained from more structure and administration in the European division.

Best regards,  
Bo



# RUSSELL REYNOLDS ASSOCIATES

200 Park Avenue  
Suite 2300  
New York  
NY 10166-0002

January 17, 1987

Barton Boyd  
Disney Headquarters  
500 S Buena Vista St  
Burbank  
California 91521-6369

Dear Mr Boyd,

We are hereby confirming the part Russell Reynolds will take in your search for a new European vice president in the Disney Corporation. The head of our Los Angeles office, Dennis Hightower, has been appointed as our representative that will aid you in your search.

We are confident that he is well suited for the job and that he will be of value in this important pursuit of finding the right candidate.

Mr Hightower has been provided with your contact information, and will shortly contact you to set up the first meeting.

Yours sincerely,  
Philip Derry  
CEO, Russell Reynolds

*Memo from Boyd to Hightower  
describing the Disney background*



**February 24, 1987**

**From:** Barton Boyd  
**To:** Dennis Hightower

Dear Dennis,

Thank you for a good meeting and a lovely evening. I must say, I genuinely look forward to working with you.

I will provide you with a more thorough background brief on the Disney Corporation on the plane to France next week, but in the meantime I have jotted down some of the main points that you should be aware of.

The Walt Disney Company was founded by the Disney brothers, Walt and Roy, in 1923. They are both now deceased, and Roy's son Roy Disney Jr. is the vice-chairman of the company. Frank Wells is the current president and COO, and Michael Eisner is the chairman and CEO.

The company is involved in film and television production, theme parks, and consumer products. It was already in 1929 that we struck our first consumer product licensing agreement with the merchandising of a Mickey Mouse pencil tablet. Subsequently, the Disney Consumer Products (DCP) division was established to manage the licensing of the Walt Disney name and the company's characters songs, music, and visual and literary properties. Since then the division's revenue has reached \$167 million, with operating income of \$97 million. The Disney Corporation in total has a turnover of nearly \$3 billion.

Have a nice weekend, and we will meet again at the airport next week.

Best regards,  
Bo



Some pictures of Walt with the first Mickey Mouse merchandise and an example of a Mickey Mouse doll



*Memo from the French country manager to Hightower  
giving some facts on the European division*



**March 12, 1987**

**From:** Pierre Sissman  
**To:** Dennis Hightower

Dear Dennis,

I am here sending you some facts and history of the European division.

Walt Disney first visited Italy in 1934 to initiate a licensing business with an Italian publisher. However, it was not until after the war that he thought the area stable enough to start up a real business. I was hired as the first country manager here in France when the war was over.

Since then I have hired all the subsequent country managers and helped them start up their subsidiaries. Disney Consumer Products now has eight wholly-owned European subsidiaries that operates in 20 different markets and together employ 102 people. We all report directly to Barton Boyd at headquarters in Burbank, which has been the setup since the start.

We operate in very different environments with diverse business compositions. E.g. the German market is much larger than the Portuguese market, and whereas German and U.K. operations are historically driven by merchandise licensing, French and Italian operations are driven by book and magazine licensing.

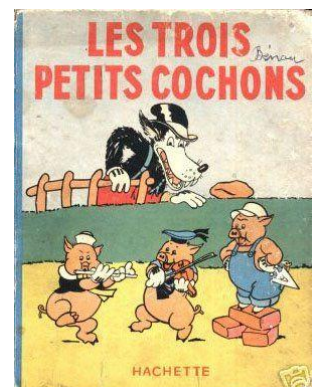
Through the years the other country managers and I have developed book and magazine publishing and a full range of merchandising licensing of apparel, toys, housewares, and stationary. Most of the longer-tenured country managers know the Disney family personally, and we have often hosted the Disney children when they were sent to Europe on vacation.

I have also set up a chart depicting the length of our employment as Disney managers, as you seemed curious about this:

Country	Age of Country Manager	No. of years in the role
France	70	40
Denmark	60	24
Germany	60	30
Belgium	60	35
Italy	60	26
Spain	44	16
Portugal	41	10
United Kingdom	41	15

Yrs. Sincerely  
Pierre

One of the first comic books  
published in France, June 30, 1934



*Memo from Hightower to Boyd  
describing the European division*



**April 2, 1987**

**From:** Dennis Hightower  
**To:** Barton Boyd

Hi Barton,

As we agreed, I'm sending you my notes and thoughts on the general situation and composition of the European division. I have also summed up the main points below for a quick read.

The French country manager, Pierre Sissman, impressed me greatly. That he himself recruited and hired all the subsequent country managers, and can be credited with having essentially built the European division is not a small feat. He seems to be fully entitled to his reputation as being a "living legend".

The country managers all seem to have full control over their markets and well on top of the situation. However, this is only true for each individual market. No one has the full overview of the entire European market, and there is no formal practice of cooperation between the markets -- neither in the actual business, nor on an intellectual level discussing ideas, experiences and possibilities. They do of course communicate with each other, but this seems to me to be on a more relational and non-work related level. My overall impression of the country managers as a group is that they come off as an old boys club, used to minding their own business and sailing their own sea. All the operations are based on the networks and contacts belonging to each country head. Proudly independent and perceived as "senior senators", the country managers for all practical purposes are Disney in Europe.

This can possibly be a large obstacle to the new vice president. The man we decide to offer the job must be able to figure out how he is going to manage a group of people that have been autonomous and self-reliant their entire Disney career. The fact that they have all held the position more than 10 years -- some even up to 40 years -- does not improve the matter. Which is also an additional concern; some of these people are nearing the end of their professional work-life and will soon need replacement.

I do get the feeling that they all agree on the need for a vice president to tie the operations together. And they will probably be grateful for the administrative work that will be taken off their hands. However, I do not think they are fully aware of the implications of a new boss, and how this new position will affect their everyday work.

Best regards,  
Dennis

*Memo from Boyd to Wells  
describing and arguing for the hiring of Dennis Hightower*



**May 23, 1987**

**From:** Barton Boyd  
**To:** Frank Wells

Hi Frank,

So I just got back from Europe again. The search for a new vice president for the European division is going very well – Dennis Hightower has proven himself to be a real asset. We have interviewed some promising applicants and narrowed the search down to six final candidates.

However, I have an idea I want to run by you. After spending three weeks travelling with Hightower, and many hours discussing and interviewing candidates, I have taken a great liking to the guy. The country managers were also very positive towards him, and thought him a great potential leader. So my suggestion is this: why not hire Dennis Hightower as the new European vice president? I have already discussed the possibility with our guys in France, Germany and Italy. They all approve of the choice and did not anticipate any problems.

I have taken the liberty to assemble a short background on him to give you an idea of what kind of man he is.

He started his career by serving in the army for eight years with distinction, seeing as, he argued, it offered blacks leadership opportunities that weren't available in industry at that time. After taking an MBA at Harvard, he has worked in top positions at companies like McKinsey, General Electric and Mattel. Currently he is the head of the Los Angeles office in Russell Reynolds, the company we hired to help us out with the search for the new European vice president. He has a career philosophy which dictates that he should grasp the right opportunities as they are presented to him, without him actively seeking them out. In other words, a man with a good head. I'm including a picture as well, seeing as you have as yet to meet him.

I feel confident that he is up to the challenge, and that he is the right man for reorganising the European division and making the most of the new promising market opportunities. Let me know what you think.

Best regards,  
Bo





Journal,  
Property of Dennis Hightower

Journal entry  
Friday 05/06/87

Today Frank Wells called me up and invited me over to Burbank for a chat. I thought he wanted to go over the final six candidates to get an update and an overview of the situation. Instead, he sprang a surprise on me: Disney wants to hire me as the new European vice president. Frank said something along these lines: "While we think we have a good six candidates, we have done some checking on you and think that you are the person we want for the job."

I was fairly perplexed, and had some initial doubts and concerns. However, he managed to talk me into it quite quickly, and I must say that this is a great opportunity and a good way forward, career wise.

On my way home I started to line up the challenges and problems in my head. Not only connected to the new position, but also to the fact that I was hired to find the person for the job, not be that person myself. Firstly, this is a bold move from Disney's side, seeing as the country managers candidly shared their points of view with me. I now feel it's going to be uncomfortable going back there as their boss. Secondly, these people have been running themselves for years. Not only am I an outsider, but also a boss that they have never had before and probably do not want – no matter how much they intellectually agreed to the need for one. Thirdly, they have been very successful, but the operations could also have been even more profitable. There is a definite need for a more streamlined process, and a critical review of the different markets. The country managers do not seem to make use of each other's ideas and experiences, but end up mostly doing things their own way.

They gave me three months to come up with a new strategy and a new organisational design – where to begin? Oh well, if you don't know where you're going, any road will take you there!

# Financial Statements Disney Company



## Walt Disney Company Financial Performance and Business Composition

	1940	1950	1960	1970	1980
<b>Financial Performance: 1940-1980</b>					
Sales (\$ m)	2.5	7.3	46.4	167	915
Net income (\$ m)	(0.1)	0.7	(1.3)	22	135
Return on Equity (%)	(1.7)	11.7	(6.2)	10.0	12.6
<b>Business composition: 1940-1980 (% of revenue)</b>					
Film/Television	77	74	50	41	18
Theme parks/resorts	-	-	39	49	70
Consumer products	23	26	11	10	12

## Divisional revenues and operating income: 1981-1987 (\$ m)

	1981	1983	1985	1987
<b>Film and Television</b>				
Sales	175	165	320	876
Operating Income	35	(33)	34	131
<b>Theme Parks</b>				
Sales	692	1,031	1,285	1,834
Operating Income	124	190	255	549
<b>Consumer Products</b>				
Sales	139	111	123	167
Operating Income	51	57	56	97

## Financial Statements Disney Consumer Products in Europe

### Disney Consumer Products in Europe: Market Size and Performance

	Population (millions)	Per capita GNP (in US \$)	Production (in US \$)		
			Merchandise	Publishing	Music
France	55.5	15,987	155	22	18
Denmark	5.1	19,373	17	2	1
West Germany	61.2	18,183	158	15	37
Italy	57.3	13,129	114	10	6
Spain	38.7	7,499	55	6	3
Portugal	10.2	3,510	11	1	1
United Kingdom	56.8	12,533	114	22	19
<b>Europe</b>	<b>831.5</b>	<b>7,877</b>			

### Estimated Composition of Disney Consumer Products in Europe's Revenue and Income in 1987

	Product-line				Total
	Merchandise Licensing	Publishing	Music	Others	
<b>Revenue</b>					
France	2.8	5.7	1.5	0.1	10.1
Denmark/Nordic countries	2.5	6.1	0.3	0.1	9.0
West Germany	4.1	4.1	0.4	0.2	8.8
Belgium	1.4	2.0	0.1	0.2	3.7
Italy	3.6	3.6	0.3	0.0	7.5
Spain	1.2	1.0	0.2	0.1	2.5
Portugal	0.4	0.3	0.1	0.0	0.8
United Kingdom	4.2	0.6	0.3	0.1	5.1
<b>Total Revenue</b>	<b>20.2</b>	<b>23.4</b>	<b>3.2</b>	<b>0.8</b>	<b>47.6</b>
<b>Operating Income</b>	<b>15.3</b>	<b>17.3</b>	<b>2.0</b>	<b>0.0</b>	<b>34.6</b>

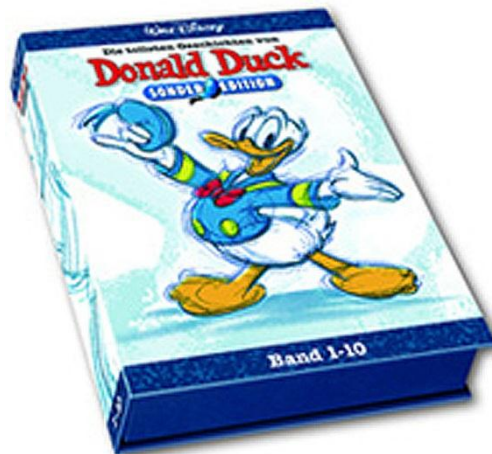
## Examples of Disney Consumer Products



Uncle Scrooge plastic figure made for McDonald's Happy Meals



Jimmy Cricket Collectable



Collection of Donald Duck cartoons on VHS



Minnie Mouse bath towel



Princess lunch box for girls

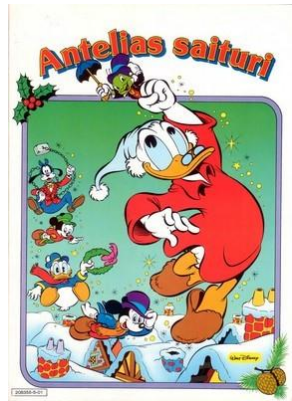


Display of stuffed Mickey Mouse dolls in a Disney Store in California

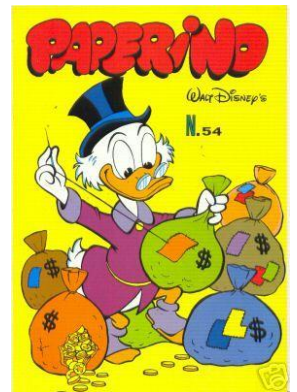


## Examples of comic books in the different European markets

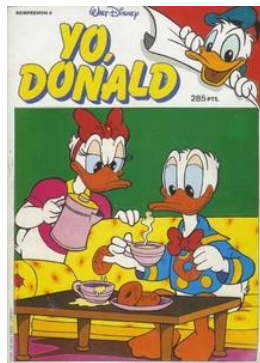
Christmas issue of  
Uncle Scrooge 1985  
Finland



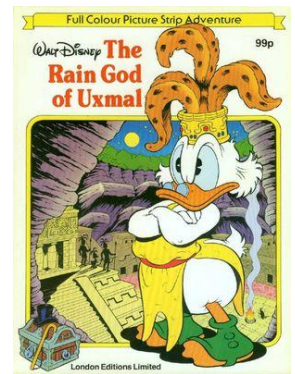
March issue of  
Uncle Scrooge 1986  
Italy



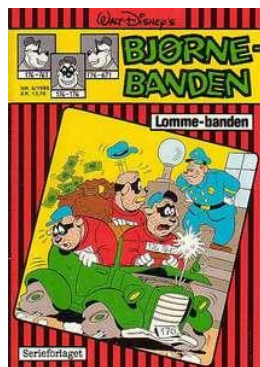
January issue of  
Donald Duck 1987  
Spain



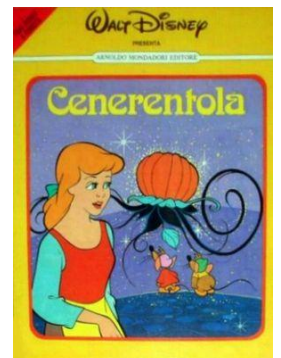
February issue of  
Uncle Scrooge 1985  
United Kingdom



August issue of  
The Beagle Boys  
1986 Denmark



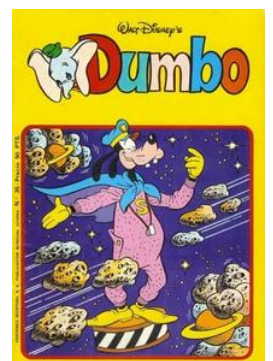
September issue of  
Cinderella 1982  
Italy



May issue of  
The Sword in the Stone  
1979 Germany



May issue of  
Dumbo 1981  
Spain



# BACKGROUND DESCRIPTIONS

## APPENDIX 4

### ***KIM FRIDBJØRG***

Kim Fridbjørg is a Danish architect who has worked within a number of different fields of design, as well as being a lecturer at creative institutions in Denmark and Germany. He currently works as an architect and designer next to his roles as creative director and partner in his studio Fridbjørg Architects.

### ***JESPER PAGH***

Jesper Pagh is a Danish freelance architect and designer who currently works as technology editor at the architect magazine Arkitekten. In addition he is a part-time lecturer teaching humanist courses at Roskilde University.

### ***MICHAEL BRINCH***

Michael Brinch is a Danish graphic designer who has been trained, and has worked both as a fashion and graphic designer. He currently works with strategic design through his own company Red Forward.

### ***MORTEN LUNDHOLM***

Morten Lundholm is a Danish strategic designer who works with formulating creative solutions for companies through his company Lundholm Experience Strategy ApS. He has earlier worked for LEGO and at IDEO in London. In addition he has also been a guest lecturer on design at CIID (Copenhagen Institute of Interaction Design).

### ***THOMAS DICKSON***

Thomas Dickson is a Danish product and strategic designer and currently works with product and strategic design through his own company Dickson Design. He has written a number of books on the nature of design, and in addition to design also works with communication and journalism.

### ***RICHARD SHED***

Richard Shed is a British product and interaction designer who works with product and interior design through his company Richard Shed Studio. In addition, he spends time doing design and user research, as well as being a lecturer at CIID (Copenhagen Institute of Interaction Design).

### ***SEBASTIAN HOLMBÄCK***

Sebastian Holmbäck is a Danish product designer who currently works out of his own design company HolmbäckNordentoft with a design partner, where they do product design, interior design, furniture, and light settings. He has earlier worked with a vast array of different

projects and exhibitions, in addition to being a lecturer for teaching product design and the design process to design students.

### ***HANS CHRISTIAN ASMUSSEN***

Hans Christian Asmussen is a Danish graphic and product designer who also holds a masters degree in design theory. He currently works with graphic and product design as a partner in his own company NATiON, which he runs with another designer, and has earlier free-lanced for an advertising company in Paris, and done other design work abroad.

### ***CHRISTINA BRUUN OLSSON***

Christina Bruun Olsson is a Danish graphic designer who at the time of the interview was employed as a graphic designer at Krogh & Co. She has been a lecturer at what is now called Mediahøjskolen – used to be den Grafiske Højskole – for six years and also written articles and a book on the topic of graphic design.

### ***LISBETH WITTENDORFF LORENTZEN***

Lisbeth Wittendorff Lorentzen is a Danish designer who is originally educated as a set designer/scenographer, with additional training in 3D programs and how to communicate space and visuality. She has further expanded into interior design and preparing exhibitions, worked as a lecturer and researcher at Ålborg University and DIS (Danish Institute for Study Abroad), and currently works as a freelance designer.

### ***GRETHE VIKSAAS***

Grethe Viksaas is a Norwegian senior executive and entrepreneur who is currently the CEO of the Basefarm Group, one of the largest facilitators of internet services in Norway and Sweden. She started up the company with seven others in 2000, and has since been the CEO of Basefarm in Norway for eleven years, as well as being chairman of the board in the Swedish division, which Basefarm has built from scratch.

### ***FREDRIK JUHL***

Fredrik Juhl (a pseudonym – the participant wished to remain anonymous) is an experienced Danish senior executive who has worked for his current employer for eleven years in three different high ranking positions in Denmark and abroad. He is currently the general manager of the Danish division, as well as the CEO of the Western Europe consumer department of his organisation, which is a large international IT company.

### ***GUNNAR JOHANSSON***

Gunnar Johansson is an experienced Norwegian senior executive who at the time of the interview had been called in to assume a temporary position as CEO at Hilding Anders, a Swedish bed manufacturing company with subsidiaries in over forty different countries. After working in high positions in SCA for over thirty years he had originally taken out his pension, but agreed to assume the position for a short time to help turn the organisation around and will

stay on as a board member when leaving the post. In addition, he is a board member in a number of different companies in Norway and other countries.

***PIA BECH MATHIESEN***

Pia Bech Mathiesen is a Danish senior executive who has been trained, and has worked both as a designer and a CEO. She is currently the CEO of Danfoss Universe, which is an amusement park focused on education and learning within science, but claims that she is a designer at heart and that uses many of the classical design methods in her work as an executive.

***JESPER TOPP WOLTERS***

Jesper Topp Wolthers is a Danish senior manager who is originally educated as a lawyer, and currently holds the position as head of HRM in COWI, a large international engineering company. He has earlier been working with organisation design at the same level in Novo Nordisk in London.



# INTERVIEW EXTRACTIONS

## APPENDIX 5

*KIM FRIDBJØRG*

### CONCERNING THE CASE

- it's not what I expected
- I didn't read it thoroughly, a little bit of it I just skimmed because I think that it doesn't really trigger me very much
- nothing wrong with it, it's just way out of my daily focus
- as a designer you also have to have a brief - have to have a starting point, like a manuscript
  - either you get the manuscript, or you help design it
- the Disney Corporation already was in existence - in a way the script was there, there was a whole line of given facts, like limitations that you had to relate to
- first of course I would have to know the strategies behind the whole cartoon world – what's coming, what's next
- many things to consider when you make a big project like this
  - can you actually create what you want to create - will it actually be possible to implement your ideas
- is there a labour force, which can meet your requirements - both in the production phase and in the implementation phase and in the running phase afterwards
- would probably investigate the infrastructure – as a critical asset

### METHOD AND EVERYDAY WORK

- we're actually working on a project right now where the client didn't know that they had the need that we described for them
- through the visualisation, the modelling and tools and stuff we were able to present an idea which they really liked, and it's now in the design process
- this was through the use of design tools, design thinking
- personal experience - it's a lot easier to operate as a designer if I'm discussing directly with the management - it's really difficult, the longer you get down the hierarchy
- over the last years I've almost only dealt with executives and board members - because what we do is changing their companies, basically
  - they have to agree with that
- they have to realise that what we do is that we take their sets of value – we don't facilitate a value process
- take the values sets as they're described and bring it on from there
- sometimes there's a big conflict between what people actually do and what they say
- this has been a good way for us as designers to get a dialogue going - not challenging their basis, but taking their basis and taking on from there – giving it shape, visuality, putting it into a context

- if it's a commercial client I think a natural way to get into a dialogue would be to look at all the brand statements, to look at the point difference, the brand drivers, all the organisational tools that corporations use to communicate with, their employees
- usually have a like a vision statement and all these things
  - if you sum up this whole picture of the company
  - sometimes you even have a personality analysis – some companies like to see themselves as a person
- you could call this the manuscript for the company that they're run by, it's like a manual, not for a car but for a company
  
- the way I see the world is through visuality and space
- words mean something different to everybody - so as long as you don't translate the meaning of a certain context, people don't have a common reference
- if you don't have a physical translation of what you're actually producing or working with, you lose the concept
  
- tool – the mood board, a very abstract tool where you combine the world of words with the world of visuality
- would start with the vision and values
- would probably spend quite a few days actually translating the different words and concepts he finds in the vision and values into a handshake
  - a handshake to the world and the employees
- what I would probably want would probably be a design handshake
  - would probably try and translate these words into a visuality, but necessarily based on the words that they used, but maybe I would need to translate the words
- develop three different words – visual drivers – then conceptualise them into one word
- cannot come up with that in 5 minutes – doesn't work like that
- usually you brainstorm of course, where you put up post-its all over the room
- all about narrowing down, taking away possibilities, finding the description which is exactly the right one – the one word which conceptualises the whole project
- the reason it's a good thing to have a tool like that, is when you start out a big project, you have to have a language for everybody involved in the project
- would have other tools – e.g. a tool that symbolises a shape, the mood board – which consists of colours, of tactile qualities, even sound
- I would use the word to refer to the visual qualities – by using this word everyone would constantly work to make things that have the visuality they agreed upon
- you can actually link it backwards in time and say is it distinct from the words we used to make this translation
- in other words are we doing what the client wants us to, or are we actually moving away from a design world that does not contain this word
  
- mood board - you end up with is a mental map of how to work as a designer
- have to do the whole research before making the mood board
- then take the values and put them into the world of shape, colour, etc.
  
