Global Executive MBA

Prof. Joaquim Vilà

[DTBI] DESIGN THINKING FOR BUSINESS INNOVATION

Introduction

Innovation is a fundamental requirement to stay in business today. Innovative firms create new rules that make more conservative firms obsolete. Innovation has traditionally been associated with new product introduction and innate features of creative people, however both are limited and risky views. Today there is ample agreement that sustained success demands applying innovation in any business aspect (Business Innovation, not just new products or services introduction).

Design Thinking is the innovation methodology behind the success of some of the finest Silicon Valley products, like the iPhone. *"Design Thinking for Business Innovation"* (DTBINN) will allow students to develop basic skills in creative problem solving based on Design Thinking (**DT**) to foster business innovation within organizations. These skills will be central in future managers, as they will be expected to have the ability to turn strategic problems into creative solutions and to engage people in the implementation of innovation initiatives. Yet, in dealing with unstructured problems and fuzzy contexts, some business students experience confusion and frustration, specifically those that come to class unprepared, since DT is not intuitive. Your learning in DT will start not when you discover new lands but when you see with new eyes. This demands adopting an open mind and changing attitude, otherwise the course will have a detrimental impact.

Objectives

The course focuses on the manager's and leader's role as an innovator and facilitator of innovation by others. The course objectives are:

- To learn how to introduce innovation focused on addressing human-centered problems and turning them into novel solutions.
- To learn how to develop a change program to foster design thinking, as driver of broad and continuous innovation in any organization.
- To learn how to assess key obstacles to creative problem solving and innovation management.
- To understand how to implement DT as an approach to managing business innovation different from the back-end process and technological innovation.
- To get an exposure and appreciate key management practices used by well recognized, successful innovating companies.

Recommended Books on Design Thinking

- Liedtka, Jeanne, Karen Hold and Jessica Eldridge (2021). Experiencing Design: The Innovator's Journey. Columbia University Publishing.

- Roger Martin (2009). Why design thinking is the next competitive advantage Harvard Business Review Press. Oct 2009

- Kumar, Vijay (2012). 101 Design Methods: A Structured Approach For Driving Innovation In Your Organization. Publ. Wiley.

- Fraser, Heather (2012) Design Works: How to Tackle Your Toughest Innovation Challenges Through Business Design, Rotman-Utp Publishing.

- Liedtka, Jeanne and Tim Ogilvie (2011), Designing for Growth: A design thinking tool kit for managers. Columbia Business School Publishing.

Recommended Books on Innovation

- Dyer, Jeff; Hal Gregersen and Clayton M. Christensen (2011), The Innovator's DNA: Mastering the Five Skills of Disruptive Innovators, Harvard Business Review Press.

- Stamm, Bettina von (2003), The Innovative Wave: Meeting the Corporate Challenge", John Wiley & Sons, England.

- Skarzynski, Peter and Rowan Gibson (2008) Innovation to the Core, Harvard Bus Press.

Learning Outcomes

The primary learning objective is help students to develop creative thinking skills to translate human-centered strategic problems into innovation initiatives. This means, problems that are high relevant (strategic) to the company, and problems that we need to discover deep needs of the users (customers and others) if we aspire to solve them with great solutions. DT is the only method that ensures criticality to the company and desirability to the customer/user.

This entails:

- To identify problems that fit well with innovation approaches, especially with Design Thinking and Creativity.
- To learn how to move from a general strategic problem, set by to management, to a set off focused challenges (reframed to respond to user deep needs), and robust solutions, that are desirable, feasible and viable.
- To deploy a specific approach to managing business innovation, especially when DT fits well with the nature of the problem at hand.
- To build an innovation architecture (i-process, i-culture, i-organization) that enables innovation to prosper and succeed.

Competences

General Competences
- To understand and apply Design Thinking as a driver to generate an atmosphere of cooperation, communication, and trust among the members of a team or organization.
- To be able to defend the benefits that DT would add in our business settings.

Specific Competences

- To define and solve a human-centered problem with Design thinking.
- To achieve deep understanding of customer needs.
- To create a basic plan to translate a strategic goal (f.e., a vision of transformation) into action (i.e., a portfolio of projects and initiatives) through DT, creativity and innovation.
- To manage the main issues in launching business innovation in a company.

Content

The course is divided in two building blocks. The central one centers on design thinking as a problem-solving approach. The second, very brief, focuses on innovation management, and covers two aspects: innovation as a systematic approach, and the requests that managers face in their attempt to build an innovative culture. All of them are intertwined and central to translating innovation into results.

The Design Thinking phases are:
- **Inspiration**. Deep customer understanding. Identifying latent needs.
- **Ideation**. Problem reframing. Idea generation.
- **Implementation**. Concept development and validation (prototyping and experimentation).

The course will also cover how to link a vision of (strategic) transformation with strategic problem identification, as the springboard to launch innovation. This will show the critical role of DT and innovation in translating a Vision into Action.

Managing Innovation as a systematic and robust process, with a focus on DT:
- Top-down and bottom-up innovation processes. Front-end of innovation (from strategy to novel concepts) more than Back-end of innovation (From concept development to launching business initiatives).
- Organizing for Innovation. Managing key elements that surround the DT process. Managing people and change management in DT & Innovation.

Innovative culture and the innovation system:
- Traits and features of a design-driven culture. Culture in highly innovative companies (values, principles and practices).
- Key managerial skills needed to build a culture of broad and continuous innovation.

Methodology

The first block takes the view that innovative problem solving and design thinking can be learnt through <u>repeated practice</u>. In a first part, we will use lectures with exercises to apply the learnings and a simulation to help participants explore various methods and approaches of Design Thinking on problem solving. In a second part, with more advanced sessions, we will go deeper in the discovery of how to identify latent user needs, and how to use this new knowledge to generate new business opportunities and novel concepts.

A final block uses two case discussions and a lecture to shed additional light on the role of key factors (leadership, organizational factors, strategy, balancing daily execution and other) to drive the innovation capacity of established firms. The focus here is on the role of management

in the process: how to make creativity and innovation relevant to top management; how to link strategy and creativity; how to implement a change program to nurture a culture of business innovation; how to overcome main obstacles along the process, and what is the management role in the attempt to integrate the different factors to foster innovation in a company, a given division or business unit.

Evaluation

Grades will be based on:

- Quality of class participation and contributions (40 %)
- Commitment to the course: positive mood, volunteering, being a 'good citizen', etc. (5%)
- The team assignment (in pairs) during the consolidation weeks (55%).

Active contribution in all two aspects, class participation and report, is demanded. Failure to fulfill the basic demands on any of the two aspects may seriously affect individual grading.

Make sure that you get familiar with the team assignment that you are expected to cover during the consolidation weeks before we enter into the On-campus weeks. You are expected to respond to a brief quiz -just to know your preferences on who will you interview during the Consolidation weeks- before San Francisco classes start. Please see a detailed description of the assignment at the end of this outline.