- taketa – very hard and numona – very soft
- when you talk about design you could say that is has more of this than of that - more crisp or it's more soft
  - it's like the language combined with design is like language combined with music for example - it's very difficult

### **EXAMPLE: THE LIVING HOUSE**

- The Living House – a competition for making the Office for the Future
  - supposed to be a quick-fix
  - turned out to be a revolution – an expensive one
  - a revolution which is good investment
- they took the concept of the Living House and turned it into the concept of the Living organisation
- the world of concepts can add to each other
- they changed the company to match the concept
- the organisational changes was a result of the architectural and visual changes
  - going from closed drab office space – to a flat structure where everyone's available
- what's really the essence in this discussion is that design in itself is nothing – it's the meaning behind design which can change things

### **THOUGHTS AND VIEWS ON DESIGN**

- always a nice thing for designers to have creative constraint
  - can focus on how to actually express what the script asks you to do
- being the kind of designer that I am, you have to have a little knowledge about literature and poetry and all these kind of art forms that combines, gives the full circle of the human aspect
- it's all about humans - maybe it's business, but it's still humans
  - humans meeting the product, and it's humans making the product
- sometimes you have to exaggerate the world of design to get to the aim – have to turn up the volume
- every time there's an evolution in technological sense or a political sense – it gives birth to another line of design solutions
- talk about using teams made up of different professions – the best people in their fields
- what's really the essence in this discussion (The Living House) is that design in itself is nothing – it's the meaning behind design which can change things
- let's say in the beginning there were stars – and when they made constellations it suddenly meant something to somebody
- design - the process of giving meaning to things
- basically it's a collective agreement that we have with each other (socialist constructions)
  - red is love, etc.
- design is a terrible word – what is design? It's just structure
- it is what you put into it – the meaning that you put into it can give you a tool to do something
- sure you could take this kind of design work and use that in org. design
- starting with the individual, starting with the human analysis
  - instead of saying what's good for the company – ask what's good for the employees
  - what attracts them
  - what makes them happy producers
  - having this other way into solving it
- his new project is about bringing an organisation together
  - to create a corporate identity
- architecture influence people
  - twins growing up in different places turn out differently

- some of the things we deal with is touching and dealing with the subconscious
  - you know that something is nice or not nice – from your cultural experience
- if you take something out of a context – it doesn't work
- this design is always the result of a cultural context, you can't just implement something in a completely different society.

## **APPENDIX 6**

### ***JESPER PAGH***

#### **CONCERNING THE CASE**

- need to have some kind of objective of what you're doing – why are we doing this?
  - have everyone be critical and evaluate what they're actually doing and why
  - why are we using this approach?
- need to have something to aim at
  
- the CMs – invite them in and have a chat
- in their own minds they are the ones who knows the most about it at all
  - in some areas they might be right
  - in other areas they might be the most conservative ones
- crucial to have them all act as a part of a team, developing what they've already been working on
  - some of these guys are probably moving on in a few years
- could be one place to start to get an image of what was going on, and why they were doing what they were doing
- if you don't know where you're going, you could at least know where you are going from
  
- so we want to create one big European market, and give the CMs responsibility for their own areas, instead of trying to not having them standing on their own islands
  - how to make that happen – to talk about Europe instead of individual countries
- create some kind of common vision for how this would look, with these people
- worst thing that could happen would be that all this people considered Hightower being their enemy from day one
- a great start would be to invite them and create one common vision about this new European market instead of different national markets
- create it in a way that would obviously benefit them in their position in the company – try to find out what triggers them maybe
- what are their drivers now in their different positions, and how could that be worked into a new vision
- have them all describe for their colleagues what they're doing now, what they're doing in their own country – facts and figures and how they would like to do it
- have them work together on creating one new common market and then go from there
  
- map out all the stakeholders about what they're doing
- find out how this business creates value
- why are people buying the products, how does it create value in that direction, and what do the CMs say about it
- very often some kind of small or sometimes large difference between the way the company thinks it creates value and the way that the value creation is perceived by the customer of the end-user – company usually not aware of it
  - address this gap
- focus your efforts on creating value in the right part of your business
- that could maybe be something that you could hold up for these country managers to create this common vision
- use this image from the consumers to create a vision about what they should be doing

- one place to start would be to map out all the stakeholders, find out who are the key stakeholders, try to create some tangible vision about how we are creating value for all these people, in different countries
  - a lot of people to consider – the chain of consumers can be long in licensing
- could be a lot of stakeholders they haven't considered
- try to map out stakeholders and try to map out activities, and try to place them in some kind of visual overview (2D or 3D)
- the CMs probably have a lot of experience that they could share or map out – maybe they have different stakeholders, or maybe they just have different views on it
- basically we need to show these people that things are going to be better now that they're not in charge themselves
  - that would be a major challenge
- try to engage them as much as possible in this process
- we need to find out all these places where we're not doing anything
  - will probably find that when mapping out activities and stakeholders
- then try to find out/list all the mismatches between the activities and stakeholders
  - where are they doing stuff that creates value, how do they create value
  - where do they have stakeholders – to whom are they important
  - where do they don't create value – can this be turned around or shut down
- they should all do something together – something new
  - where are they not putting the mouse (Mickey) – how to get it there
- do something together across Europe – starting the new organisation
- what do Europeans have in common compared to the Americans – what should be the next market or business we could move into with our merchandise
- need to find out what happens/comes out of the stakeholder, action mapping to move on
- the kinds of issues you would want to find out in the Disney case
  - what are these people expecting from us, and what are we actually delivering to them
  - where are the conflicts
  - what kind of potential exists

## **METHOD AND EVERYDAY WORK**

- need to have some kind of objective of what you were doing – why are we doing this?
  - have everyone be critical and evaluate what they're actually doing and why
  - why are we using this approach?
- need to have something to aim at
- often when we've been working with these kind of issues, it's been crucial to find out how do the business... what is the managements view on how the business creates value for their customers, and how do the customers look at it
- map all the stakeholders about what is going on
- often what we've been doing as designers is to visualise what's actually going on in this conflict between the company and the consumers – how either side perceive value
- create an image of what are they doing to try to create this value and what part of what they're doing is actually creating value - the outside value that counts
- map out all the stakeholders, find out who are the key stakeholders, try to create some tangible vision about how we are creating value for all these people
  - could be a lot of stakeholders they haven't considered

-try to map out stakeholders and try to map out activities, and try to place them in some kind of visual overview (2 or 3D)

-sometimes the design method it's like a Vietnamese war movie

-get into the jungle and get the guy out

-remove the obstacles to get your goal and get out

-define your goal, and use whatever methods to get to that point

-get rid of obstacles by eliminating them, make them into assets

-work with classical SWOT – turning threats into opportunities etc.

-trying to move things around in the SWOT or keep them out by using these different methods

-the visual part is a major part of it

-what I'm teaching in the universities is how to use design methods in, primarily in urban planning, but for developing a strategy for urban planning tasks

-and basically to use design methods and apply them in different areas

-which could be something like this

-the students – sociologists, geographers, social and political science, background in humanities

-a mix of methods from project management, business development and design methods

-meshed together

-usually work on a real-life case

-this year developing the university campus

-a planning case in a small scale

-the work was to apply these methods on the case

-map all these stakeholders on historical view, what has had influence

-what kind of externalities are there

-what kind of incitements would the stakeholders have towards the case

-basic goal hierarchy, why are we doing this

-what do we want to achieve → what do we need to do?

-trying to mix all these different things together to develop the process

-it's as much about the process as it is about the method

-it's like a combination

-been working with urban planning myself

-when I had the design consultancy - worked mostly with business projects

-private companies

-basically focused on value creation through some kind of experience design

-in terms of product and services

-also creating product identity

-the strangest companies

-was very much focused on the issues I've been talking about

-stakeholders etc.

-many companies do not realise that customers often see the value in something else than the product its producing and selling, often the service instead

-a problem that they consider users just as users

-most people do not consider themselves as users

-a secondary role in life

-tend to focus on what you're doing when you're interacting with a product

-what could differ is what they're not doing when not interacting with a product

- or what the people who are not their customers are doing
- think that it's interesting as a designer to have the opportunity to be curious about these things, get to ask different questions
- because they know less about companies and business

#### **EXAMPLE: THE LAPTOP COMPANY**

- comparing the company's and customers views
  - the company talked about the product
  - the customers talked about their interactions with the computer, the programs on it
    - being on Facebook, Skype etc.
    - not talking about the computer nor the brand
  - the product was just giving them the opportunity to connect with friends
  - to them the actual product didn't really exist
- designed a new way for the company to look at themselves and its product
  - that would satisfy the actual relationship they had with their clients
- they were a product manufacturer, but they needed to see themselves as a service company
  - there's a tendency to look at products and services as two opposite things
  - but they're intertwined
- when we did this project we tried with the company to describe what happened from a certain point and until the customer have bought the product, have used it, stopped using it, thrown it out
  - the best thing that could ever happen to the company was that the customer made contact because of problems with the product
  - the only time they actually had a chance to talk to the customer again
- trying to entice new customers cost a lot of money
  - tried to find out how to close the loop of the product life cycle
  - so they would always be in touch with the customers

#### **THOUGHTS AND VIEWS ON DESIGN AND BUSINESS**

- you can learn how to apply design methods in other areas if you have other people to work with
- you can contribute to a business strategy with different mind sets and some different methods, and ways of having people cooperate and coordinate their different things
- business people are taught how to make business plans, and designers are taught how to design stuff
- design means a lot of different things in different areas
- these things (the stakeholder approach) are the same, it doesn't matter what kind of consultancy you come from, I think what matters is what you do with them afterwards
- the difference is what a designer or a business consultant can do afterwards
- designers could help you create new products or new services which would help any of these issues, but you wouldn't ask a designer to create a new organisation or something else in your company
- because they don't even know how to do it in their own companies
  - they can participate
- there's a difference between a designer and a design company - if you look at the consultancy business



- it's often disturbed, or just mixed up, that you talk about designers, but really mean design companies or creative consultancies or something like that, which have designers employed
- it's the visual methods that works – that makes the designers so valuable in this setting
- when they do stakeholder and activity mapping, designers try to visualise and make it tangible so you could see that you're moving all these people around and the image is changing in real time, or something

- one of the things a designer would add

- I think designers are more specific or concrete about what to do

- to work with something as wide as just develop a strategy - it doesn't really mean that much to designers

- it's really fluffy in design terms

- important to ask companies: are you a car manufacturer or a mobility provider

- how they view themselves

- how they perceive value

- need to be aware of what you are

- if you get an assignment from a car manufacturer, you need to design a new car

- if it is for a mobility provider you could do a lot of different solutions to create value

- a lot of companies tend to be both things

- companies that should be limiting themselves (often SMEs) are trying to deliver on all levels

(discussing how a business person will look at strategies as something very specific)

- it's a way of how you perceive information

- that business people are able to react to that kind of info directly, logic

- business people have a different kind of tool box – “so we can do this and that”

- designers don't have that kind of tool box

- maybe they should have?

- designers need to know some of the same vocabulary to give business people the impression that you know what you're talking about, even though they normally would call it something else

- I just wrote in an article in the latest issue of Arkitekten that instead of hiring one of these new design companies that does not really do design, but do strategy, why not just call the real McKinsey instead

- I think that's basically one of the problems that designers are not taught how to create business strategies

## **APPENDIX 7**

**MICHAEL BRINCH**

### **CONCERNING THE CASE**

- I like the sentence “If you don’t know where you’re going, all roads will take you there”
  - a thought that you know from the arts: a sculpturist with a stone - the stone knows what it wants to be, you just have to remove the rest - and then it’s a sculpture
- I think, from the beginning he does the right thing
- he knows the people, he knows the employees – or he’s about to know them, he wants to know them and he wants to be familiar with them and be the boss that they never had before
- the idea is to find out who the company is, and then take the good qualities from all the employees and then put them into some values and work from there
- try to put all those values into the new thinking - it’s much easier that way because then your employees are familiar with it, the thinking
- I think it’s a big question - something I think normally would take a few days to think about
  
- their look is taken from their product I think, which are the cartoons from the beginning
  - that’s why it’s so colourful
- in the beginning I think the identity was quite original because it fits the product – it says what it is
- now, 70, 80 years later, also the product has changed but they’re still very colourful, and now there’s the 3D animations which is even more plastic alike
- there are so many other companies on the market doing the same stuff, so I think it would be a good idea to say we’re the first to step away from this look and maybe back to their roots
- it depends on the image I think - everyone forgets the image, everyone thinks that if you have a vision and identity – the image will follow, but that’s not the case
  
- you should as much as possible include the employees from the company - to make them feel that they are part of the company
- obvious that if they feel like they’re a bigger part of the company they would act better, more honest and put more time into their work
- and because it was a family company, it would be a good idea to keep that feeling that it’s a big family
- if the company works on the inside you can see it on the outside as well
  - sales are better, they talk better about the products
- Hightower - seems to be a nice family man, a good thing
- one problem could be that he’s an American in Europe
  - particularly in France where it seems like the headquarters are
- still, I think that in Europe we still have so much respect for a company that is so big and grew so fast
  - we’re amazed about the way Americans do business
- it’s a twist of the respect the Europeans have for him, combined with the kind of family man he is, so he’s a father to this European division
- when he is in Europe he’ll learn to think like a European citizen - a good thing
  - with that he will understand the market better
- because there are also products that you can’t sell in Europe - the European market is quite split

-I think the Eastern European market is more like the American market - they don't have the same tradition, or they used to have, but the last 50 years now has just been associated with loss - so now they want everything to be gold and Disney and Nike and so

-quite opposite from the rest of Europe

-in a few years I think we would see this in the Western European market as well

-we are perhaps not inspired in a positive way, but would maybe want the same things

-everyone in Europe has for the last 10-15 years been searching for individuality

-I think at the moment we are, with the EU and everything, kind of moving away from this way, the European connection

-so if some kind of American product could change us as persons to be more individual we would do it, we don't care that much anymore

-they (Disney) know that in the beginning maybe it's difficult to make the market like them, but they also know that after a while if they fight, in a nice way of course, the market will get used to it and after that like it of course

-you can have a nice product that everyone needs and therefore they will buy it, but you could also have a bad product that you make people buy if you just fight for it and put a lot of money into it

-that's what they're doing here – they spend a lot of money to be in Europe, it costs a lot of money - but of course, after a while they should get some money back

-they should keep the good relations to the Europeans, don't move too fast – big commercial stores in the city centres - Europeans don't like that

-try to behave like the Europeans and maybe... if you want to grow, then grow in areas where Europeans respect the way Americans are doing business

-the products - maybe cooperate with some European companies, like LEGO

-could have some kind of co-creation with LEGO – on the bottom line it's still Disney, but on the façade it's LEGO which is more eatable for the Danes

-it's a strategy, and then after a few years take down the LEGO flags

-even though they have a very nasty plan to enter all of Europe, I think they should do it in a nice wrapping so that we are able to eat it, to get under our skin

-if they're under the skin of the target group, it's hard to remove again – brands last longer than projects

-follow the politics - if Europeans want things more green then maybe the European division should be more green than the American

-seem more environmental (windmills, make the logo green, etc.)

-he should travel around Europe and find out the difference between the countries and the markets

-that's what difficult for Americans, they don't realise that Europe is very different

-really try to find out what is Europe - and develop a strategy for how to enter the different parts - you can't go out in all of Europe at the same time

-if it was today I would say begin with the Eastern European countries and the old Soviet, because the people there who has money has a lot of money, and they're the trendsetters

-another nasty way to do it is to have give-aways for the poor - because you know that the really poor people want to buy it because their kids want these products as well

not sure, maybe it would work in America, but I'm not sure it would work in Europe –

especially the northern European countries - we are much aware of those types of strategies

-quite sure they're not allowed to give products to schools or school children

- the European market is quite complicated, because it's so different – because it really is different countries with different opinions, a tradition with wars against each other
- the employees - it should be a variety of different Europeans representing the markets that he wants to enter of course, and maybe some for new markets that he's not sure about
- so that Disney in Europe could be some kind of inter-European company
  - could have a political influence over time
  - what Europe has problems with right now is to agree on European common politics in many areas
  - a company of different European countries representing the primary markets would be... very politically correct and that's American thinking
- to be more political – contribute to the school systems, health systems, green tech, etc.
  - that would give very positive values to the company
- maybe they could try to find a way that they're not saying Disney all the time, and not traditional Disney products but some kind of other products - could be another kind of amusement park, more like the experimentarium instead of roller coast, something like Danfoss Universe
- they change their maybe very American image – trying to change not necessarily to a European image, but an image that we like in Europe and focus on that at the moment
  - of course that would take time, and it has to take time – because otherwise we will say “oh you're trying to cheat us just to get in”
- that's a good idea, not to be more political, but to add more human values instead of those consumer product values
- and to co-create with Danish companies - I think if Vestas said ok to Disney, the rest of the Danes would say ok - if our role models say yes, the rest does it as well
  - would be more complicated in France or Germany, the UK, not so open
- if they really want to sell their consumer products, try to make them more sustainable
- make products that you could get more loyalty from, because you're growing attached to the product over the years, instead of just having a plastic thing from McDonalds and then throw it away
- if you ask people about Disney, everyone likes the old cartoons because we remember them from our childhood – the good old days and everything was better then - maybe that's also a way to enter the market, to bring up those old characters again
- make it more European and Scandinavian - respect the country that you want to enter

## **METHOD AND EVERYDAY WORK**

- starting point would be to find out who is Disney, who is the company
  - would take some time
- our work is dialogue based, we need to know what the employees and what the company is, and they have to tell it themselves
  - it's a kind of a company analysis
  - that's the most important I think
- after that I should look at their visions, the top of their business – what does the CEO think, what did they think when they started the Disney company, what is the vision of this company
- the third thing is to find out the image – what does its target groups think about it, and everyone else
- then the big work is to match those three – the information from those three areas and find out if there are any gaps

- there are probably more gaps between visions and image I think, it's where you mostly see gaps
- companies often think that they're very clear in their communication and often the target group thinks something else, and understands things in other ways
- you have to define which gap is the most important – which one can change the company the most
- this was three areas that I would look at, and I mean as a designer I'm not able to make a complete company analysis
- he doesn't set his goal on a specific solution - he figures out what the problem is and then try to figure out the best solution to that specific problem – could be unconventional
- you can't know the solution before you understand the problem
- and that's where you're using the design process to be able to visualise the different scenarios on the way and see what works

### **THOUGHTS AND VIEWS ON DESIGN**

- if I was set to do this (strategic design) all by myself, I would go off in all manner of directions - which is not very sensible when we're dealing with money
- you need to someone who are able to steer the process
  - but the ability to be able to go off in weird directions sometimes is what creates that extra little value
- he have worked with some of the top companies in Denmark, and the top level guys there are all hard core business men
  - and afterwards they were all – wow that was impressive
- the impressions you get from people in the business world is that designers paint pretty pictures – which is what you're up against all the time
- and he doesn't have any proof that what he's saying are the right things
- therefore it's sometimes essential to cooperate with others from different backgrounds to get some credibility
- design for him is not a product – it's a tool
- a little bit design thinking, IDEO style
- and that's the direction he believes design should take
- we have enough artists, and if people want to make art they should do that
- but if design is to have any meaning it should solve a need in one way or another
  - art doesn't solve any needs, it just expresses
- there are a lot of design educated people that work in totally different areas
  - like in consultancies
- designers – have a lot of ideas, throwing a lot of balls in the air, but are perhaps not as good at catching any of them afterwards – maybe also lose concentration and patience
  - need someone to make the decisions and take control
- but when you're starting to work at the strategic level there are only a few correct answers, based on who the company are, and the choices they have made
- there isn't that much design science – people are trying to write it down at the moment
- and some people just couldn't understand how to use it, no matter how many books
  - not everyone are able to determine what looks, right, good, etc.
- important to get large companies to understand these things
- designers hate marketing – disappears overnight

- design is about building brands and creating value and make people understand, know and remember
- a good solution would be to mix designers, open-minded business people and sociologists/anthropologists
- his company – him and a girl who has studied cand.polit. – has worked with totally different things
- hasn't really got a business plan yet – but the combination of the two backgrounds makes this very interesting and creates value
- what they perhaps could offer is the little extra  $2+2=5$
- a designer would only make it this far, as would a theorist, but together they would maybe be able to go that extra mile
- they would probably need someone with a CBS frame of mind at some point, there are so many issues they know little about – marketing for example
- a point is also to figure out what the company is missing – that they didn't know about
- what you can do with design is to visualise something that does not exist
  - people have often trouble understanding reports and too many numbers
- a designer sets up different scenarios in a visual way
  - just something as basic as making a card with a logo on gives people a much better idea of they're talking about
- a type of creativity that can be translated into scenarios of how things could look
- you visualise some scenarios, and suddenly it's understandable
  - because no matter how intelligent and well-educated you are, you still like to see pictures, models and representations of how things are
- designers see the images in their heads, other people have perhaps more difficulties with that
  - which makes it very important designers are good at communicating these visions
  - which is something you also learn with experience

## APPENDIX 8

### MORTEN LUNDHOLM

#### CONCERNING THE CASE

- what the task here is all about, is to figure out how to optimise the organisation in terms of how they communicate with each other
- doesn't really matter to me how big the market is
- need to create a structure before you can start sizing your market
  - need to figure out your own organisation before you can figure out the world
- top management want to centralise, so they need to create a really strong vision
  - one work process
- how do these markets (Europe) relate to this overall structure
  - second work process
- they will have a lot of ideas of why this doesn't work
- I'll probably go out and set up research out here (European markets) to understand the different country managers
  - what are their needs? -not their wants
  - have to set up a lot of research to explore how that potential strategy you have could provide value
  - keeping in mind the cultural differences you don't face in the US
- all that would have to be synthesized into new areas of opportunities, new ways of doing things, new practices
- depending on what the scope was, you have to do research internally in Europe, so-called looking-in sessions, trying to understand what are the needs of the corporate organisation
  - then you'll have to contrast that with doing research in the corporate org
  - then turn it into a lot of data you have to analyse - what it wants and what are their true needs
- this is not science, and this is the way in terms of design
- going from creating a really strong analysis, trying to understand what "are their needs?"
  - those needs will point you to opportunity areas
- some of these functions up here like innovation, financials, consumer's insights, can still be very much centralised
- when it comes down to sales and local marketing it's different, it's decentralised
- probably end up with different cultures
- need to understand how those different cultures are gonna impact your overall structure
- have to do all of this really, really hard and long, research and analysis and synthesis before you can start designing
- everything comes bottom up
- you can say, "isn't it top down when you start up here?", yeah well maybe it is, but it's still bottom up in terms of this segment (Europe). Because you have to break it up so you see the market and you see the centralised org. in two different ways
- everything starts with people
- different question is how you want to implement it
- not so much about ownership anymore, its' much more about authorship
- you need to own it and you need to be able to have vacancy as well - can do things with it, change it

- this is without going through all of this stuff (the case)
- do a lot of research and trying to understand value that the potential strategy might hold
- the brief is so tight, it's not so much about going out and doing a lot of generating research, generating new opportunities – because the opportunities are right there
- much more about exploring “what does this mean for this organisation”
- another brief could have been “what should we do with the European market”
- you could have started somewhere else, this is very late in the process - it's hard for a designer
- I'm not sure this is the right way of doing things, I'm not sure that this is the right decision
- the design process could start much earlier where you're actually influencing the top three guys, saying that we need to create a strategy for Europe
- Europe's so heterogeneous, so a centralised strategy doesn't work
- saying in the design world “it's kind of like wrapping something that smells really badly”
  - even from an organisational point of view this could be kind of styling, making this look great, coming up with fancy service design to make this look compelling
  - it might even be the wrong decision because this is way too late to have designers get into the process
- difficult to centralise the European market due to cultural differences
- if you came to me, or a design consultancy, and telling me this was the thing you wanted to do, I'd probably do this, but I'd probably also recommended something else.
- or the service design would probably be that down here they would have much more autonomy to create their own strategies because it's so different
- everything starts with the needs of these different layers, and then we need to see whether they'll match each other
- these guys are Disney in Europe, and they're running it right now
- would set up a lot of design research trying to understand how they have articulated the Disney brand into the different countries and learned from that, and then I would synthesise a lot of data into design opportunities for the org. design
- would have gone to those guys because they have presence underground, they would know what's going on
- a lot of lessons learned that you need to captivate here - they know what it takes they see the environment and how everything has changed
- it's all about the culture - to understand the culture before you can design
  - the biggest asset you'll have is empathy
- I'm not saying it's about observing what they do, but it's more about having a lot of in-depth explorative interviews
- not so much about testing this framework yet, but trying to understand that situation, trying to understand the history
- what tools have they've been able to apply in the past in order to make the Disney brand work
- if you did that with all these 8 countries you would start to see patterns emerging
- those things you would have to put into your organisational change
- it'll start with these guys because they'll have the expertise
- you get them to have authorship to help you strategize - that also means that you don't become a threat
- the way that you normally do these things, you become a threat to the people you're actually trying to help
  - you're coming in, trying to push something down their heads they haven't agreed to



- thing is to take their advice, and then you'll transform it into something
- maybe it doesn't look exactly like what they've suggested, but at least they know they've been taken into account
- also means they will work with you when it comes down to implementing it
- a lot of these guys wouldn't be able to deal with the usual approach (McKinsey style), so you would have to sack them
  - there goes the culture they've been creating around the Disney brand
  - because it's people that carries culture, and carries the brand understanding
  - the hardcore fans are the best brand police
- that's why the country managers - when they have so much affinity and so much knowledge of Disney - that's the biggest asset right there
- you need to make room for them to actually voice their opinion and be part of the org change
- when you have done a round of this, of research with the country managers, then you could centralise all their knowledge
  
- you'll probably do your analysis, your synthesis, come up with some opportunities, and you'll dream up some service designs
- then you could go back and, to get the top level's take on it, how does that work with in terms of centralising things, to tweak it, then tweak, reassemble a little bit and take it back in and see how the country managers relate to it
  - and then you could start implementing
  
- the first thing you have to do, if you came to me with this brief, very openly you would have to show me the KPI structure
  - will influence the way I'll set up interviews
  - to see how people would reply to explorative interviews would all depend on the KPI
  - KPI structure is always very secret
  - that's when you start to scratch under the surface and figure out what's the hell going on here
- KPI is really, really important when it comes down to organisational design
- that's why if designers are pure designers they will not understand that
  
- whether a large corporation would go for this kind of solution (long term, expensive) depends on how compelling your argument is - if you can assure it's really emotional as well
  - his is not a word document, you would have to visualise all this as well
- if you can't convey the value that you're providing, if they can't see that logical reasoning
  - then there's probably something wrong with your argument
- thinks that most top managers would see it as mitigating risk - risk of investing heavily in new people that are useless
- 40 years of investment in people – should try to protect that investment
  - trying to make them happy, learning from their experience, that's just mitigating risk for the organisation
  - if you drain this organisation of these guys, then you won't have a culture anymore
- that's my argument – fine you don't want to do this, but then you're slowly dying
  
- the customer service is the people that are the most poorly paid, but are the company's foremost touching point to the world, and that's a paradox
  - those guys can change the net promoter scores
  - most of these centres are all about being low cost
- not so much about giving service, but about cutting costs – and that's also a paradox

## **METHOD AND EVERYDAY WORK**

(describing what his method would have been for solving this case – what is the difference between him and McKinsey/other classical consultancies)

- would have a multidisciplinary team: himself, somebody who is a strategic thinker but understand design as well, some interaction designers, and some graphic designers as well
  - because designers are really great at putting order to the world, they just need to be led in the research phase
- start out with interviewing whoever gave me the brief up here, and getting some kind of hypotheses about how they think – maybe just do a regular SWOT analysis, what are the challenges and opportunities
- before we even went out and did field work - would probably have created some scenarios to use as conversation starters
  - some design scenarios, design different ways of doing this, different service levels that would come out of this
- much better to ground them in actual design, to show them – this could be a scenario
- would probably have to dress up in the corporate world - really hard to talk about these organisational changes at a meta level
- difference between him and consultancy agencies - not here to test the scenarios - here to explore them
- I want all these units lined up and to tear them apart and so I can see what works – because that means that I'm starting on the same principles, what are driving value and what is providing value and in order to sustain the needs they have
- for that I would use some actual designs – that will be a difference
- all that data, very fuzzy things, very heavy – nice for people to have something to relate to, to ground it in design, be easier for them to emerge themselves in that situation
  
- probably would be nice to interview the guy on the floor, and then just go around the country managers
- would be much better to see how the country managers have been managing their own staffs
- probably wouldn't go to that level, I would go to the level below that, and below again – trying to really understand the people
- because the CMs are so heavily influenced by the corporate, they know exactly what they would like to hear
  
- in order to make sense out of it, there are a lot of things you could actually do in the process
- collect all the data you've generated from all levels in a big wall room, big project space
- very important – to have a point of contact to work in
- the whole team will be in this room, going through and working on everything together
- one thing that is very, very important, and which designers are really good at, is story telling
- consultants have a tendency to jump to conclusions
- designers are really good at understanding context – and it's the context that gives meaning
- when you start understanding context, the environment, the culture, that's when you start understanding why that particular principle has meaning
- being the devil's advocate with a lot of design research insights – well it's the same principle and the same insight that is being used over and over again
- maybe right – orgs are very much alike, all mirrored in military orgs
- but it means differently in terms of the context and that's what we need to scratch at – understanding that context
- because that means that you understand where meaning comes from, and that's different

-then you can start to see if there're any common denominators between all the countries and all the data, have you seen any themes

-so it's the whole analytical process as well, it's very design-like

-when you have those themes, you go in and see "what is the principal that drives that particular theme?"

-start having an understanding of what's driving people

-that's just the analytical level, that's the principals, that's not the design level

-once you have that, that means that you can start pointing towards some opportunities

-those become a lot of opportunities areas where you can design

-this is where it's very useful normally to have a workshop – where you invite people in from the organisation, a lot of these stakeholders, and then have them help you come up with ideas to actually solve it

-you're framing a lot of questions, a lot of potential areas of opportunity, and then it's nice that the people that actually has to solve it come up with the solution themselves, and obviously you help it

-when you have all these ideas, then it's nice to get them into trying prototypes - because they can feel it on their own body what this means

-also means that you have ownership from the outside when you start designing cargo solutions

-you go home and come up with some designs - dream up some nice scenarios of it and you'll need to refine it according to the organisation

-different take on it:

-setting up a school – doing it in twofold

-a lot these guys will probably say they don't believe in this design research and the whole design practise

-nice to have a juicy project, and you can show it to them how it works, because you can test it out on the CMs

-they need to provide value in the market, and if they don't they don't have that market any more - it's very simple

-at the same time, you use that case to actually educate people - saying this is how you could be thinking

-you set up a school where you pick the top talent and take them through the same process, and you cross projects all the time

-some of the people who're going through the process would come in and teach at the school

-every time someone doubts the process, you can show them – this is what we've done here

-my whole business model right now is that I use the organisation that I'm working with, I use their employees - teach them the competencies that I need

-you teach these guys and create a team of them, they do it themselves and you could just facilitate it - because they know the culture, and you don't become a threat

-most of the times when you come in as a consultant you become a big threat because that means that the existing employees are not doing their job well enough

-when it comes down to KPI's, how willing are they to help you

-have to show them that you really could generate lots of value on their KPI's

-people who think they want to be consultants forget how much empathy it takes, because you need to understand the damn culture

-the people in his teams - need to be experts in their fields and need to know their craft

-also need to know the process – it's a shared language

- without that shared process/language you won't be able to communicate
- not necessarily designer backgrounds
- not so much about which field – it's a mindset
  - not so much about which school or line of study – more that you understand empathy
  - the other stuff is just tools in your toolbox
  - the fact that anthropologists are made for this is another big misunderstanding
  - it's not that they're anthropologists, it's their methodology – elements of ethnography is great for this – not anthropology in itself
- when I need a good researcher, I need someone who can do a really good in-depth interview, who can analyse a lot of data
  - a designer that is a really great story-teller, who can make things come alive, who can think fresh, inspire
- yes, it is about disciplines, but not so much about specific disciplines, more about mindset
- yes, sometimes he'll be in the background being the puppeteer master – most of the time he takes responsibility, sometimes it's only him
- when you do design thinking right, you are so high up in the value chain that you sort of create your own business – or business opportunities
  - creating business opportunities for himself in terms of websites, visual identity, logos, clothing line, etc.
  - an example to show how high up you can get when you do this right
- all this goes into the project company who with their financiers go out and find investment and then you got a portfolio strategy
  - a different way of doing it – what he's working mostly on right now
- lead-users, extreme-users and market research – now we need both, need to mix it
- that's what needs to go into the design process right now -in my mind that could make design processes even more professional
  - I'm lucky that not that many are practising it right now
- another thing that goes awfully wrong – really not understanding what users to involve where

## **THE DESIGN PROCESS**

- people talk about discovering insights - go out with a blank canvas and figure out what to do, this is an opportunity for this and that
  - that's usually when a design process starts - you go very broad, want to understand everything
- in reality when designers come in as consultants it's very set already, there's a brief – it's much more about going deep, and really exploring that particular opportunity
- not test it but explore what makes sense and what doesn't make sense, in order to understand what principles you could use, to actually start developing it
- that's 3:
  - to go out and discover the world (I want to focus here, this is my playing field)
  - when you got that playing field it's about really going deep and figure out what should we take away
  - and once you got that then you can start developing that
- when you develop something, prototype, you can start to verify if it still holds value
- because what you have thought out may have changed in the design - but it also means that for all these different insights, there're different people to involve
  - and that's where it goes awfully wrong as well

## **THOUGHTS AND VIEWS ON DESIGN AND BUSINESS**

-designers are really great at putting order to the world, they just need to be led in the research phase

-something that designers are really good at, is story telling

-designers are really good at understanding context – what led to that, oh right that's the principle behind what he's doing, what encouraged him to do that, or what forced him etc.

-the problem with a lot of the human-centred design – so many people who don't understand what it's really about

-the companies here in Denmark are thinking way too narrow, not enough out of the box

-when they're trying to figure out the methodology, they send people into inspiration workshops where they pay way too much money for executives having a pleasant reunion with old colleagues and to look at funny designers, but they don't get much else out of it

-what it does is to give human-centred design a bad name - people think it's a joke

-because they don't show them how it's applied

-the business way works when you only need incremental change, refinements

-it doesn't work with fundamental change, you can't just refine something that's broken

-the problem is that there is a huge difference between what we consider design here in Denmark (Scandinavia) and American design

-in Denmark design is something tangible, it's handicraft, a craftsmanship, art - a romantic notion of the artist - not a process

-the American, and kind of IDEO sense of design is a process, it's a creative process

-show the world the transparency about what steps you go through – you go through planning, you do research, analysis, synthesis, ideation, prototyping, refinement, you start testing, that's the transparency

-some people don't like this notion, that everyone can do it – would rather keep designers as gurus (E-Types – don't do research, do guru design)

-you need to explain that there are so many ways of looking at the term design

-the American way of designing shows you that it's a collaborative effort

-IDEO works with the whole notion of being T-shaped – you're the I, that is the expertise, and then you learn the process and that's the line on top (makes a T) so that you're able to work together

-it's so counterintuitive to European design - and that's the biggest problem right now, with you mentioning the word design

-think most top executives, when you say design to them, they think of it the same way – nice chair, cup or whatever

-IDEO preach you have the three circles in the value proposition: desirability, viability, feasibility

-traditionally new innovations are always focused on fulfilling the viability (in terms of business) or feasibility (in terms of technology) sides of it

-IDEO makes the case for desirability – look at people first because if the feasibility or viability doesn't make sense to people, or if the value proposition doesn't make sense, then it's a no-go

-doesn't mean that the three aren't all equally important, it just means you have to start from the human side

- if you could teach that to business people, they don't have to do it themselves, they could hire people in to do it
- yes it is about business, but it starts with people
- don't make sense to people, it's not gonna make sense business-wise either
- involving people as early as possible, that's just mitigating risk
- worst thing you could do is develop something like this for 3 years and figure out it was all wrong - hell of a lot of resources and money
  - taking the chance and actually involving people all the time and keeping things close to your heart, then you know whether it's good or bad

- design-driven innovation - do a hell of a lot of human-centred design
- they know that people want to hear that romantic story, because that's the tradition
- don't like people like me and you, standing in the way of that romantic notion, disenchanting that whole process, saying that this is transparent, if you're skilled we can all do it if we work together
- the best designers, they just do it naturally, they don't need the process because they've done it so many times

- because there are so many shitty agencies out there trying to do human-centred design, that don't know how to make an analysis – they design something nicely based on what people say they want, instead of understanding what the true need is – because they don't know how to do a good analysis
- not a popularity contest, not about designing what people say they want - it's about giving people what they need
- that's when you as a designer or as a strategist will have to be a little bit creative about it - you have to make decisions
- instead of listening to customer's wants and needs, you have to figure out the principles behind it - have to take them seriously and it takes another iteration – and that's what many of these agencies miss out on
- it's a lot of flaws, but it all comes down to great analysis - then of course it's great to have great craft to make things come alive, to do nice prototyping
- fail early – involve people as early as possible, show what you got as early as possible

- both in design and business schools they spend too much time understanding the different phases of the process – forget how to learn the craft
  - how to conduct an interview, do workshops, discussion guide, etc
- the process is never stronger than the content, and the inspiration and the information that you put into it
- one of the biggest problems right now as how I see it, that people don't know the craft, but they know the process
- they could learn that if design schools start teaching the craft, instead of just talk about the process
- design schools teach strategic thinking as well – but too lightly
- people are thinking about design as about making something - don't think about thinking
  - the thinking is too weak right now
  - you will only learn through practicing it

- the biggest problem with designers and the design education in Denmark (some at CBS as well) is that the people that teach don't have any industry experience
  - lots of book experience and nice theoretical frameworks

- the visiting teachers who have industry experience are much more interesting
- so many teachers at Danish design schools who have never been out
- yet they still teach this lovely glossy process, this is how you should be doing it
- I'm not trying to shoot down IDEO, I'm just saying there's a lot of flaws in this
- think there should absolutely be more design methods integrated in business educations
  
- the problem with taking design to this level is that most designers think in term of projects
  - they don't think in terms of organisational change, they think in terms of having to design a new cup
  - and when the project's done – they're done
- this case is about creating a new culture
  - and it's different because designers are very task-oriented
  - they don't think so much in terms of culture
  - they don't think big enough
- the thing about using architects is that it becomes too much of the old way of using user-testing and usability – a lot of them are still so old school, still the geniuses
- some of the problem is that many developers want to buy that romantic notion about the guru
  - a much better story
  - one of the biggest obstacles – that society wants to buy the genius
  - people really want the guru
  
- today most organisations are struggling because they got a really nice case of excellence or best practice, but they don't know how to make it actionable in different markets
- a lot times marketers in will have to come up with new designs for their own things, their own markets, but if they just look two steps up, there could be a very nice design for it in another country they could just grab and tweak a bit, making it work in their own market
- really hard to communicate across corporate boundaries – communication!
- typical conflict in large corporations:
  - the corporate doesn't get any respect because they're the cost centre that makes all the rules and are seemingly the ones who detain growth and money making
  - the markets see themselves as the money makers, but they don't realise that they have to work together to synergise
- you have that conflict as well, and you need to understand that
  - the only way I can see you understanding that is by applying design research
  - where you're very empathy-based and people-based
- a lot of times corporate don't think that these guys down here don't communicate with each other and share best practise – often because there's no ways to actually share that up here
- these days there's a nice kind of equilibrium to how big a business can grow
- it's all about differentiating yourself, and that's kind of nice for the design world because it means you can live of design and designing nice things – you don't have to scale up to having to be able to sell up to 500 mill or something - if you do, then it loses its edge
- more and more companies understand that, that's why you have so many different internet sites and apps and everything

## APPENDIX 9

*THOMAS DICKSON*

### CONCERNING THE CASE

- huge brief – can be good from a designers point of view – no restraints
  - however, too fluffy – what is it that they really want?
- how to utilize the immaterial assets that Disney has already?
- a lot of figures, statistics, and a broad historical intro would leave most designers quite puzzled to what are we really going to do here, what is the challenge except making more money for Mr Disney?
  
- interesting that Disney has located itself in France - France has always been kind of on guard towards American culture
- what could be interesting here is to look into culture based products and diversity in cultural products of some kind
- if they keep on doing the same thing (using Donald and Mickey) there must be a limit to how much they can force-feed Europeans with American cultural products
- how do we do something that is more European and less old age American
- maybe Disney should try to go in completely different directions
  - drawing too much on the past – one day soon they will go dry
  
- the idea of putting a European manager in might be good
- some of the cultural problems – American corporations treating Europe as one entity – much more diverse than the US
- Hightower's background in the military and large corporations – I fear that he may not grasp that problem
  
- might be a very sound organisational change that Disney is doing, but it may also be just putting in one more layer of corporate ranks
- I can understand why Boyd wants a vice president for Europe based on the current org chart
- the problem – that the CMs are not communicating
- you can go two ways in this
- from a designers' point of view - diversify as much as you can and take local context into consideration
- from a managers point of view - the contrary – if the goal is to save money and to standardise as much as possible
  - get rid of the country managers - instead some kind of pan-European leadership group
  - maybe headed by Hightower
- have teams in the various countries contributing with ideas and knowledge to the organisation
- executed from this management group
- an organisation that would have difficulty meeting local challenges fast enough and accurately enough
- there's always a problem of giving the lower ranks freedom and sacrificing the uniformity of the organisation vs. having very strict standards and routines
- how does Disney want to grow – a choice top management have to make
  - to grow by consolidating what they already have
  - or go out and find new goldmines
- seems to me that Disney is losing ground – should not keep on exploiting the gold mine



- they should think new and try to innovate
- what that means for the organisation is a little difficult to know – the brief is too abstract
- if they should make this leadership team in Europe, which I think could make sense in one way - at least they should have an innovation group on the side saying: where is our blue ocean, where's our new goldmine and our future opportunities
  - another team thinking how they can keep on exploiting the gold mine
- should develop some kind of advanced research lab
- Hightower – his background from Xerox should make him see the benefits of that
- however not encouraging with this military career - that he would like to make it into an army – the chain of command going all the way down
- they need a new approach – Disney is viewed by consumers as an old organisation – old fashion

## **METHOD AND EVERYDAY WORK**

- would start with finding out what kind of org it is and what their dreams and goals are
- you need to fertilise the ground of what the client really expects, and how far is the client company really willing to go in order to change and become viable as a company
- big problem for designers - sometimes you get some good ideas and you go back to your client and the clients says: thank you but no thank you, this was not what we were dreaming about
- can always give the client what the client expects, but does that really solve his problem – no
- if you give him what you think that he should have and he doesn't like that because he's not mentally prepared for it, then your problem is just as big
- have to keep asking questions in order for the client to realise for himself that he is in trouble
  - like being a psychologist
- what kind of trouble he has, because a lot of companies know that they're in trouble but they may not have the right perception of what the nature of their trouble really is
- as a consultancy firm doing innovation the best thing you can do is asking the client the questions he does not want to hear
  - cause he is not prepared to understand that he has to change his business
- instead of coming up with one solution - should try to work with scenarios
- try to present my clients with various paths of where they can go
- based on the data and assumptions – make various scenarios – give the client an idea of where to go and how – preparing their minds for a future they may not like
- in the end it boils down to execution - come up with ideas that not only work but also inspire
- have a concept that your clients look at and say “yeah that's pretty good” and how do we sell that – and not only to the customers but to the organisation
- if you have a method – you can get very far by using two words, two questions:
  - why and how
  - why are we trying to solve this problem, what is the problem
  - when you find that out → how do we solve it
  - a lot of problems are taken at face value – need to analyse
- if you really want to work with organisational change – need to be able to ask these fundamental questions – why are we doing what we are doing?
  - then you can afterwards start asking how do we solve this – what's the solution

- the advantage of the designers method – good at visualising and envision change, making a reality that doesn't exist yet
- one thing is that they are good at coming up with ideas that doesn't exist, the other is that they can actually give it some form and shape
  - make models, prototypes, presentations
  - they can present other people with a vision of how a possible future could look like

### **THOUGHTS AND VIEWS ON DESIGN AND ORGANISATION DESIGN**

- in this case most designers would think - let's get down to business, what's the real problem
- a lot of designers have probably bailed out around page two

- I've never really dealt with org. design, but have read about how we can change society
  - with design and innovation
- a problem with org design – often thought of as top down processes
  - people on the floor or in operations are very tired of all these organisational changes
  - means that they are going to work harder or getting paid less
  - they have to learn something new and they don't really see the point
- the challenge is seeing changes as something that is organically developed inside the whole organisation, instead of just being applied from the top
  - both in society and companies (the corporate world reflects society)
- I agree with having designers working with org designs in teams with business people
  - but you can't use any kind of designer – and it wouldn't work in all companies
- the designer need to be a type that can work with mega-problems/issues
  - most designers are trained in a craftsman's type of work – new products, etc.
  - used to visualising whatever they make – make things that look beautiful, flashy, etc.
  - working with something as immaterial as organisational changes or strategy – some designers can do it, but a lot of designer simply don't understand that
  - not sure they would be better at doing the bottom up strategy than execs – some could perhaps contribute, and some cannot
- some designers have an elitist way of looking at things – used to making to being the ones who're judging what is right/wrong and good/bad in terms of design, functionality, aesthetics
- they are not always the best to come up with changes

- designers need to be able to shift their focus and viewpoint from designing something tangible like a product, to something abstract
  - some designers can make that change – because they as persons are able to transform their skills from one field to another, or because they have had a broad education (learned to apply design methods to a wider range of problems)
- one of the big challenges for designers today – find out where do they fit into the value chain
- still need both types of designers

- you can look at design as two different kinds of work
  - traditional design work – more or less a craft
  - executive/crafts way of designing
    - a product – chair, poster, font, car, house
    - skills – need to be able to draw, give shape, incorporate function, aesthetics
  - opposite – creating strategies
  - designer as a planner and strategist vs. craftsman
  - some designers are in one field, and some in the other – very few can cross the border

- they rely on each other
  - a strategy designer will in the end need to give a brief onto a graphic/product designer – we need to design a new line of products based on the new strategy
  - craftsman designer can design a lot of things – need a brief from the strategist in order to make sure he's making the right design that fits
- the design process are two different things (seen from inside an organisation)
  - business/communication/product strategy
  - and then execution – making the products and the visuals
- architect education is more looking towards the strategic way of designing
  - architects tend to have a more holistic view - has to oversee very large projects
  - large visionary design projects are developed by architects, or with that background (ICE trains, CPH development plan, etc.)
- designers from an art school tend to focus more on the execution of the project
  - how is it developed, produced, etc.
- one is not better than the other – but have different tasks and work within different levels of the value chain
- design methods are rapidly moving into professional disciplines where it hasn't been used earlier - because of the demand for a lot of people to be innovative
  - designers methods are a good way of being innovative
  - if you know how to do it, and the limits of it
  - limits – if you envision products, you do not envision org changes or strategy
- I think there is definitely room for an education that is based on working as a designer for org change
  - there's a need for it – or a business education with a strong design core
  - too many design educations as it is
- think that some of the design educations are leaning more towards looking at the strategic way of design

## APPENDIX 10

**RICHARD SHED**

### CONCERNING THE CASE

- it feels like their decision making is being made at the executive level
- I think it's like that in many large orgs
- don't think top management listen to the employees in the org
- think a more sort of people-centred decision making process would be better for an org
- when management have the power they need to show that they can handle it
  - sometimes have to prove their authority by making big decisions
- think it would pay for these managers to listen to the people in the org, and base some of their decisions on that
- listening a bit better than they obviously do at the moment, and admitting that these people got a point
- what you need is some kind of qualitative information dating here as well, so you can actually understand what's behind all these countries and behind all these numbers of years there's a person
- some companies pretend to listen to employees, but go with their own decisions anyway
  - not a good approach either
- I've worked for both democratic and top management decision making companies
  - both approaches can be both good and bad
  - sometimes it's good to have democracy so people don't feel they are trodden on
  - sometimes it's better to have someone make all the decision and be free to concentrate on your own work
- also if a manager's really well informed or have a strong enough vision (like Steve Jobs), people should listen - but that's really validated by the decisions they make and the success of those decisions
- e.g. with innovation you need frames and structures around the project for things to run smoothly and the creatives are left free to do their own things and not administrative work
- would be great if Hightower could take that position – facilitate for the CMs, communicate with people at executive level, to bring around challenge, exception
- if there's too many people involved on some level, then it just adds to ambiguity
- I approve of Hightower - he works well, feels fairly earnest
- the fact that he's come in as an outsider as well
  - there's a lot of pressure on him
- in 1987 - we perhaps weren't quite as connected as we are now
  - now also language seems like less of a barrier
- now people are far more aware of Europe and how close the connections are within the EU
  - people are much more travelled
- wouldn't want to see Disney being streamlined across all countries
  - argues very firmly for having cultural differences in the products and packaging
  - used to be one of my favourite things as a child – travelling and finding foreign looking products
  - it takes something away from learning about different cultures
  - also help kids learn about different cultures – play and learning are their ways to understand society

- would want to celebrate the differences – but I don't think it would be a valid business proposition for Disney
- wouldn't be right to centralise totally
  - thinks they need cultural differences – can't ignore the fact that people come from different countries
  - what makes money now is celebrating heritage and culture
- their American vision for everything to be streamlined and perfect...
  - doesn't work that way in Europe
- you have to run it as a business, but you have to run it a bit more intelligently
  - have to think about long term goals as well as short term
  - making less money this year and investing more of it in the future
- but if they made a goal of making lesser money and instead focus on making people feel a connection with their brand
  - making profit about making a legacy or building trust in a brand
- if all the CMs lasted in their jobs for that long there's probably something to it
- I would like to give people the opportunity to change first, before coming in and saying they're out
- quite hard to bring about change, so maybe it should be more incremental and not just a big wholesale
- if the company was in trouble you probably needed more, bigger kind of wholesale changes
- but the company is doing ok but could be doing better
  - there's obviously a lot that they need to improve
  - that's where it helps to have someone who's apart from the CMs
  - being able to look objectively at it
- maybe it's the way that their organisation is run that needs to be changed
- would present a vision, a way of thinking - this is what it means
- not present it on paper – video or other visual formats are much more engaging
- if he's gonna make change, he has to present a really convincing story for the CMs
  - choose the right form of media to engage them
- that is how I'd do it if change is required
  - present the vision in a good communicative way and do it honestly
  - scare them in a good way – to inspire new possibilities and growth
- should listen to the customers
  - there're so many layers of separation that the CMs got no idea what the customers really think or want
  - should present to the CMs how this is affecting the business and what they can use it for – how it should induce change on the structural level
- should have a more people-centred approach – both with employees and customers
  - that's what the CMs are lacking
- there can be too many layers of management
  - football example – who's the director of football – just another layer?
- it's important to know where you stand in the structure
- seems a bit radical to just present a whole new structure to the CMs
  - appointing lots of new people might be a bit disruptive, shock to the system
- there's gonna be a change – but it needs to be tested for 3-6 months
  - before you can radically change the structure
- Disney needs to find its own best practise – what fits the type of company that they are

- no use trying to copy a great case from a fundamentally different company
- concerning EuroDisney
- keeping cultural differences – a more humanistic way of approaching it, responding, being a bit more sympathetic or empathetic to the people who work there and the people who visits
- it's the small subtleties that I think are actually important
  - it's those small things that just grate after a while, those little things that just make life a little more inconvenient

### **METHOD AND EVERYDAY WORK**

- you need to be really clear from the outset what it is that you're doing
  - here's what we do, we're gonna develop a range of ideas for you to discuss
  - on the basis of that we'll make a final one
  - build and install it
- with each step of the process you add more depth and detail
- at the earliest stage possible be clear about what you're task is
  - some people can exploit that design, can be organic and flexible
  - that's great, but it has to be within clear parameters – outlined deliverables
- so, talk to people, interview
- if it's interior design it's very important to talk to the people who work in the space
  - find out what their current frustrations are, what they aspire to in the future
  - hear their suggestions and hopes/dreams
  - other people can have a valid opinion about what you do, sometimes
  - you still have to make the ultimate decisions
- you can be quite tactful in how you present ideas to people
- generally they will present 3 ideas
  - might be on a scale of very safe to outrageous
  - you do it strategically
  - and something that falls in between – make them go for that
- then you have a discussion – that's often interesting
  - depends on the company you're working for
- designing for designers – can be great, but also challenging
  - have strong opinions about things
  - but also have a lot of exciting ideas and discussions
  - not as easy to convince – they work with it as well
- an example – a company got this space and £7000 – can you do something really cool?
  - that would include everything – was bit tight
  - but it was great to have those clear parameters and constraints
  - turned out really successful – everything was transparent and clear
- other situations which have been more speculative, constantly having to rationalise your fees
  - have been more difficult, too much to decide – like writing a project

### **THOUGHTS AND VIEWS ON DESIGN**

- don't really think of myself as a designer
  - think it can sound a bit pretentious sometimes
- designers do not have the same respects as architects for example
  - may have something to do with it being fairly new occupation (last century) and that there's no real definition

-people who are designers enjoy what they do – for a lot of them it's their passion as well as their job

- which means they can become less objective when making decisions

- it blurs the judgement because it's fun and fun isn't always productive

-constraints makes you think a bit more, and you become less self-indulgent

-important to have constraints – that's when you make things that are more innovative

-all the great design innovations have come through tight constraints and parameters

- either material, budget, process – constraints like that

-design - in a way it's a little bit misleading

-it's evolving quite quickly, and it means different things to different generations

-I think it's important to be aware of current descriptions

-like interaction design – defining itself as it goes along

-interaction design – a bit similar to IDEO and the Tim Brown approach

- born through Bill Moggridge in the early 70/80s

- he was trained as an industrial designer

- designed the first laptop – The Grid

- got a lovely take on interaction design – better than Tim Brown's I think

- discovered this huge void between the hardware and how we interact with the software

- identified that we need to know more about how we interact with technology through the hardware

- that was the origins of interaction design

-that has changed an awful lot – service design has become a new sub-genre within design

-services have always been around

-now suddenly with design thinking and service design we need designers to tell us how it should be done

-design – a lot of this stuff was happening before, but instead of these people being interaction designers they were perhaps engineers – they were just called something different

-a lot of this stuff, the thinking is there, but...

-we live in a society where computing is ubiquitous

-interact with smart phones, strangled by technology and screens

- that's only gonna increase

-so there's an argument for not using engineers and organisers anymore, you can't use the same skills as you used to

- you need skills now to address services

-at different levels you need different thinking – organisational level

-you need to understand what are the good examples of those practises

- not just ones that look good, and good is not necessarily what makes a lot of money

-the whole Tim Brown way of thinking – find it a bit egotistical

- that before IDEO no one could think

- no one could design or innovate

- nothing of that was done before they came along

-don't know what design thinking is

-I think it's a difficult thing to define – so many different types of designs as well

- interaction design, industrial, graphic, web, etc.

-design - it's a way of doing things – I guess it's a sort of process

- I think design should be, but isn't always – a way of understanding, a way processing, executing, that makes things better in a contextually relevant way
  - that's really important
- haven't thought about it in a while, but summing up what he thinks about design
  - the important thing is empathy
  - think it's lacking in a lot of design – incredibly important
  - execution – have to be able to realise what you do – and really well
  - explore
- empathy, execution and exploring
- understanding who it's for, why you're designing it, the context around what you do
- exploring things, trying things, expecting things to fail, learning, going through stages of iterations and processes – a big part of it, it will happen
- being able to realise, not just have an idea, it is really important how you realise
  - a big difference between a painted finish vs. a laminated finish and understanding qualities and being able to execute things well
- if you can't do it or do it badly, all the stuff's wasted



## **APPENDIX 11**

**SEBASTIAN HOLMBÄCK**

### **CONCERNING THE CASE**

- first of all I would set up a common scoreboard for the entire section
- would make some specific goals for Europe that they would have to reach together
  - everybody contributes to the main goal
  - even the low performers would be able to pull the team home if they perform at the end, before the deadline for instance
- would create an intranet – a common meeting space for the managers
- would somehow set up some kind of specific common room on the intranet for managers
  - also for the product developers to share ideas
- definitely there will be a lot of challenges with the managers because traditionally they always want to perform better than their competitors, or the other leaders
- they're supposed to be team players - often have a primary goal of their own agenda
- lot of cross-cultural challenges – not sure how to deal with those in terms of the leaders
  
- would set up some camps for the product managers where they can meet for 3 or 4 days and throughout a year or two make a plan -could go to each country - for each camp the hosting country would host and facilitate the meeting
  - for booth leaders and employees - would be able to show and illustrate some of the cultural differences
  - could maybe to some extent endorse some kind of healthy competition (like when entertaining guests)
- I would be very specific on the common goal - send out newsletters regularly every two weeks/every month, to all employees and leaders to show stats of where everybody's going
  - that would also be a very big cultural challenge
  - get them to post the challenges they're facing in the specific countries if they're not getting the goals that they are trying to achieve
- there would be specific goals for each country, but that the main goal would be a common growth goal the European division had to reach
- would make sure that all the divisions had the same titles in all countries
  - would open up for the possibility that people could go on exchange
  - could have a term/6 months/year in another division if they feel they could contribute
  - some possibilities in exchanging skills cross-country
  
- would seek to lower the average age of the CMs
- do not necessarily have to be negative or unable to cooperate because they're 60+, but it could be a challenge – a bit of age racism
  - a very big difference especially if they have to adapt to a whole new system
  
- would really endorse the team effort to reach the common goal
- do some booth camps for the managers to let them understand that they are a team
  - that they have to help each other - have to share knowledge and experiences
- maybe connect it to a shared bonus
- as they state here the operations could have been even more profitable
- somehow make sure that they understand that every bit of added value to the collected profit or result is an added value to the whole team – the whole of Europe

- would formulate a one page vision of statement for the new European Disney with the description of how the new boss sees the organisation
- would present the whole group of people to everybody
  - make a booklet so introducing everyone over a 2-4 page long description and picture
  - something happens when you put a face on the names
- would probably start there with the booklet and a vision and a description and a timeframe of how to get there, the goals, etc.
- one of the job challenges he (Hightower) will have is to see if the CMs are the right persons
- prior to the booklet, a booth camp with all the CMs and him would be a good idea to learn to understand who they are as people, get the individual conversations with each of them
- how they react to the whole idea of being in a team, and probably challenge them a lot during that team – good old command soldier booth camp
  - getting them out of their comfort zones- have to be physically capable for it though
- just try to pushing them out of their comfort zone and giving them an opportunity to work as a team or see how they work under pressure in a team construction.
- relatively fast afterwards getting to know if they're the right people or prior to, giving them an opportunity to making an analysis of are they the right persons for this whole new concept of trying to unify the European divisions
- depends on how the structure is in the individual countries
- important to have one single leader in every country, but maybe a leader team...
- there has to be an individual unit in every country otherwise no one will take responsibility
- Hightower's job should be to be focused on that common goal
- would do a lot of research into who are those people and what are their agendas
  - are they the right persons for those specific jobs
  - a very human approach to get the team to work together
- build up the team from well-being
  - if people feel well – they perform well

### **METHOD AND EVERYDAY WORK**

- we do an analysis of how do people usually do stuff - then we compare it with our own
  - a combination of common sense and experience and generally a focus on what is the main result, where is it we want to go? → try to define that
- so no - not any specific method that we would approach it with
- but usually this is far from the part of design, like saying what are the competing products, existing products, existing technology, and what is it that we want to do and then we try to differentiate
- if a person comes with an assignment or brief that we often get, that they are seeking new products in a specific category
  - look at existing products, the market in general, understanding the prices and what kind of materials and production methods, see what kind of innovation have been made throughout the years
  - what are the specific problems or challenges with a given a product
  - what is the optimum solution
- kind of a jigsaw puzzle of a lot of things that mostly comes together in the end

- take all and kind of look at what is the best product, what is the worst product and what kind of functions do we specifically not want and what functionality would be ideal?
  - can we rationalise, make it cheaper, or lighter, more efficient
  - from manufacturing to waste to packaging, transportation, general use, all that stuff
- a lot of different demands for a product - often a very long list of problems to be addressed
  - some of them we will say ok this doesn't matter, or this is very important or...
  - there's no general rule
- a lot of it comes down to experience and discussions
  - discussing the different proposals that we deliver, pros and cons of the different ideas
- do a lot of research in the beginning
- the research is about what is the competing products, and also what are the competing manufacturers, what are their brand DNA, what defines the different brands, how are the brand that we are working with different from the others
- start proposing ideas to each other, maybe start sketching, and then it develops and often we come up with an idea
  - maybe it's a good idea, but it looks like shit, we draw it and sometimes we end up at a dead end and leave it there for a week or two and go back
  - usually there are 2 or 3 iterations where we change the product or the design of it
- have a very strong focus on aesthetics
  - not on behalf of functionality, but the aesthetics is always the most important thing
  - try not to, but sometimes we do – sacrifice function
  - that is our main focus – beauty, if you want
- only present the final solution
  - have tried presenting 3 different sometimes – always the danger of the customer not choosing the one you prefer – just doesn't work
  - has the backside that you risk that they don't like it and then it's not getting done
- almost worse doing a product that you don't like but that the client like
  - very difficult creating three products that you like equally
- we work together and separately
  - sit together and look at the challenge, talk about it
  - try to find different solutions – ping pong them back and forth
- at a certain point we have some interesting sketches
  - one goes off to a computer and do visualisations
  - then discuss those – maybe go back to the table and start sketching again
  - usually do that at least 2 or 3 times
- definitely better than working alone
  - depends on who you are
  - need a partner to spar with - somebody who can take the passion

## **THOUGHTS AND VIEWS ON DESIGN AND BUSINESS**

- most of all it's a teamwork
- you have to cooperate with the manufacturer
  - send it out to different manufacturers that each come up with different solutions on how to do it
- it's a teamwork between people
- in terms what it's like being a designer, what is design for me
  - it's beautiful stuff that you can use
- American view where it is more like a process - that's why they end up with so much crap

-it's really interesting – IDEO which is one of the biggest design companies in the world and have this develop user-driven methods

- of course, they make really great products

- but also make so much that is really crap

- what kind of process develops shitty products like that?

-design work is in general ideal to do with other people - I think so – there's a lot of examples of partnerships

- in architecture you often have 3 or 4 partners working together

-and it also depends on what you like as a human being

-designers usually good at working in teams - depends if they have all the required skills

-if you have a lot of skills you can be a good team player

- otherwise it can be problematic

- working with engineers – they have a tendency to look very specifically, narrowly at one problem – “this is what I do, and now I solved my problem and I hope everyone else solve theirs”

-we try to see it all the way around – a broader perspective, try to incorporate it

- try to get the different challenges to work and act together

- a very holistic approach to problem solving

-it's about being able to see challenges from a lot of different points or perspectives

- which leads to consciously or unconsciously having a better understanding of what it takes to solve a problem and being better at focusing on a goal

-a big problem for business in general that they think they can fix everything so fast

-people who go in to jobs and only intend to stay there for a couple of years

- does not create sound and good companies

- probably not be in a company 30 years

- but as human beings we are dependent on long-term investments

## APPENDIX 12

*HANS CHRISTIAN ASMUSSEN*

### CONCERNING THE CASE

- start out thinking about some kind of team building exercise, knowing that this is very old fashioned, and probably not the right way to do it
- the business solution would be to design a lot of very colourful diagrams, adopt some kind of theory (lean/all sorts of organisational ideas)
  - then create some kind of grand happening in a very nice part of Europe and invite all management and middle management to share this new company vision
- which means that if you really want to create impact, you should do neither
  
- would advise him to travel around, personally and talk to everybody – personal meetings, ask all his managers to share his target
- make them see that this is an open conversation, and he really wants to hear what could be done, what could change their work to make it a better experience to go to work
  - what would it take for you to jump out of bed every morning and yearn to get to job
- personal relationships are always a better relationship
- really ask people from the bottom of his heart, how should we do this, how could we change this setup to make everything work, what's your experience
- should ask all his management and all his middle management to create this brief with him
- shouldn't come with a fixed idea, he should start travelling and sort of source the brief
- should write with them, discuss it with them, and send it back
  - it would take ages, but this kind of change does take a long time
- then have a prime meeting where everybody's sharing the vision – but now they're sharing the vision, because now it's a communal task – because they made it together
- creates vision ownership in middle management
- have to have a follow-up and keep people on the path after the meeting
- bi-annual meeting - simply check out, how is it working, what's not working and why
- key word for this solution is ownership – to create ownership in management and middle management
  
- he (Hightower) would have to ensure all these people that that information won't be misused
- feel this is a tough organisation, so he would probably have a challenge here
- a speech probably wouldn't do it, he would have to demonstrate that he won't misuse this information
- since he would know who he would like to fire – if he's planning on that he should do it quickly
  - if he waits he just creates anxiety and apprehension
- would have to do everything he can to appear a nice guy, or decent
  - that's a pretty important thing here
- the goal being to create a creative organisation, you have to make people relax
- it's really hard to be creative when you don't feel at least somewhat secure
- have to be sure that people walk the extra mile - use their energy to create this creative space
- he needs a very, very clever assistant
  - needs to have someone to collect all this information that he's given
- he needs to create a system of approval
- the assistant will be present at the CM meetings – take notes
  - the CMs will be properly informed – will be able to see the notes afterwards

- he has to create a system of trust in order to make this work
- this is very un-business like, but he has to do that because he is trying to create a different kind of organisation
- he has to create different systems – and systems of different measures, that's rapidly obvious
- critical thinking is a target as well - is always based on feeling secure
  
- he would have to act as a boss if things go wrong
  - but have to act tactfully
- would probably have to introduce some new measurement
- maybe he should try to assess – some kind of creativity measurement, the amount of new ideas, new business models coming out of the organisations
- of course it is about making money, and there's no idea in calling it anything else
  - but he could say that beyond these goals, we have different goals
  - even introduce a sustainability goal
- he'd have to reform the organisation
- maybe he could make sort of an annual idea symposium where everybody is discussing everything: retail setup, the business model, goods being sold, how everything is being done
  - not to redo it every time, but to see if something new emerges
  - could be sort of a measurable way of doing it
- would probably have to introduce some kind of employee satisfaction measurement
- definitely have an annual personal conversation with each of the CMs
- all these are existing business tools, but rarely at the management level
  - usually it's further down in the organisational level
- about listening and truly being a nice guy, and not just acting it
- that's end story of all businesses isn't it – everything comes from management - if you have a wonderful person managing a company it sort of tickles down into the organisation
  - he would just have to make it a bit more structured
- the idea is that all these people actually have a conversation space with him where everything can be said and he actually gives them the right to speak their mind without being afraid of being fired
- he needs to have a very close relationship to these 8 people, otherwise he won't pull it off
  
- of course they should compete, because it's also about growth
- don't think it's a good idea to unify completely
- Europe is not a unified area - probably never will be, at least not for hundreds of generations
  - why try to create something that's not there?
- why not let these 8 people be dissimilar
- if you let them act slightly autonomously, then you could create a very healthy competition
- of course the products shouldn't look the same every country
  - any franchise would hate to hear that
  
- people and communication is the core in his thinking
  
- with the brief: he has to have these personal conversations and has to create a comprehensive document after the meeting (you said this, and I understood it like that) and mail it back afterwards in order for the CMs to reflect and react
- has to redesign how he does it – to make it a design process and involve all the CMs
- a good label – to call it a practical design process
- probably have to start out with writing a letter stating that he invites them to participate in the process of redesign the organisation

- it's a highly political piece of work as well
- but would probably get by, by simply calling it what it is – redesign
- he should probably do sort of a two-tier thing
  - if Hightower could create a relationship to a designer where he actually trusted the designer on a very deep level
  - this process would start out with this meeting where Hightower invites all the CMs to participate in this design process – the process of redesigning the organisation to fit into a much more creative scheme, a freer, more autonomous and profitable scheme
  - then after this meeting and the meeting reports have been sent out and they have agreed that this was what they concluded, you should probably do the same thing – only let the designer do it
  - do exactly the same thing: the meeting, brief, the CMs presents his entire organisation to the designer, the same assistant, and then you end up with two very different documents
  - the new reality would be defined somewhere between the two realities in the documents
  - you would have a scope for the process
  - you then set down a small committee, Hightower, assistant and the designer
  - you describe a number of scenarios – and once you reached a consensus on some scenarios (not too many, maybe just 3) you try to finalise these scenarios in some kind of session with all the CMs
  - then you start presenting these scenarios to the employees in the different countries
  - you would need an employee sign-off – empowerment is a key word
- you need to create an organisation where even the trainees would talk to his boss and tell about his ideas, knowing that his boss would carry it on upwards in the system with credit to the guy on the floor – trust
- it's sort of an utopian vision – but maybe introduce some kind of control system
  - make some kind of interface where employees could introduce ideas themselves
  - simply have an idea board, 8 members – one from each country
  - those board members could be anybody – maybe aspire to it through good ideas
- but this of course drags the entire organisation back into the lone, ambitious, highly intelligent, mid-20 typical, aggressive urge to move forward
  - solving that is really hard
  - what you need is a complete change of company spirit
- going back to the 3 scenarios – deciding on which one to go for would be a board thing
- if the board has the guts to let all the employees take a vote – the vote probably won't come out as the board intend
- let's say the board pick one of the other solutions – need the courage to choose another scenario, and explain openly why this is happening to all the employees
- don't know if this company would do it – but knows that they need to act towards its employees in a way that they have never acted before to able to create any kind of change
- all this goes back to the idea about feeling secure, feeling appreciated
- that's it, basically – at this point you have to write it down to create a presentation the brief is very short – which is basically good cause it's short and to the point
  - but the problem is that you need loads of background information to be able to pick the right decision – a lot of very frank background information
  - company policies, employee research, how do people feel
  - probably develop some kind of fancy scheme – call it creative quota or something where you measure the level of creativity

- of course it's bollocks, but you could create some sort of idea
- you could measure it in all sort of ways, could be ideas presented on the interface
- of course have to assess the quality of the ideas
- could be a warm and friendly thing where you ask all employees – do you feel creative? – would be very modern and very stupid
- but you need some kind of measurement
- probably what should be done as a first step is to go through all management theory about creating a creative company

## **METHOD**

- I've actually developed one which is based on Donald Schön
  - it's called decisive reflection and action
  - very basic – but not as such a model to present to clients, more like a practical joke
  - it's a spiral which ends in the word decision
  - inside the spiral are little rings that are called reflection and action
  - it basically says: when doing design you do nothing but reflection and action
  - aside from a craftsman a designer has a specific goal – you tend to have a lot of reflection and action and then it narrows down until you have decision
- that's the way everybody works – they just won't admit it
- it's simply a way of describing how creative work is being done

## **THOUGHTS AND VIEWS ON DESIGN AND BUSINESS**

- the main problem with using design for org design – the brief has to be very clear
  - if you have a shitty brief – no one knows what to do – end up with a shitty product
- creativity comes from freedom – you need to be able to act
- competition is a fundamental measure of creativity
- models are fundamental to creativity - the brief is a fundamental tool
- the heart work of the brief is fundamental to creativity - applies for a corporation as well
- you can't just apply creativity with a thick brush all over the corporation – it's a state of mind
- designers - we hunt excellence, we don't hunt money - excellence, that's what drives you
- you want to create the most beautiful and perfect product, and money, of course it's important, but it's secondary
- you know that over time the good product creates excellence and creates respect - money just sort of evaporates
- excellence is not always money, but excellence has the ability to unfold over time
- I don't think you can become a designer, I think you are a designer
- not something that you can take a university degree in and then suddenly you are a designer
  - it's a state of mind
  - you can become something that's similar
- it's a constant thing - constant search after form, after materials that work together
- you don't go to work at 9 and then just put on a designer cap, you always have your sketch book with you, you always look for stuff - it never leaves you
- know a lot of executives that I would actually call designers, because they think like that
  - it's really hard to learn - I doubt that you could actually learn it



- strategic design is one of these pop words that just annoy me deeply because all design is strategic in a sense
- two different schools: designers who work with visions – who work with problems
- strategic designers work basically with the vision – how do we create this situation
  - workshops and post-it notes – does work and give results, but rarely anything good
  - gives people the idea that something is going to happen
  - sometimes something good comes out, but mainly it's just a new common room, etc.
- tends seemingly to be stupid, because a lot of what strategic design actually uncovers in a business situation is what I would call common sense
- to me strategic design is all about creating slight changes
  - it's leveraging design as a main business tool
- design thinking is nothing beyond packaging the way a designer thinks for business people to understand it, nothing else
  - it's like giving people instructions for how to ride a bike, designers just ride the bike
- the design label has become so sexy in our society that everyone yearns to be one
  - and that's stupid, it's a world with little money and loads of hard work and disappointment
- it's all about creativity, some try to call it innovation which is a shitty word – business word
  - basic creativity – just like giving clay to children
- there's talk of design thinking in business – but it's on its way out
- creative or design thinking leads to some kind of problem solving, often it's good, but it's rarely spectacular
- always a good solution, but it's not a ground-breaking solution, it's a consensus solution – the lowest common denominator
- to create something that is truly excellent, you need an author
- you need a person or a team, a little team, with the ability to create this excellence, and I think businesses are starting to see that this is fundamental for creativity
- how to put design into business
  - security, freedom, the ability to take decisions, trust
  - it sounds really old school, but it's just a way of readdressing common sense in businesses
  - old businesses like the Danish government is slowed down by rules
  - every time you introduce a rule, you lessen the ability to act
  - it's not a good way of running a society or a business
- from an organisational point of view - should have designers create companies, and then hire managers afterwards
- a thing that annoys me about the talk of design and business is that design is serious business – and designers are extremely talented people that have a long education
- suddenly designers were introduced into business as being the new black
  - they've always been that, strikes me as really weird
- in Scandinavia design is a household thing
- e.g. in Spain it's completely different – the designer is some sort of superhero
  - some companies in Spain look to design as a solution
  - they upgrade products through design
- it's as if there so many designers...and so many people have grown up with great design that they think they can do it themselves

-this is really important for businesses – if they want to incorporate design, design thinking, creativity – they have to realise that they invite (from a corporate point of view) a bad spirit into the corporation

- they open themselves to something that is not completely predictable

- this is probably vastly more fundamental than it sounds

- unpredictability is not good news for businesses

- they have to realise that design has elements of not being predictable

-if you invite designers into the fluffy concept of org. design, you have to realise that designers work in prototypes, in sketches

- can create a few problems in an organisation if you treat the org. scheme as a sketch and rearrange it every 4 weeks

- would probably break down the company every few months

- have to make prototype vehicle for designers, cause the main ability of a designer is reflection and action - you act, see what happens, reflect upon it and react

- that's really complicated and hard in a business

-designers don't really have a process – that's just a wrapping for business people to understand how they work

-take any outstanding solitary designer – and the process is just living

-any time you enter a design company you have to process-size design

- have to be able to present some kind of process scheme to your clients

- and of course that's fake – nobody works like that

- everybody would love to work like that – in a completely coherent way

- but we all gather information constantly, create ideas constantly

- and sometimes you just sit down and you go – yeah, that's it

- and you know it's right – no discussion

- everybody has done this, it's a lifestyle

- and until people understand that it is a lifestyle, not just a cap that you put on, then change won't happen

-everyone in small design businesses are working with creative principles, sustainability

- the economy is already evolving in the design businesses, the industry is doing it as well, we just need the consumers and the population, and it will come

-the changes are being led by design companies - out of understanding and the need to create good design that has excellence

-doubt that designers can work with executives on org design

- if you want innovation – you have to create for innovation

-another thing, you probably have to make alliances of small companies

- to do products, to do design

- his company does it, make alliances to create stuff together – and it works

- probably a business model that we will see a lot

-not usual for small Danish design companies

-an idea work better in a team

-sometimes you have to work with the idea by yourself, and then present it, and then get feedback

-but you need to publicise in a closed community, you need to show what's happening

-in design research you have loads of scholars trying to sort out the models...

-designers don't work vastly different today than they did 70 years ago

- there's a lot more understanding about the different ways of working – probably have designers who are doing much more market thinking
- you design products to solve a problem – a product that does more than just being functional
  - a bench that will create a comfortable talking zone and that won't get vandalized
- things have changed, but the way design is being done has not changed – at all
- anyone who says different are either liars or scientists
- designers have changed a bit – they need much more knowledge
  - in that sense design has become more complicated
- knowledge is good, and the overview
- designers have changed as people, but the method hasn't changed

## APPENDIX 13

**CHRISTINA BRUUN OLSSON**

### CONCERNING THE CASE

- I found it really interesting that they wanted to go into the European market
- and that they made small satellites in each country
  - that they realised Europe was not a United States of Europe, but very different
  - the correct way to view it
- make nuances and different considerations in your business within the different countries
  
- the Disney organisation has had a lot of focus on being one big family – find that to be very American – resembled the Italian mob structure
- the whole family aspect made everything a bit stationary, a bit fixed
- there's the good side of it, and then it can also be inhibiting in the long run
- I thought a lot about how it is an enormous strength if you're able to become that sort of family - can get so much insight into each other, and use each other
  - could be a challenge in the long run
- because they have been so closely related to each other, it must be extra hard to come in as an outsider
- what differs between Hightower and the others is that they are equals in each of their countries, while he is their boss and superior
  
- think it's extremely important the he has to do this in 3 months
- it's not something that not should take a long time – quick and painful like a Band-Aid
- he's coming in from the outside and it's going to be tough and therefore this is not something that should be done over a long period of time or be dragged out
- changes he comes up with, the new routines, it should just be done, quickly
- it could be it hurts a little, but then it's over quickly and you get into the new tracks
- coming in from the outside as boss, into this heavy and set organisation - could easily imagine that it quickly can evolve into a very heavy, long and difficult process – everyone is to voice their opinion...quickly the new fresh breath of air rapidly become dragged into that
- if you're able to present it in the right way and do it with pride – do it quickly
- present the CMs with the change quickly – get them on board
- more likely that they get on board by just starting up and doing things the new way, than going around thinking about it for a long period of time
- just start using it and see that it's not dangerous
  
- interesting that he has been in the military
  - that he is the sort of person that both could receive and give orders, and keeping things at a business like level without involving feelings
  - that he is used to strict process and speed
- don't know if it was his idea to travel around and interviewing everyone
  - but I thought this was the best way to do it
  - get to know these people in a very thorough way, travelling around and interviewing them in their specific countries and getting the feel of it all
  - to have shown them this respect and interest
- he has to signalise in a straightforward way how he can be used
- instead thinking of getting him as their boss as a limitation they should see it as an opportunity

- he can e.g. take on much of the administrative work – freeing some of their time
- and that he can a point of contact or forum for idea generation
- they might also have ideas of how they can use him that he has never dreamed of
- he's the one that has the least knowledge and understanding of these products, and cannot in any way be able to acquire the same insight of the different countries cultures
  - should make it clear that they are still the ones who are the main artery of this division
  - their job descriptions will mainly remain the same as before
- Hightower can be the facilitator for discussion and cooperation
  - to be a meeting room or a forum in a sense
- e.g. there are probably some products that are very country-specific
  - some merchandise or characters that are more popular in some countries
  - and that's of course important to maintain
  - but I also think that there are some products or ideas that you could use in all or some of the same countries
  - so that you don't need to make great inventions in each country
- that's something which this meeting room could be used for
  - exchanging ideas and experiences – inspiring each other
  - two or more countries can cooperate on different things
- very important, that you don't throw anything away
  - that's why I think that these people that are going to sit around this Europe table should share their ideas
  - everyone contributing with their own expertise
- would be a strength/resource for them that he creates this forum where they all can communicate cross-countries in Europe
- he represents Europe, and they each represent their countries
- there are some other administrative elements of the operation that they could centralise, in terms of efficiency and economy
  - perhaps not in developing new ideas
  - there has to be other areas that can be centralised – then the countries would be more focused on product development and production

## **METHOD AND EVERYDAY WORK**

- no matter what kind of problem we were to solve, visual identity or communication
  - it demands an insight into the client company
- of course depending on the size of the task, you have make research
  - who are your competitors, what are your needs, what does your financials look like
  - what have you done before, why do you want to do something new
- the next step – at least for me as a visual person who is to give shape to it
  - try to immerse myself in all the visuals
- in the old days you would make a mood board – a cardboard poster
  - some visual pictures of some moods, or something
- doesn't make a tangible mood board where you stick pictures on
  - not even on the computer
- creates a mood board tool for my own use
- if I was to make a poster, it would be to engage in a dialogue with the client
- I make use of the same stages – e.g. for making a visual identity for a school
  - try to create an understanding for myself of the facilities

- walk around, how does it look from the inside/outside, the different rooms
- have a look through their reports, ways and tools of communication
- what kind of type-settings, symbols exist in their world
- an advantage is that I can have a look through their reports without understanding a thing, but still getting a visual interpretation of it
- then there's also meeting all the people, googling online
- try to form a picture of how it looks when they're working, where they are, what they're doing
- all in all try to scoop it all up from as many different angles as possible
- the next step is then – e.g. if I google engineers and pictures, what comes up?
  - and then look – this school, are you the dark or the bright pics, the ones which are randomly taken or very strictly lined up, the ones with all the colours?
  - what is your colour?
  - there are so many different sub-categories
- when the research phase is done – or parallel to it
  - you start make up some thoughts of how to connect the dots
- it's then important to get everything down on paper (which I also preach when I lecture)
- even the things that you quickly disregard because it's ridiculous, outrageous
  - that you still get it down, draw it in – cause that sketch, together with a different sketch from some other time might lead something
- so that you don't only sketch the things that you have time to process in your head
  - because you can sometimes use the less fortunate sketches for something after all
- I once made a drawing of how you really work when doing this
  - you make all these different sketches
  - and then you think – this one is good, let me do some more work with that one
  - and maybe this one has something good, and let's give this one a try as well
  - and then maybe this one out here can make something with this one
  - perhaps a typo from this ugly sketch with the shape from that sketch
  - keep it all, because you never know how you might be able to use it
- and I'm a very visual person, so my whole process would be visual
- and well, I think that is very important, that you don't throw anything away
- ok, let's say this is the logo right here – we have something that looks interesting
  - then you need to try it out in different situations
  - cards, paper, signs, ads
  - an ad is a good example – you have text, pics, shapes – how does it go together?
  - how is the overall impression, how does the context work
  - how is the logo placed in relation to the rest
  - how should the layout be perceived in terms of style and tone
  - and does all this fit together with the logo
- you can compare it figuring out what to wear – what goes with what
  - it also have to match who you are, what suits you the best, what your body looks like
  - your whole personality and looks need to match the outfit
  - there are many different elements to consider – both for person and school
- and maybe you find out during this process that the logo doesn't match – doesn't really work
  - then you take a step back and work on it a bit more
  - go a bit back and forth in this part of the process until it works
- at some point you end up with something that you would like to present to the client
  - it would be totally absurd to just present a logo
  - the client wouldn't be able to relate to that – have to present it in a setting
  - implement it in a few different elements

- the client might like it, or say they have to sleep on it, or like a part of it, but it needs some changes – e.g. the symbols are ok, but the typo is wrong
  - “we can’t be red because we always thought ourselves as blue”
- ok, I might never have gotten that comment, but hear a lot of crazy things...
- example – they have just been over and presented a new identity for a school in Århus
  - do a presentation that is 1.30 minutes long – 1.15 of that is just presenting the process
  - not presenting all the sketches, but introduce them to the research phase
  - tell about some of the thoughts and ideas they’ve had in a pedagogic fashion
  - and then at the end – the logo and how it can be used, in which situations, etc.
  - the pedagogic introduction is the most important aspect
  - if you sell it in the right way, you can get them to accept almost anything
- they’re in a situation where something new has to happen
  - similar to the people in the case
- she talked to the head of the school about how to present the new logo for their employees
  - they wanted to present them with the new material first
  - and then give them some time to mull it over and get used to it before implementing
  - also give them the chance to come with inputs, so they felt involved
  - not just show them the new logo +, and then pressing it over their heads the same day
  - otherwise they might feel excluded and somewhat shaken
- they recommended him to do it differently
  - they’ve already made the decision that the whole school should not be included in this
  - be open about your decisions – and implement it straight away
- it’s always important to listen to what they want, also to be able to argue for not doing that if you come up with something else
  - one thing is a visual identity – a concrete product is a bit different
  - someone know exactly what they want, others just give them some text and say go
- always important to know what they’re going to use it for, why they want it, how it’s to be distributed, what they expect from it, etc.
  - sometimes the client are spot on and you just do the job
  - other times you have to take a step back and evaluate if it’s right for them
- it all depends and varies on the financials, the client, the timeframe...

## **THOUGHTS AND VIEW ON DESIGN**

- I have some issues with the word design
- what’s new in the social debate today, is that design is also more on the idea side, like you’re using us for right now – ideas and thoughts of how to change things, make it better, using their brains more than their craft
- when you start talking about the different types of designers, graphic, fashion, etc. – then it’s the craft you’re referring to
  - but when talking about designers as an overall concept, it’s more their brains that are in focus – which are perhaps wired a bit differently and that you can use
- the guy who won the Index prize with his straws are a good example of how a good product can contribute to changing the world – in reality a well-crafted engineering product
  - no one has commented on how it looks, the aesthetics are not as important
- that seems to be something new – that design can make changes – that it’s not just shapes and colours
- would approve of the idea of teaming designers up with org designers

- in the graphic design business it's not just about aesthetics
  - when implementing a new logo there's a lot more to it
  - how you use it and the identity signalise something about this organisation
  - in some cases you might be able to change the organisation through their new visual identity – they feel differently working there
  - the outside world might also influence their view of themselves through the new logo
- what's important for us as designers is that we're making something for someone else
  - in that sense we are different from artists
  - artists have the need to express themselves, to make something for themselves
- the graphic designer has to immerse himself in the situation and the client to be able to express the client and not himself – there's a great difference there
  - they are to communicate something for the client
  - it's important to signalise to the client that you have that insight and how important that is to get
  - also to show them how much time and effort you put into the research phase
  - otherwise they might think you are just overcharging them for 5 min work
  - you can often get an idea straight away, but you need the research either way



## APPENDIX 14

*LISBETH WITTENDORFF LORENTZEN*

### CONCERNING THE CASE

- already at this point – I would start to do research on Disney, how it is, how it started, all the cheesy rumours about the guy
- start out - ask these divisions to find out about the market, just starting out small and gathering all information to see how different the countries are
- if you can do sort of the same things for all of the countries, or maybe for some of them, depending on they're more north or more south...
- a group of anthropologists, maybe just one for each country to go out and check the market
- anthropologists become very important
  - with a task like this you need some co-creation, some people to collaborate with, who are good at what they're doing
  
- it is for children but it is the parents that buy it, but it's not that easy to get in contact with children
- maybe at the point in 1987 it was easier, but today it's basically impossible – unless you have a fan club like LEGO
- today, easier with the internet - they could contact you and you can contact them
  
- I think much of the information is not important – want to see much more info on what type of products sell where, which country is good at what, and the setup in the countries
  - shop in shops, advertisement in magazines, brand awareness, etc.
- that would be a thing to find out – why do they sell so much in these two markets?
  
- want to have a second manager on Hightower's level who is European
  - very good to have a European mind on it as well
- would be the ones that I as a designer would talk to and do the systems with, or for
- Hightower needs managers to brief him about how Europeans think
  - very different from Americans – spend their money differently
- he has to put together a team that actually co-creates
- talking today - he needs to establish a platform where they can actually work together so they can have daily contact without having to use the telephone
- might be a digital meeting room with telephone/microphone - at least they should be able to talk together, not just write – nice if they could see each other
- maybe some type of brief at the end of the day - least twice a week - once a week is too little
- very important to meet person to person so there should be organised some type of meetings
  - once every third month is too little - once every 6 weeks, doesn't have to be for more than a day – can go on a little longer about what they do
  - can booth be working meetings and networking/socialising – communication is vital
- these leaders of the countries that do the meetings maybe they need to take another one from their staff as well
- CMs have to be really good in communication, at extracting tasks, and communicating this to their staff who are actually gonna do the job
  
- the most important thing to start with is to make a mind-map for us to be at the same place when we start out

-only has 3 months for implementing the whole thing – ok, would have to work on it afterwards to refine it, make it work

-I would like to make a system, a platform, which will be a type of an online virtual office

-build a hierarchy – Hightower can enter anywhere

-cascading hierarchy – top-down (solely downwards access, like security clearance)

-level for Hightower and some other top people – separate platforms but on the same level

-lower level where all the people in the different European countries can enter

-will be their working platform - it's not only the leaders that have to work together

-all the people working on these products/projects

-have to be able to exchange ideas and information cross-country

-lower library level with all the different market information - from anthropologists, sales, etc.

-the platform could be a place to find out which countries work best together

-then maybe divide up the platform in those sections (2 or 3)

-lowest level platform for the customers – slightly attached, would have to run differently

-Disney has a funny, violent humour – have to create that in the culture

-when the platform is created – think design, communication – use the right colours, make it look appealing and use the design to make people use it – has to be visual and structured in the right way

-it is really important how you put it up, and it can really trick - as can form, and the whole setup

-Disney has a whole world of visual stuff – use it in the design – nothing should look boring

-would be lovely if it could work in 3D, but even today it's a very hard setup

-should include a real-time document like google docs

-where everyone can access and edit in real time

-need the virtual loo – or hanging out at the water cooler

-crazy stuff like that to make people relax and enjoy the work day

-tricky to attract customers to the website – stick cards and info on to the products

-has to be a little pay-off to go to this page, at least if you do something

-customer website should be about co-creation

-customers coming up with ideas and requests for new products and solutions

-type of a co-creation between your customers where you reach them one-to-one

-need to have some employees extracting the information and communicating with customers

-who knows how to communicate with kids

-make a good, inviting design – with a “tell-your-friends” button

-has to be both for parents and kids – should talk to the parents as well – their money

-the CMs – might have to fire them, or reposition them in other places

-have so much knowledge after so long in the business, would be a waste to throw that away

-would have to put them up in a way that they would have this entrusted job to gather all the information that they have from all of those years

-should be used for teaching positions for new leaders

-use the information they have for the business, but also store it in the library, use it for a museum, or make a film – don't throw it away

-wouldn't reorganise – good to have divisions in each country because they all think differently

-as a designer she knows too little about the markets – would have to collaborate with a business person

- to visualise the structure differently – Hightower in the middle like a satellite with lines out to the different CMs (he can have his little chair to stand on)
- a flatter structure – underline collaboration with the CMs – he’s still in charge but the hierarchy is somewhat invisible
- it’s important that you don’t have too many people and have a good work flow with the people that you have
  - try to keep managers to a minimum – not just managers for managers sake
- important to have a really good kick-off party (instead of a meeting)
  - has to be designed well
- he has to give them the desire to work together
- has to find people that fit together and make them fall in love with each other and the work
  - have to challenge each other
- I would make them not sit, because you don’t have any good ideas when you sit
  - at least, not in normal chairs – bean bags or a swing or something would be ok
- ideas for meetings – scribble on the walls, shared scribble pads, never square, etc.
- Hightower – his customers would actually be these 8 countries
  - their customers will probably be the buying customers
- you will have to find out who your customers are
- and then work together with them in a collaboration
- which means that you will have to take them seriously
- and that you will have to try out
- and if you ask them for ideas and still just use your own, you will have to tell them about that
  - have to have honesty
- need a brave person for that – and if he was ready to go to war, maybe is the right guy
  - because you have to be totally open for this to work out

## **METHOD AND EVERYDAY WORK**

- at the start – research on the company, how it is, how it started
- highlight things in the text, have pen and paper, make a bubble diagram
  - normally do it in bubbles to keep my mind - keep track of the different information
- as a designer I have start-out - is always to read this stuff first, then try to find out about the company that I’m doing this for, about the market
  - at least I have a clear idea when I have this - if don’t have a clear idea within the first two days, then the task is not for her
- you can struggle too hard and then it’s better to find another designer and I myself would find another project
- what is really important when working with set design is reading the text
  - doesn’t always have to be written text, can be info you find yourself
  - to understand the story exactly
  - the story doesn’t have to be a fairy tale – could also be a business case
  - have to understand the story completely, find all the little details
  - then translate that into something else that your audience will understand
  - another important point – your audience is not stupid
  - have to challenge them, play with them, surprise them
- when you work with this, first of all – read, understand, translate
  - if another scenographer would do it, they would have another imagery

- I find out how I want this to look, to play, how to put it up
- will start out with all of my drawings, doing that, creating that whole visual world for the audience
  - will create the visuals, the sound, the light, the movement, the space
  - if it's more theatre (not film) where you go around and feel the stuff, or if it's an exhibition, you will have texture, temperature and smell as well
  - maybe taste as well – through food and drinks that are served
  - I will decide all those things, how they're gonna be
- I would never read all of this in her office
  - would take it home to my bed – read it in bed in the evening and morning
  - will have a big stack of paper and pens next to the bed
  - when I'm in the process, I have to write it down immediately, otherwise I will not sleep again
  - scribble on the pages, highlight, read some of it out loud
  - and from that I would start to work out ideas
- this part that you're interviewing, you will never even have the opportunity to see in the initial beginning – I will block myself away
  - will not have anyone disturbing me
- so maybe that's why everyone think it's a bit hard and don't talk so much
- if I don't understand or get the idea – would simply tell the company I'm sorry
- the client would first meet me when I have read everything and decided on my idea – and then present it to them
- I think in structures – how to organise my information, how to put it together, how to navigate in it
  - if I haven't made a structure for it, it's gonna be really hard to design
- I will also do a lot of research on the net (for the case)
  - on colours, form, navigation
  - in my own project I made a forest
  - use the forest that I grew up with
- yellow folders do not work for me
- I'm not about the money at the beginning – knows that it is about the money
  - it's not the springing point at the beginning
  - it will come when you understand the other things
  - if you don't understand that, then you don't get the money
  - and if you do it right you could get lots of money

### **THOUGHTS AND VIEWS ON DESIGN AND BUSINESS**

- I think design matters – how things look and how you use colours
- the term co-creation is a modern stupid word, very hyped – collaboration is better
  - a lot of people talk about it without knowing what it really is
  - it's to work together with your customers, whoever they are
- companies would get a lot from having designers in the company
  - everyone should have a team of designers on the side coming up with new ideas and strategies
  - possible occupation for all the designers educated today
- would love to work with business problems

- really hard to convince companies to take you in
  - maybe this project could help with that
- think that designers have a lot to give
  - that companies would gain a lot from having designers on the team
- think that most designers work best when they work in a team
  - should not only be designers in the team - should be mixed groups, don't put too many designers together, at least not with the exact same expertise
- would be lovely with a master's degree on org design using design methods at CBS
  - a lot of the business areas are missing out in the design schools
- would like to take that master on org design if it existed
- of course many designers are happy being graphic or web designers
  - but a lot of designers have these same thoughts
- designers probably feel very vulnerable in the interview situation with time pressure
  - feelings: are they smart enough, feel off ground, pressured
- designers don't have a specific method – comes naturally when you're good at it

## APPENDIX 15

GRETHE VIKSAAS

### CONCERNING THE CASE

- this was very cross-border in a way
- the CMs - they became Disney in Europe – that's interesting
- there's a lot of huggy-feely here
- so he's entering something that works, which he is supposed to get working even better
- pretty much *experienced* CMs in Northern Europe, no doubt
- there's this thing about how they've been running themselves for years, some of them have been there for a very long time
  
- I would work a bit with these numbers
- would have made some analyses regarding how well they're doing
  - what are the relations between the numbers
  - how is publishing vs. music. vs. merchandise in the different countries?
  - what is the situation
  - also in relation to the populations and GNP
- to get an overview how well they're doing – not easy to get that with just a look when there're so much differences between the countries, also in demographics and financials
- and then I would see if there were someone who're standing out
- where are the good and best practises – from looking at numbers
- would see which countries are best within which category and established a product structure where the other countries reported to them
  - maybe create synergies by doing things the same way
  - instead of having them all inventing the wheel in each country
- can be other explanations for some of the numbers
  - but if correct would consider placing the responsibility for the category with the CM who has the best result within each segment
- of course with all respect to local varieties
- there're some humans in all this as well who have to nail this down
  
- maybe make a spring cleaning and put in new CMs
  - can be nice with family ties in an org, but maybe not the best for the business
- would go for something like that
  - to put in new people
  - the guy who's 70 years will probably not be the person who thinks in new terms
  - sometimes you have exceptions, but he has been in the same job for 40 years
  
- also try to collaborate in some of the areas
- use best practice or central excellence
  - for some of the product portfolio
- but I would go through each country and see what works
  - one thing are the products, but you also have the marketing approach
  - why is something working very well one place, and another?
- there could of course be other reasons for why a product sells better in country than another
  - could be some cultural differences
- should put in some new people and let the old guys be there at their side with their own competencies and knowledge

- shouldn't throw that away either
- depends on the persons involved – how much they will be in the way
- it's not always healthy for an organisation and its ability to change to have the old boss hanging around for too long
- he kind of have to do it in the way that the CMs report directly to him
  - but that they maybe each have their own segment area which they also have the main responsibility for
  - to lay down some structures and regulations for marketing etc. so that everyone doesn't have to do everything in all the countries
  - both that they do things only one place if it's no use that it's done other places as well
  - and that they ensure that standards are followed and no one takes off in their own direction
- have to be able to recognise Disney in all countries – company policies
  - hand the responsibility of company policies to the person most capable
- the economic reporting should go directly to him to sum up Europe
  - must also have product manager that report to the different heads of segments
- a little bit unsure of what to do with the old guys – I wouldn't just throw them out
  - would take care of them – also about sending the right signals to the rest of the org
  - should appear to be an upstanding company which treat people the right way
  - Disney should have this image – and keep it by treating those guys right
  - but giving them some other positions – not sure what
- you could very well put in a 60 year old as CM – but not one who has worked in the same position for 40 years

### **METHOD AND EVERYDAY WORK**

- their focus has been three things:
  - exceptional employees – otherwise nothing would work
  - have built systems – computer systems which supports what they do and partly automatise some of the operations (have over 4000 servers)
    - a lot of different software – the systems rely on each other in different ways, some of them talk to systems outside
    - a lot of things that have to work – have made systems for it all
  - have used a lot of time to develop processes and routines – in essence built up an entire machinery which consists of machines, systems, processes, routines and then talented employees at the top
- are dependent on people making decisions on many different levels
- most important to hire the right people and make sure that they have the right framework and structures for them to be able to deliver the Basefarm standard
- find the right person for the job and delegate the work – a totally deciding factor
- what I do every day is a very good match to this type of problem
  - which means that I go about it in the same way
- the words are unknown to me
  - but I attack it in the same way that I do everything in my work, which probably means that I'm not a designer
  - or is that the wrong way to think about it?

### **VIEW ON DESIGN/DESIGNERS IN BUSINESS**

- agree that designers have something to contribute in a team of org developers
- and that the human and cultural aspects designers can bring to the table are important to incorporate
- also that you never get the best ideas by yourself



## APPENDIX 16

*FREDRIK JUHL*

### CONCERNING THE CASE

- an interesting challenge
  - a bold decision to go for a profile different to what they have, with different competences, a different background (Hightower)
    - but I think he has the right competences
  - one of the things that you find about the European market is that it is very diverse
  - it is a US based company, they've been successful in the US through a certain path
  - now they're trying to engage Europe and just doing what they're doing in the US in Europe would not make them successful
  - first of all their brand awareness is different vs. the US
    - they probably have different considerations, brand considerations in each of the countries, so the strategy for Europe needs to be very country specific
  - you can try to build a central-driven strategy which they will do by putting this guy in this place - which is right, setting the scene, ensuring the overall direction, getting Europe on the road map
  - but also finding somebody who is very different, who understands the dynamics of Europe and can help develop in country specific market strategies (Hightower) – makes sense
  - I think they are doing the right thing
  - any road will take you there - you need to choose a specific road, but it's also all about defining the strategy
  - I'm not sure about the strategy for Europe, how that is really well articulated, and how to differentiate
- 
- the strategy - it cannot be different to the corporate strategy so it needs to be aligned on what are the values of the brand, what are the products, what is it that we want to be for our customers
    - get everybody on that platform - how does that translate to Europe?
  - does that strategy translate in a nice well understood way to Europe, based on how the company is being perceived in Europe?
  - if the corporate strategy is not in alignment with how you want to translate your strategy to the region - then you need to find what are the filters that you put in to make sure that it fits into the region that you have
  - it cannot differentiate a lot from what you have on your global strategy but it needs to be customised for the region you want to penetrate and make sure that you bring the values to life in the countries
  - you make sure that it becomes relevant for the markets that you want to penetrate
  - next - look at the product portfolio because they have a massive product portfolio, different brands, license agreements, etc.
  - what are the awareness of the brands and the different products that you have and which ones are easier to bring to market than others
  - trying to introduce a new category to a market is much more difficult rather than leveraging what you already have
  - I would leverage what is already known, accepted, and drive that
  - then I would start to launch the other ones if they are relevant
    - again, you need to look at it on country level
  - so, find the products that are well positioned in the markets already and try to drive that

-those are the lower hanging fruits, because this is just accelerating what is already been developed because you have had some country managers that have been driving the business, start to leverage that, and then start to look at what else can be done

-Hightower's role - the essential function needs to be setting the guidance, setting the scene, you know letting out the strategy

-executing the strategy needs to be in the local regions

-the guidance I would give - would draw the picture for what is it that we want to do from an overall company perspective

-this is the values, this is what we would like to be, putting the big frame around everything

-the task I would give to each of the CMs is: how do you break that into your country?

-then you need to empower them in the countries to do that

-they have a lot of insight into their countries and what works and what does not

-that is the way you need to work, you need to leverage that expertise

-telling the CM for e.g. Italy here's how you need to run your business - that will never work

-empower them, within the frames that you have set of the corporate guidance on your strategy, and then tell them how to do it

-they need to bring it back, and your job as a central function is to check that what they bring back is in line with how you want to penetrate the market

-is it how you want drive the different product categories

-act as a checkpoint for the corporate culture

-make sure that the product focus and the execution of the products and how to get the licenses out of the countries, that's that works

-would not micro-manage the countries, because the countries have insides that you need to leverage

-the CMs - need to see the value in the new structure

-you need to show them what is the value of the new structure

-that's where the empowerment is important

-if they feel empowered staying to manage their own countries, then they feel that you don't walk into their territory

-they also need to see what is the value that you will create

-if you suddenly see that an organisation gets a much stronger foothold in Europe, how is that relevant for some of the countries where you have the senior leaders

-some of them are pretty old - that's one of the things that you need to consider as well, are they the right guys for the job

-you should never discount somebody just because of age

-if you have 40 years of tenure and you're 70 year old (France), then you probably need to consider, as you bring change - is this a guy who would be an advocate for change, or would he be reluctant to drive change

-it's always good when you come to a turning point, and you need to drive in a new strategy, look at - do I need to reset the team

-that would be an individual assessment, first go out have meetings with them see how they bring back the assessment of the country

-set out the guidance - how well are they able to articulate and translate the Europe guidance into local actions and initiatives, and is there a link

-if you feel that they come to you with no link and they are not able to translate it, what comes back is the old legacy setup, then there is an issue, then you need to go back and say ok maybe we need to change a bit there so they are more aligned to what we want to do

- that would be part of the process as well
- would probably call a meeting for everybody already in the team, and beforehand there would probably be an offsite
  - which is more about bonding rather than anything else, but it's like a kick off for the new strategy
- then I need to be very crisp on what is this new structure going to do for the countries, what is the direction that we're heading and why is this structure relevant for them, and what are they gaining from it – what's in it for them
- next step would then be - what are the expectations that I would have to each of the CMs
  - give them high level of empowerment, but also set expectations
- then there would be some social stuff and all that stuff to create a relationship between the guys
- then I would give them a task to go back, build an implementation plan and come back and then I would do country reviews with each of the CMs
- then - would start to find some key performance indicators that are relevant to all of them
- would use that meeting as well when we are all together and say ok, how are we going to measure our business, and what does success look like
- get everybody to agree on a common set of numbers that we can all sign up to and say ok these are the performance indicators that can be benchmarked, and then I would start benchmarking - because that drives the competitiveness between the countries as well
- would probably use some KPIs from the corporate org - what we do in Europe needs to link up to what they would like achieve as well on the corporate level, so I would use those metrics as well
- then I would look at what is it that is relevant for what I would like to achieve as well, locally
- might be that we think that we are under-penetrated on product categories and we have opportunities to expand our portfolio in Europe
- would be one of the things I would be looking for - how well do you bring new products to market, how quickly do they grow and what is the profitability
- then you start to build these dashboards - how many categories have we penetrated in Denmark vs. Sweden vs. Germany, etc. - how well are they doing
  - then start to benchmark these guys against each other
- what we see in Europe is that there are synergies
- would always try to keep country managers in UK, Germany and France because those are big countries – Italy as well
- would probably have a Nordic region – Denmark, Sweden, Norway
- would look at the scale of the regions
- UK, France and Germany are very big markets so you would probably prefer to have one for each of those markets
- for the smaller markets you need to look at what makes sense, and what does not make sense
- in the current setup that they have there are too many CMs
- would probably look at a matrix organisation where the central, the general managers would become more like sales directors
- would try to put financing, business intelligence, marcom (marketing communication) into the central organisation – all the support functions
  - think there're a lot of synergies that can be achieved
- not sure how it's working today, but they probably have local production of marcom in each of the countries - having agencies doing that work in each of the countries
  - some of it needs to be translated, but that can be managed

- you can get scale by doing that, by centralising some of these functions
- that doesn't mean that you don't customise for each of the countries, you can still do that, but I think that it's important that you centralise that function, but with a local touch if that is required
- BI and finance - you need local controllers reporting to general manager
- need local marketing managers as well
  - not empowered to produce, do marketing production
- production needs to be centralised, but execution and feedback needs to be localised
- same thing goes for financing, or because if you put the financing in the regions and not have a centralised function, then the benchmarking data becomes much more difficult
- much easier if you have one centre that produce the benchmark data, because then there's no ambiguity around how the data's been pulled
- if you have the local regions reporting back to you, it's much more difficult to control
- the role of the CM will probably change to be more sales focused, but also be the one who has insight to the local market and can feed that back to marketing production, to planning and all that stuff – planning should be centralised as well
- the important thing is that you don't lose out, because if you want to have a region or country specific go-to-market strategy, you need to have somebody in the region who is very strong in assessing the market and give inputs
- need to be careful when you build an organisation like that, that don't have one-size fits all, because that will never work
- still need to optimise what can be optimised, and leveraged
  
- Hightower - needs to listen to the country managers for sure - without them he would not have the feedback - needs to be very close
- should not be a coordinator, that is not his role - he needs to manage and drive the business
- should not just be there as a person who translates whatever comes from the US and is just a go-to person locally
  - needs to be the business owner and drive the business
- he should be the guy who drives the change of centralising what can be centralised, and optimised, and also the guy who sets the scene of what needs to be achieved and hold the regions accountable for achieving and take the right consequences for people who do not deliver on a senior level
- if he just facilitates, he would not be driving the business, he would not be holding people accountable
  
- think three months is unrealistic
- the three months should be to get the in-country strategies ready and to get everybody on the same platform and also assessing the organisation
- first three months you need to assess your organisation, you need to make sure you have the right people on the team
  - you can only do that if you have some inside knowledge into some of these people
- need to give them the guidance, see how they react and also assess their current business
  - also see if they are ready to change
- if they're not doing that or they are not able to, you need to change the team and then I think that should be the first three months
- setting the team, setting the directions, bringing the team together, creating the governance structure and then you start to drive the business
  - that's what I think you should be able to achieve

- transformational change in sense of bringing a lot of the functions into a centralised setup, that's probably a big one to look at and you don't do that in three months
- also deciding if they should continue to be in all countries, or discontinue in some of them
- if you look at the current economic climate, there are some countries where you would hold back because of the recession – in Portugal for example
- would be different back then, compared to how you would do it today, for sure
- the awareness back then was probably lower than what you have today - the awareness of the brands and the products
- through internet and TV, all their products have become much more relevant
- the product line was also very different because today you see that there're a lot of cartoons where they join up with other partners in strategic alliances
- the industry has become more advanced
  - social media has much more saying in how you influence your customers
  - today you see companies are much more into peer referencing
  - it's more about the experience
- today Disney's focus seem to be more on how do you create an experience as a family entertainment – and much more than that
  - not only making cartoons – but how do you bring that experience to families
- they should centralise what can be centralised and optimised and into scale
  - but you need to have the country ownership and drive and attention to the market to execute the strategy and give feedback on what needs to be changed
- if you look at the products they have here – they will not be relevant to everybody
  - need to be careful in segmentation
  - need to lock down the segments they want to be relevant for
  - ensure that everything they do in product design, etc. – how they become relevant is all built into the products
- how do you become relevant for kids?
  - how does kids consume information today, how do you influence them
  - kids are still decision-makers within the families, but how do you make it relevant for the parents as well

## **METHOD AND EVERYDAY WORK**

- done a lot of the same things in Tink
  - but we went too far
  - 6 or 7 years ago we went to centralisation as well
  - but we centralised so much that we lost the contact with the region countries
  - we were very focused on what was happening in UK, France and to some extent Germany and tried to transfer what they did in those markets to everywhere else
  - and was not paying attention to the other countries – which was a big mistake
- we saw that it was much easier for the competition to target markets
  - because we were not focused – had a linear strategy without being country-specific
- we're in the process of doing that - centralise what can be centralised and optimised and into scale, country ownership, attention to the market
- and then you need to be sure which segments you want to be relevant to
  - you can't be relevant to everybody – that's likely impossible

- we're relevant to a lot of segments – our product portfolio goes all the way from consumer to large enterprise and public sector, and even small/medium business
- so we have a very diverse customer segmentation
- we have a matrix organisation
  - where you have the marketing org reporting to a marketing leader for Europe
  - the same with the sales org – leader for Europe
  - and the same with finance
  - so it's all there in a matrix org
- but my role as a general manager is to make sure that all these guys play together locally
  - and do what is right for the country and region that I manage
- a lot of communication between the departments - we have daily and weekly communication about what to do
  - and even they do not report to me, I manage them like they report to me
  - what is the role that you take in the org – as a manager or a leader – you choose
  - just because people don't report to you...
  - if they are important stakeholders to you, you need to influence and manage them
- but you cannot do that by telling them what to do, but by influencing, by networking
  - building connections and getting everyone on the same page
  - “this is what I would like to do for my region”
  - if they buy in and think it makes sense, then they'll do what I think is right as well
- and then you build in follow-up mechanisms and governance to make sure that everybody is doing what we agreed to
- important to be the right kind of leader – especially when you work in a matrix org
  - if you don't know how to connect to people and build a network across
  - then it would be very difficult
- the strategies are longer-term – but you need to execute them by quarter
  - I don't change my overall strategy from quarter to quarter
- and also, there are different opportunities in the different quarters
  - e.g. next quarter there's a back to school quarter on the consumer side
  - and so we change our tactics – our focus and investment to be more focused on the relevant segment that is growing in that period
- so we don't change our strategy – that is consistent in how we want to communicate, how we bring our products to market, all that does not change
  - it's more the push and the different elements vs. the seasonality of the business
- the execution strategy will change – but the overall path and guidance will not change
  - it should not change
  - because you cannot change your strategy every quarter
  - that would be impossible
- or if you do that, then you have the wrong strategy
- when you have a strategy you need to believe in it and see it through

### **THOUGHTS AND VIEWS ON MANAGEMENT**

- you need a high level of replacement to be a dynamic organisation
  - when you're in a fast moving industry like this, with a very competitive environment
  - then you need to have some level of dynamic in the org
  - sometimes you see that you constantly need to change to adapt to the market
- but it's always a balance because if you change too much you put the org up-side down
  - you lose the focus
  - what is important is to keep people on their toes and you never fall back to sleep

- nobody's in a role for too long
- the flip-side is that you see people implemented and drive, but you don't see the long-term impact on a person in a role
- but you get a lot of incremental offsite straight away when people start up
- new ideas, new angles and drive
- and then they move on
- so you get this boost, but you never see somebody sustaining and maintaining their focus for a longer period of time
- there's a lower level of turn-about on my level
  - because I need to be the one that brings this through
  - so whatever the lower level managers brings in – when the next guy comes in I need to make sure that we stay focused on what was developed and built
  - and that it doesn't change too much
  - what you see is that I would normally be in my role for 3 years
- it's also common that you stay longer
  - but 3 years at least to keep some level of consistency through all the change that is happening underneath in the org

## APPENDIX 17

**GUNNAR JOHANSSON**

### CONCERNING THE CASE

- seems like they were operating a very cosy family business, initially at least
- it's not necessarily those people who're making the great new changes, especially when it's people who's been part of this for a long time and know the family
- everyone spends time together, and they all report directly to headquarters in the US...very cosy indeed
- first reflection - when you see how they're doing business, it seems like these CMs, since they're so autonomous and are like senior senators, that they just go off in their own directions and then the organisation is built on their own interests, tastes, opinions, views...without any common company goal that they are pursuing
  
- first of all you get this impression of these people involved, and you're able to make some assumptions from the fact that the majority of them are aged 60-70 years old
- based on that you could make some dangerous assumptions, because a 40 year old may very well turn out to be more stubborn and conservative than a 60 year old, it's not just the age that determines whether they are difficult to get on board or not
- I would assume that he knows all these people already now that he's been travelling around
- doesn't really say anything specific about these people, but by getting to know them and figure out what kind of persons they are you could learn a lot of how they run their business
  
- it's my impression that it's very unclear what it is he's supposed to achieve with this new job
- very unclear brief
- this little input saying do something different from what has been done in the past - that's more like a strategic choice which has already been made without there being any apparent reason for it
- unless it's implicit that they're saying we're not satisfied with the growth, although I can see they've grown a lot
- I would have started with making this more concrete – what is it that we really need, what is our goal with this, what is it that we need to do?
- are they not satisfied with the growth, or do they think that it's possible to optimise - have as much growth in all the countries as there has been in some top performing countries
- but then you have to specify and determine what the problem really is, if there is one?
- when you read some of this you also get this kind of feeling that he thinks the same; it's not even certain that we have a problem, maybe we should just continue the same way as before
  - and then it's – ok, so let's do that then, if everyone is satisfied and happy with that, why should we then do something completely different?
- so I'm thinking that you should start out with assessing whether there's a problem and what those problems are
  
- if I start out on the basis of what is indicated here, that they think this division has a big growth potential – then I can see just from what little info available in the case that it's run in an autonomous way
- every one of these 8 CMs run the operations just as much based on their own interests and feelings as it is based on an overall Disney strategy
- would assume that what they see here is an opportunity to grow much faster through doing things differently, that this is something which has already been seen as a possibility



- in that case I would start out by doing a sort of run-through of what kind of organisation type/form could do this in a better way
- have to look at what the company as a whole can do better than each country individually
- for me that's more over to the strategic level
- initially at the strategic level, the Disney Corporation or top management together with Hightower should sit down and create a common strategy for the entire company and for Disney Europe
- which is more a strategic run-through of what we want to accomplish
  - what role does Europe play in the Disney Corporation?
  - what are we going to contribute with to the corporation?
  - to make both Hightower's and Europe's role much clearer
  - to know what it is exactly that they have to work with
- when Hightower comes in he has to figure out which of these 8 CMs who are the real stars and supporters that he can use in the time ahead
- then he has to involve those who are the future stars and important assets for the company in developing the strategy for Europe
- they may agree in theory that how things are done needs to be changed, but he probably expects that when all's said and done they won't be totally supportive of the new changes
- that's just how it is I suppose, you see it just as much here as you see it everywhere else
- it's essential that it's been defined who would I like to include, who are my supporters, and who will be important players in the future, and then I would focus on these people and ensure that they're on board with me
- but then you'll have to go back and make sure that they are in on it and share the problems and the understanding thereof
- first of all you have to build up an understanding of that we have issues and we're going to do things differently because there's a reason for it
- not just that I'm the new guy who comes in and want to do things differently because of that
  - then they'll just resist everything, of that I'm sure
- if you haven't been able to get these people to share the problem, then that's an issue all by itself
- starting out with the board and agree with them what is the issue from their point of view, and then based on that start to look at who are going to be part of a team for Europe and include them in the journey of defining the problems
- share it, develop it further with them until you have a common picture of what's not working in Europe
- the next step will be to figure out what you can do, when you have these supporters participating in developing strategies for Europe
  - then you'll probably get an ownership among these Europeans
- based on the problem, what he has to focus on is what kind of strategy should we have in Europe, how are we going to work together
- probably gonna end up in a situation where they figure out that they can work better by cooperating on a number of things - their different competences from the different areas
- his biggest issue from the beginning is to break out from this situation of having what I like to call 8 small kings who're sitting around and who're probably not easy to edge in on
- the only way to break through to them is to:
  - a) share the problem, the strategy, that they're participating and
  - b) through removing those who are proving too difficult, who're not in on it, don't want to change

- that you make a decision and say they'll just have to go, even though they are patriarchs or senior senators
- but if they become that, they might as well become a break in the system, if you don't have them on board
- very probable that he'll have to clean out a little bit and say that we have to remove someone
- reason why the first thing he'll have to do is to get to know who are the future supporters, both that they have the competences, but also that they have the right attitude – that they can participate in a change
- that's more or less the starting point
- they probably have to go through a relatively tough cultural change, but they won't be able to pull that off until they have done their homework and made it clearer why they are doing this
  
- I'm assuming that the Disney management are capable of lining up the problems, and that they've already have done that in some ways, as they have decided to bring in Hightower
- that they can point to the issues at hand and say these are the problems, this is the current way of things, but this is the way we have to or would like to go
  
- they have to rearrange the whole operation to find the areas where they can optimise through collaboration, and coordinate that
- and delegate responsibilities for the different functions and make sure that the synergies that should exist in Europe exist
- because they haven't done that at all
- it's likely that they would start organising in a more functional way
  - e.g. publishing, merchandising specialists...
  - could be situated in Paris with Hightower, or take best practise and have them continue in their own countries
  - could be structured how they want – depends on the people and how it fits
- but you have to have the base structure where you say these particular areas are corporate
- the rest of the daily operations are left those who run the country operations
- I presume that's what he has to start out defining
- from the little info that's available it seems to me like he has the right approach to life and people, and the organisation – which is very important
- the specific moves he has to do
  - to coordinate what is best coordinated, and leave what is best handled by each country to the CMs
  - and to define those two areas are not very difficult either

### **METHOD AND EVERYDAY WORK**

- it's exactly the same problem that I'm working on at the moment, except from the fact that I don't have 8, I have 40 small kings
- I've received exactly the same first sentence from the case – so I'm having the exact same sort of challenge
- I just started 2 months ago, initially I've been doing what I was suggesting - travelling around and meeting up with the people I view as the most important, the largest and most demanding places
  - in our case it's probably even worse...
- we don't even have country managers, this company is built up through acquisitions
  - all in all we've bought almost 40 companies around the world – many of them situated in Europe

- I've come in and have been made chairman for all 40 boards, and they all run their companies like they're not part of a larger corporation at all, almost
- so multiply this case by 5, and then you have the situation I've just been handed over
- where you have to figure out how do we merge some of the companies, and how to tell these people that how we've been doing business up until now is not good enough, so we have to gear this up, a lot
- both to make more money and to grow, and then it's obvious that you have to start merging
- instead of having 40 different persons doing product innovation in each company it's clear that you'll get a much better effect from collaboration
  - you don't really get any effect from one person doing product innovation alone anywhere
- if we had 40 people sitting together, and have 10 and 10 people being specialists in their respective fields, it's evident that that will provide a much better effect within product innovation than one person trying to do everything
- when you have 40 kings who would like to have everything, then you have that sort of situation

- agrees with Pia – this is a challenge that most men would run away from
- of course it's hard, here you have to step into a company with 6,500 employees – not a small company – and you have to punch through these sort of very old and strong brick walls, and we'll of course end up having to remove a lot of people
- I'm still in the phase we're I'm trying to learn about the people - I've started to initiate strategy processes, and I've started to involve people that never before have been involved in participating to build up a strategy, participating to share and find the goals, where do we want to go, where are the problems?
- the advantage is that we make enough money, but we're not satisfied
- last couple of years the curves have been pointing the wrong way – it's still on a nice level, we're not close to bankruptcy, but of course we have to turn it around and have them pointing the right way up
- and it's not that difficult to line up the problems
- the whole problem here is the difference between what we're doing and what we're aiming to achieve, and then you have to be able to share that
  - which we don't really have any trouble doing here
  - then you've been able in my opinion to take the first step
- then you at least have a common idea of the fact that you have a problem and where that problem is situated
- then you have to start on the solution and there'll be 40 guys who'll be disgruntled and say no, no, we can't do it like that here
- not everyone has that attitude - that's why I'm saying that it has to be the same way in this case, and that you have to find the people who'll be right for the future
  - there'll be many who have a positive attitude, absolutely
- in our case I think it's no worse than maybe 20 out of 40, if I'm any judge, but on the other hand we perhaps don't need more than 20 either when we're moving on
- it's all about solving the issue of who can take the responsibility, and make the next step from being the CEO for a company in e.g. France to being in charge of France in general, and both run all the companies and also be in charge of the other companies' sales in France
- in SCA we had a country manager, so we had someone who had the responsibility for everything that went on in that specific country

- planning on the same thing here - have to do that in order to get this organised geographically in a whole different way
- we don't coordinate any production, the only thing you can say we coordinate in our company today is purchasing
  - making sure that we get some good deals on account of our size
- so it's changing an organisation from being a multi-autonomized organisation to become one company which is to follow one agenda
- they have grown fast because of acquisitions, without doing any sort of integration processes
  - just buy more and more, and they became very large
  - and then it starts to present some problems
- and they started to think – what can we do? – well we can't really do anything because we don't have any operations or framework to drive the business – we don't drive the business
- the competition drives their businesses, and we sit here and stare at the numbers
- not really an option to keep 40 different companies
  - is planning to merge them into fewer and larger units
- two aspects to look at – operations and juridical
- juridical aspects are often linked to taxation considerations
- you can of course have a juridical organisation structured one way, and an operating organisation which drives the business which is structured in a different way
  - the best thing would be if they work in harmonisation, but that's not always possible
  - sometimes what is best for taxation considerations are not good for operations
- in any case – ours or the Disney case – the first thing you have to do is to agree on what the goals are
  - everybody has to know that – the whole organisation needs to have a clear picture of what is expected of them

### **VIEW ON ORGANISATION DESIGN AND MANAGEMENT**

- I must say I'm a bit scared myself, to see how much bad leadership which exist around the world
- I don't see this as difficult or magic in any way – the specific moves he has to do
- agrees that he has more designer type of approach and frame of mind
- that to be able to figure out what the problem is, understand what fits together and what doesn't, how things will work – and then create something new – is exactly what he is doing
- for me that's the simple way
- the last CEO in his company was a controller – had a very tight financial control
  - focused on the financials – getting reports, etc.
  - but not driving the business – just checking if it's running well, and come down on people if they're not doing too well
- but that was it – pretty old fashioned and hopeless approach
- and not only old-fashioned – to me that is leaders who have no self-esteem, who lead mostly by controlling rather than building up and take chances, and let people get the freedom and responsibility and participate in a process
  - because they're scared that they might end up losing discussions in the process
  - and then it's better to have no process at all because they're not comfortable with it
  - better to have the control and bark at people
- to me it's the opposite – I've always said that it's teams that work

- for that I need competent people – so for me the starting point is to find the right people for each role
- do I have the right people, do I need to get them
- who do I have to remove, who are with me, who are my supporters, who can join in, and who are mainly just destructive to the company and change process, the future
- then you treat these people differently, remove the obstacles and see if you can develop the people who are not stars, and invest in the people that are the future
- do you have a strong team, you can accomplish a lot of things
  - if I am to sit here all alone without the support of no one else to pick up and take everything a step further things will be very hard indeed
  
- the philosophy he has presented – and worked with in SCA before
- when you're setting up a company and building the culture, as a leader you want to do what is best for the company and ensure that this will go in the right direction
- there are three different ways you can do that, and you have to choose one:
  - 1. is financial control – secure the future through setting up instruments for financial control so that you'll be able to track every little deviation early enough to adjust, affect and change
    - you need very tight control, reports, working with the reports, and react from the results you get from the reports
  - 2. is process controlled – companies who build up tight internal processes and rules where it doesn't matter who does the job, as long as the process is carried out
    - it's the process that runs the company, not the people executing it
    - some companies which have so tight processes that there are no deviations
    - if you have defined the best possible processes in the best possible way it will probably turn out as well as possible
  - 3. invest in the people in the company – has just as many consequences
    - have to make sure to hire, motivate, and develop the best people you can have in your industry
    - if you're able to secure those people – then they are the ones who'll secure the future of your company
    - instead of being stuck with all the financial control yourself – they'll spot it and take action because they feel that have the freedom and motivation to act if something goes wrong
    - you also need a certain financial control, and some defined processes to avoid chaos – but that's not where you need to place your focus
    - your focus should be on development of people, team building and motivation
- that's when I personally believe that you'll get the best out of people – more than you can ever get from financial and process control
  - then you'll have an entire organisation that works towards the stars – without prodding and supervision
- that'll always be my goal for an organisation
  - employees that are dedicated, that feel both freedom and responsibility – and on top of that are the right people so that you can give them freedom and responsibility
- then you'll have some really good opportunities
  
- he has had much interaction with product designers in SCA
  - and has seen their value in creating new products through interaction design
  - but that's still products
- but to go from that to organisation design – a large step
  - he would never have done that

- totally agree on the people aspect of design methods
- in Scandinavia we have a very narrow view of what design is – more aesthetics and products, the look of things

## APPENDIX 18

*PIA BECH MATHIESEN*

### CONCERNING THE CASE

- quite obvious that they went out in the countries to find some people with local knowledge to build up the area there
- they actually do a lot of executive search and they put a lot effort into finding the right people to fit the organisation

- Hightower's background – the military, McKinsey, Mattel – it all looks very good to me
  - military has a tradition for leadership and mentorship, McKinsey view of management – though not implementation

- Mattel example - always very, very good to experience a crisis
- you learn a lot when things are going up, but you definitely learn even more when you have been through one or two crises
- he reflects on the fact that his family needed geographic stability - quite interesting

- no doubt that this is a challenge that would make most men run away
- very classic when you have old firms - basically you have small kings, who have done very well – or at least they have done good enough - so you can't say that they were not successful
- probably haven't seen the potential in for example working together to lift the division to a new stage
- very often what happens is when you have small kings they fall in love with their power
- the biggest challenge he has right now is to get everybody to see the potential in doing things in another way

- would spend some time – probably together with the board of directors in Disney - to say ok, we really need to make this new vision so sharp that everybody can see that this is the right way for Disney for the future

- need to find out if the CMs are the right people to keep

- probably, some of them will be the very, very best people you can get if you can convince them of the importance in changing direction

- need to build up trust to them and then really have a dream

- this is one of the situations where you really need to come out and say “oh I have a dream, and I sell this dream to you”

- the reason has to be meaningful, it has to really be a vision, it has to be something that you want to go the extra mile to get – because you can see in the long run this will be the only that is right

- know they use quite a lot of energy in Disney saying: we let kids be kids, we make dreams come true, we make magic happen

- think that Disney is actually very, very good at all that stuff

- the new leader really has to set up his new vision of – ok, what can we do in Europe

- well we can change this business into a magic business

- when you have this vision, it's much easier to say, ok how can we do that

- as a top manager, the vision you need to set either alone or with your boss – it's not something you can make into a democratic process

- how to do it and what to do – I think at that point you have to involve people

- you need to sell the vision that this is important, you need to go out and do this, and when you have this you need to involve people to find out – ok, if we want to go there, how should we go there, and what should we do?
- the small kings also have the knowledge of each country and know the culture of that country and can contribute with a lot of good ideas
- first of all I would say that it's not a big problem – even though I can see it is a big problem – it's not
- it's only 8 people you have to convince
- would set the goals very clear, and have my speech about the vision and where we are going
- then I would meet with every single one of them and tell them that this is where we are going and I would like to involve them in how we are gonna do that and how
  - find out whether they are in or out
- if you really want to make such a big change and if you want to centralise the whole Europe division you have to be very sharp on who are with you and who are not
- then would take the two or three persons that really understands the vision and make a small a strategic group together with them and find out how we're gonna solve this
- then would use some time understanding what are the needs of the European people concerning using Disney's products
- then would look at the organisation and see ok, if we are gonna fulfil these needs for the customers, what kind of competencies do we then need in our firm
- when you centralise, it's always also because you can do things more efficient - means that I will know that I will have to say goodbye to some people
- the first people will be the ones who don't understand the vision and people that I don't believe will fit in to the new situation
- would definitely change the structure
  - if you want radical changes, you also need to have radical solutions
- if you just keep these 8 countries, then you will have 8 kings for the rest of his life
- if he wants to make something completely new and different he needs a completely new organisation and a new way of doing things
- if you want people to change their behaviour and the way they work, you need to change the way that their everyday life is
- would say let's find out do we really understand the needs of our customers?
- would probably have someone make an analysis on customer needs and customer touch points with the firm
- in centralising the system – he's probably gonna need a manager for each country because there is so much cultural differences
- one way to do it could be to say well, let's look at the organisation and see who can support the customer needs in different ways?
- then make organisation cross-countries groups about how can we educate kids under school age, or how can we - whatever it is
  - then make some groups that would cross countries

### **METHOD AND EVERYDAY WORK**

- have a vision for the company I work for – where they have to go
- the vision was made together with the board of directors



- at bottom line it's my board who have said: we want the firm to move in this direction, make it happen
- the next step for me is to get my people involved in the process
- to make the strategy I use basically classic design process, trying to put myself in the customers place
- make a lot of workshops, both with employees, but we make also classic design research to be sure that we actually understand the needs of our customers
- even though I have some overall goals, I involve both my employees and the customers
- if we have this goal, how can all the different kind of media, the touch points be changed so we are quite sure that they all support the goals we have
- then we design plans for...ok, if we have to do that, then we have to change that and that
- actually a very classic design process: you describe what you have today, you describe the vision of where you would like to be in the future, what goals you have to fulfil
- use quite a lot of time on the first process, be sure that everybody understands the goals, that we actually have set the right goals, that we are not just doing things the right way, but that we are doing the right things
- when you have made all that, then normally the rest come very easy, because then it's just making plans, how to get things to happen
- to be honest I think that is a classic management strategy as well, but that's just the way I learned at the Royal Academy of Art when I studied, so in my opinion it's also a part of the design process
- can see when I talk with my fellow directors, that basically most of us have the kind of same way of solving problems
- more focus on humans, more than many other executives would have
  - result of the design education
- whether or not it's more successful depends on what kind of person you are
  - works for her because she's able to walk the talk – the talk that's natural for her
  - don't know if it would be successful for everybody
- find it natural always to start with what are the actual needs of the human we are gonna fulfil
- then the rest of the organisation, finance and whatever, will fit into that plan

### **THOUGHTS AND VIEWS ON DESIGN**

- there should definitely be some more design methods in business education - more focus on humans
- two reasons:
  - no doubt that if you want to have growth in society, it is very important that we are able to make radical new inventions
  - to make those, the design process is at least one of the few methods where you can ensure that you get radical new inventions
  - I think the design process is a proven process in bringing innovation further on
- been in the business for 30 years and when I started out I was amazed at how bad designers and business people worked together - sad to say, 30 years later, I still think we have a big challenge in using each other's competencies
- everybody, business people and designers, know the importance of working together, but with the education we have I think we don't spend enough time in learning how to work together in the right way, and how to respect each other's competencies
- a problem is that we have quite a lot of designers who are not very good at selling the design process, they are not good at making it visible – how much value their work actually gives to the firm

- I think you should look into design thinking theory (DTT)
- DTT is very much about all the things we just were talking about, but I also think that's an area where more and more other people than designers are realising that they can use design and the design process in developing new things
- design thinking should be taught in business schools, engineering schools, universities, not just at design schools
- the holistic way of looking at life, the way of always putting human and customer needs into the process is a very important part of design thinking

- I totally agree with your assumptions, the holistic view, but also maybe – I haven't thought so much about that before – but the being able to put pictures into other people's heads is something that designers are good at
- something that's no doubt is very important for the future, especially when you have to make these first big visions that you are able to sell the vision that you can make pictures people can understand and relate to

### **VIEW ON MANAGEMENT AND ORGANISATION DESIGN**

- I totally agree in the importance of finding people who understands the vision and the values of the firm and also take the discussion up front with people and say: this is the value that we stand for - can you see yourself being able to manage and make leadership within this framework of values and vision?

- if you have people who are committed to the vision and the values of a firm, then you can really move the organisation

- met quite a few men who are very, very good at leadership, and a lot of them actually have a background from the military

- if you have success doing good enough, it can be very difficult to understand why you have to move

- the reason why the area most described in management is people who are against changes

- have also met some very good directors from business schools – but I think that the ones that have been the very best have actually been the ones the focus on the human side of any change project - or maybe a holistic view

- also met quite a lot of people who think that finance is god, so they make all the decisions bottom-line based, and they have had such a hard time

- some have been successful, but have also lost a lot of commitment from their employees in the process

- think that the more holistic and human way of making strategy and organisations...in my experience it makes for a better result in the last end

- it's not always the easiest way to do, well especially not in critical situations

- requires commitment of managers and directors because we all have to get involved as a person

- bottom line I believe in understanding human needs is the right way to run a business

- a lot of business people, when the crisis comes, the thing they cut back on will be all the creative people they have in the organisation – all the designers, marketing - I think bottom line it's because they don't understand the value they put into the firm

- in the business school today you learn that you have to be able to measure everything - and one of the big problems is that it can be very, very difficult to measure design directly

- if you really want to make radical new inventions, to have a creative environment where things happen in another way than you're used to, then you have to loosen up - because it's not only the thing that you can measure that gives value to the firm
- especially in today's management it doesn't exist in the markets because when you can't measure it, people don't know how to deal with it
- would say that within the last 5 years there have also been business views on design thinking brought into management which I really appreciate

## **APPENDIX 19**

### ***JESPER TOPP WOLTERS***

#### **CONCERNING THE CASE**

- the way they do it, they send someone out and build it up – very clearly an American company
- seems like a more top-down approach
- very much relation built, the question of the top being closely tied, and very much trust built as well
- they have a great variety in terms of markets, and contents in the markets – which explains their flexibility in setup, at least the beginning of it
- a good move, to move European headquarters in, to become closer to the market and facilitate the differences that are in Europe
  
- there's a diversity area as well, in terms of this Hightower chap – a good and bold move
  - to pull in a black American in a European head office to run things
- good move cause, on one side it's a top-down we keep the American in Europe approach, but on the other side there's an angle, so we're not all American, we do have a diversity in what we do, which makes it easier to accept
- good idea to put in the guy with the vision - one of the things that usually is difficult is that there has to be on-going innovation in terms of organisational design, and there has to be someone who constantly knows both sides of the table, and that's usually a problem
- a lot of times you have an internal side that knows all the structures, and then you have a business side that knows the market
- when you get the real value is when you can correlate the organisational structures to the changes in the market and have the ability to change your organisation accordingly
- seems to be one who has actually been in business and who is also been in a high-level corporate planning position for a while
  - seems to have both sides of the story - a good idea in terms of organisational design
  
- what has been happening with the old design in Europe is that you have sub-optimised smaller units running themselves
- then you have sort of a trust-bond relation-based with the guy on the top who is the man, or the father of everything (French CM)
  - he doesn't really have the visions to change the business necessarily
  - not in touch with the markets
- there's no one in touch with the structure – decentralised, CMs have a business relationship
- how can you maybe harvest on organisational setups that are better for specific market chunks, instead of having everything as a specific market
- how can you see where there are similarities and use that for synergies in terms of how the organisation is built up - that's exactly what he's going to do
  
- seems like a very traditional company, which is why this change seems so big, to put in this guy
- the CM overview – shows what his challenges are, also shows his life is going to be easier in a short while – he'll probably recruit more than half of them, which makes a difference
- strategically he wouldn't have said that out loud – just waited out a bit and see who works and who doesn't

-with this demographic setup you could actually change most of the organisation without having too much hassle

-the challenge - a strategy that is going to unify and grow, introduce critical thinking and creative approaches - that's more than just doing a strategy if you want to introduce anything, in three months

-he (Hightower) is going to look at the whole area and find out, ok how I can put down synergies here that would increase our ability to make profits

- because you can drive down the costs, and you can keep the market range or increase it at the same time

- hard to do if you do it separately, because you will get sub-optimisation

-if there's a stronghold in one of the countries in terms of what they've been delivering in their market, you can use that stronghold maybe to build into other countries instead of starting up from scratch in that market, based on whatever that CM wants within that particular area of the business

- use the top guys in a field from one country to build up that field in another country - use the actual knowledge and stuff that we have now, and we're just gonna organise ourselves a bit better, and then with a very few additions we can actually penetrate the market here at a lower cost

-there's no collaboration, they're all kings

-going forward, that will be a problem if you want to run it better

-Hightower will need to have the overview of the org - what he'll get now is the overview that they provide him with

- there's a closed door from here and down to the regions

-on a management level you probably need to start with changing the culture to have a common bottom line

-many ways to do it - put in incentives where they're measured on the common bottom line

-you make sure that everybody has motivation to work together on Disney Europe's bottom line - not necessarily on Disney Germany's (e.g.) bottom line which is the case right now

-that's the first thing, to put that mindset in so that they, in terms of their strategy in the business parlour working, collaboration, using synergies, businesswise as much as possible

-the second part will be to put in more structures across

-so that he has the knowledge available without having to get it validated or changed or presented from the CMs at meetings

-he has to be able to see how the organisation look and he might actually have impartial people sitting there, challenging the decisions

- that's another thing, if you don't have challenges to what you decide, a lot of times you miss opportunities

-would probably keep the structure, but I would change the culture

-would put in some cross organisational things as well

-e.g. a cross-organisational marketing team, or a competency development team where you look at what kind of business competencies that we have, market intelligence cross, looking at data from the different markets

-would not change the management chain of command, especially not in Europe because the country markets are very different

- you can use synergies to a certain degree, but you would never be able to fully make it as one American star company where you could work in the same way everywhere
  - too many language barriers and huge culture barriers
- would probably keep the structure, but I would very much change the mindset, and would probably pull in a number of administrative structures across that would give me the full overview of the company in Europe on a different level
- so that I could have sort of the data based part, and then I could have the business based part and as a top manager I would be able to call in and discuss those two areas to take decisions in the management chain on where to go

## **METHOD AND EVERYDAY WORK**

- how to follow his kind of strategy for org design
  - starts with a priority to do it, because it's gonna cost you money
  - will mean that you maybe have other units that other companies don't have
    - a focus on validating information
  - information – the key to a lot things right now
  - realising what information does and how you work with information and how you generate the right information
  - not really high on the agenda because it's seen as something that especially now business is taking away from the billable eye - which means that it's down-prioritised, in favour of reaching a budget, or making sure you get the next project
  - it's about what projects are profitable, what markets are the best markets, to have the courage to close down the markets that you don't want to be in, fast, and have the ability to open up something else, somewhere
  - some companies do that – like Novo Nordisk, to some extent
  - a key issue to design - doing it the right way and adapting to the markets, ahead of time
  - basically organisation design in a business context - the best way to structure the approach you reach your markets with
  - it's very much a strategic issue, at least the design part
- 
- it's about creating framework structures that are firm enough to get the transparency that you need, and then making sure that they're designed in a way that you can have different structures within, and that they can operate
    - that's not always easy
- 
- the case - it looks like a lot of the problems that we have as well
  - we've had a development where we've grown - where business has been running everything
    - the company has not been that used to centralising support
  - another thing - grown immensely over the 5 past years, nearly doubled the size
  - most of that growth has been outside Denmark - now have a truly multinational platform working, but don't really have the structures
    - working very fast to get the structures up and running soon as possible
- 
- COWI has two big segments, and are leaders on a number of areas – work on a world market
  - have the corporation in the back which can pull in people and resources from anywhere in the org to support a number of different services and projects which they sell
    - also put strains on a lot of stuff
    - don't know if that's organisational design, but if you want it to work, you're back to the structures

- need to know how you're going to pull in, what are they going to cost, and how fast can you get them there
  - if you don't have that information, the organisational design that we have is weak
  - or any organisational design for a consultancy company that don't have that kind of information available straight away
  - if it takes you three weeks, and it takes your competitors two days and at a lower cost because they're better done with sourcing and stuff, then you lose the project
- we have pilots and 4 airplanes - a small air company
  - we do very big bridges, very big tunnels, hospitals, we do management for the EU, we do maps for Google, we all sorts of stuff
  - and every part of the business is extremely different from the rest
- which means that the usual one (structure) where you have your production park and your plant, and your R&D, and staffs and sales and marketing and then they are all structured more or less the same – that doesn't really work here
- sales and marketing is built into the projects so you sell by relation
  - don't sell a bridge by selling, you have to be the best guy at building a bridge for someone to want to have us building them a bridge
- the relation part and the marketing are very different from traditional marketing
  - which has an effect on the structure
  - because it doesn't work too well with the usual
- in COWI – compare themselves to the EU – do sort of framework directives, and then need to have sort of different ratifications in the different countries where you can tweak it a bit
  - a lot of their internal project structures are like that
- when you grow organically, you can do a lot things you haven't done before - COWI
  - go in and look at the data afterwards and pinpoint a lot of the problems and close them – e.g. look at resources
  - ask the management all the nasty questions – why are all these people on level 3 and 4, we could move them around and save lots of money
  - these things will become evident, and that's what they'll be able to provide from HR
  - but that's also org. design
- once you come into a Nordic company, it's all a question of speed and flexibility towards your markets
  - how to make sure things goes across the company very fast, that there are structures that are clear enough for you to get info and knowledge across
  - invent one thing somewhere, and make money on that thing all the way through
  - if you have to invent the same thing in 4 different areas...
  - e.g. invent one wheel with multiple uses, rather than 5 slightly different
- all about synergies in consultant companies
  - makes it difficult in COWI, because a lot of times they don't really have synergies
  - therefore it's both synergy and flexibility
  - makes COWI a difficult place to be in terms of org design – cause it's so varied
  - in contrast to management consultancies which are very lean
- the engineering consultancy business is lagging behind management, although they are very similar – selling competencies into projects and getting paid
  - but they are very structured in the management part, however they do more or less the same thing

-but there's a very big difference between creating and producing a product or buildings, bridges, airports and a management service – then also finding synergies across all those areas

-both in COWI and Novo Nordisk they work with value-based HR

-for him a social concern is not equal to making sure people stay for a long time

-his view: you need to do what you need to do to keep the business growing

-not doing the “right thing” in the short term is not necessarily the right solution for the employees in the long term

-one thing which is very important is to be very frank about it

-what they do in his department will affect a lot of people – has always had focus on transparency

-are very active in using their development plans to develop people up into higher levels of competency to make sure that have a better chance to stay once they start moving people around

-if it's necessary, it's necessary – but you can do it the right way and have some values

-help people as much as you can when it happens, but not doing it is not an option

-you need to be ahead, and that's where development comes in – to keep the talent in-house

### **VIEW ON ORGANISATION DESIGN**

-you get the real value when you can correlate the organisational structures to the changes in the market and have the ability to change your organisation accordingly

-in terms of organisational design, one of the things that at least for my part is becoming more and more apparent is that the transparency needed to run a flexible organisation is important

-if you don't know how the organisation looks in all parts of the company - you have a problem

-if you're not able to provide that information on an on-going basis to top management, then it's difficult, because you need to have that structure

-you need to look at the markets and be sure that your strategy and your organisation fits the innovation part where you're close to your market and you're close to your organisational design and you can push the ability to change fast, that has to be a priority today

-you cannot make 5 year decisions on strategy and then close your organisation based on that and say ok, let's hope it works

-not how the world works

-you have to be flexible, and to be flexible you have to be extremely precise on what it is that you doing in your organisation, you have to know every angle, you have to have all the data ready, and you also have to have all the data coming from the markets

-then you need to have someone who is able to translate and innovate and find a solution that fits, and once that is done you have to have a management that recognise and validate the business value and then take the decision

-then you need to be able to implement

-it's a fairly complex to have this ability running, and not many people have that

-a lot of times decisions on making changes in organisations are retrospective based on consequences in the markets that you have experienced

-not many companies are ahead, expecting the change in the market and then adapting before the change comes

-should be ahead of everybody else



- can usually see that they move, the ones that do
- organisations are many things
- when you read a lot of the literature it's always based on the traditional production structures, more or less, or sales structures
  - IT systems are based on traditional structures
- in a company like this, usually a lot of the structures that you can buy off the shelf don't work, because it's extremely varied what we do, and the challenges to do it are very difficult
- a lot of times org design for many people is just a question of hierarchy
- depends on how you define org design
- if it's deciding whether there's to be a level more or less, then that's also org design, but that doesn't really move much
- I think org design is not just the hierarchy – it's also something like the position and evaluation systems
- definition: it's your ability to segment, use change and work with your organisation, fast and efficient
  - to me that has a lot of different gravitas that you can work with to be efficient
  - to be really efficient, you need to correlate it to market change, because that's where you make value
  - if no, then you're just a structure, showing who is reporting to who
  - it's necessary, but usually for a number of practical areas – it doesn't make a business difference, it does if your able to change your organisation fast and realise when that is necessary
- that kind of design discussions are very important – where HR plays a huge a role
- to be able to change their content base – and be able to provide that kind of information as a consultancy, not just hand it over but translate, discuss and challenge middle management on the data and participate in that and facilitate discussions
  - afterwards you have to be the ones that have the lean, mean machine to go down and change these things
  - and management have to have the courage to say, ok we close down the plant and fire those people and open up somewhere else – you have 3 months, go
  - and you actually see a lot of big companies that think like that
- and they can acquire companies and pull them in very fast
  - that's also organisational design – growing your org by M&As
- and you know what takes to make it efficient, and do it in market-space and your strategic market decisions
  - so referring to my definition that's also part of the picture
  - to cut of areas that aren't profitable and transfer those resources elsewhere – to add to or become profitable somewhere else
- that's an ongoing mechanism
- important - the ability to scale your organisation in the right way to keep making money
  - but a huge setup
- in an org design setting, pro designers would be the practical guys in the department
  - if I was to design an org design department
  - would be a metrics part, the analytics part – do the groundwork, data, structure, be the whole engine
  - on top of those, he would have pro designers – the ones who could use the data, pull up scenarios, have the discussions, and show what it is that could be done

- the most essential for me is the level above – the innovators
- there's a difference between creativity in terms of using the analytics, and the ones that works innovative in terms of the market
  - Google is a good example
  - created a culture and then an org. design that fits the culture
  - very loose, but very fast in adapting to change, very structured in a lot of ways, much more structured than they appear to be
  - have a completely different approach to how you work – built that into the design
  - are specific about not seeming structured
  - an org is also the culture part of it – google did it because they saw that those were the resources they needed to be successful in the market
- there's definitely an innovative need – but if you are to make value out of it, the org design innovation have to be market based
  - have to have innovation of the org design in terms of making sure that you hit the targets you want in the market, or find new markets, or change your approach completely
  - if you have an org. design just for the sake of having one, the design have no real purpose other than making sure that you have a structure
  - the key point is when you connect it to the business
- org design, sometimes it's placed in different places – depending on the aim of the company
  - what's the tradition, history of the company
  - sometimes finance – when the design is mainly there to make annual reports
  - other places HR or sales
  - very much a mindset
  - also what kind of company or culture
- strict production company – org design not so important, then you do have your hierarchy structure, the lean production is most important
- there's production, marketing + sales, R&D with some designers – then the innovation lies in new products, and where to produce – enter org. design
- many of the highly successful companies from the last ten years have started with the culture
  - it's a question of your approach to what kind of market you're in and what kind of resources and organisation you need for that – to penetrate that market
  - a parameter for competition is to keep the culture of your org
  - but the trick is to keep being innovative
- much of the problem with large companies is that they have just applied a set structure
  - or focus on the business – they don't see the need for an org. design and then at some point they become big
  - or they become satisfied with what they have and come into a culture where they think that things will just come by itself – basically lose their edge
- and then you wake up and realise that you can't compete, and then something drastically happens, and you restructure, become smaller, reinvent or die completely
  - it's an ongoing struggle, finding that innovative edge
- the key message is to look at org. design in a much broader way than you've done before – put it in as an element of linking structure and the ability to act in the right way to knowledge of the markets, and about the need for resources and structures to reach the market