

# Inspiring Solutions with Global Potential: Meeting Corporate Needs

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## **Abstract**

This article presents some case studies which were fruitful by integrating various elements of design thinking methodology and coordinating them strategically. It also deals with applying the necessary framework to the problems facing business and society now. The Business world is at a very critical point. Rapid changes are occurring to force us to look not just to the new ways of solving problems but new problems to solve. Large companies are well-equipped to achieve break through from available markets. But unfortunately, there is no assurance of success due to technical virtuosity. It will be more sensible to make innovations from a customer-centric perspective. It will automatically lead to exploit available assets. The human-centric, desirability-based approach is the ultimate purpose of design thinking. That is why established companies like P & G, Nike, Con Agra and Nokia could not be over dependent on technology.

**Keywords:** Strategic Initiatives, Buyer's Market, Sellers Market, Rein Figuring, Environmentalism, Global to Local

## **The Example of Nokia**

Nokia was started as a paper mill in 1865. Later it switched over to rubber, cables, electronics and finally mobile phones. Its top-notch industrial design kept it ahead of others. But the emergence of mobile Internet has changed the rules of the game. Nokia observed this. In 2006 it began to explore alternatives. It deputed Techno logistics. They studied and understood how consumers were communicating themselves. They found that people do not merely want to make calls, but to express their creativity, to discover new things and to share what they found with others.

Consequently, Nokia's design teams embarked on brainstorming, prototyping and exploring a variety of new ideas. They introduced new futures like mobile blogging, online gaming, photo sharing, location services and time management. Later a new service offering called "OUI" was announced which can be accessed through any of its multimedia devices. Thus Design thinking has enabled Nokia to be a technology leader, which has reinvented itself as a service provider.

## **Innovation with a Systematic Approach**

In 1940, Great Britain organised a great exhibition called "Britain can make It". It displayed how developed nations would take advantage of war time breakthroughs in everything, from electronics to ergonomics, to revive consumer demand. After the war, the initiative switched over to the private sector. Research and Development (R &D) labs began to flourish in every Industry. R & D

innovations caused considerable results in the manufacturing industry. Later followed the computer and communications hardware, software applications and the Internet.

Small technology drive companies and innovation minded start-ups often have an advantage over larger businesses. The ultimate business model has to be determined by flexibility and adaptability. Google discovered the power of connecting search to advertising, only after a long time. The consumer-centered perspective should exploit the existing assets like:

1. Recognised and trusted brands
2. Experienced customer service
3. Support systems
4. Wide distribution
5. Supply chains

### **The Present Management Education Scenario**

At present, the MBA curriculum at several Business Schools grapple with the theory and practice Innovation. The management graduates increasingly are drawn to the problems which are addressed by designers. In some prestigious institutions like Stanford, Hass and Rotman, the students directly work on design projects. Consequently, there have been a large number of business graduates who are trained for the unconventional practice of design thinking. They are able to arrive at design solutions which can benefit from the sophisticated analytical tools like discovery-driven planning, option and portfolio theory, prospect theory, customer lifetime value, which have evolved in the business sector.

The Nano example stands good for the evolutionary innovation which involves adapting an existing product which can be made at a lower cost and marketed to a wider population. Tata Motors' Nano Car is not at all a new or original automobile. The Tata's engineered a car with the features expected by customers most but a much lower cost. The car's two-cylinder engine is comparatively compact and lighter. Its electronic engine management system gets a mileage of 54 per gallon, Its emission too is very low. Its affordable price is poised to reach a market which was not accessible to the car manufactures previously.

### **The IDEO Experiment**

In 1980s the IDEO worked with ACER, the Taiwanese computer giant. The cultural mediator, Prof David Liang suggested:

“They liked the fish. Next time, give them the net.”

Companies like Mc Donald and Motorola run internal universities, to train their own employees. TIM Brown's firm turned inward and set out to train companies in their own method of human-centered, design-based innovation. The P & G increased the number of design managers by 500%. In Kaiser Health Care, the IDEO conducted a series of workshops with nurses, doctor and administrators, which led to a portfolio of innovations.

A routine business culture can be transformed into innovation focused enterprise through the following activities, decisions and attitudes:

1. Workshops which expose people to design thinking

2. Pilot projects help market get its benefits.
3. Leadership focuses the programme of change.
4. Assembling interdisciplinary teams ensures that the effort is broadly based.
5. Dedicated spaces provide a resource for long-term thinking and sustained effort.
6. Measurement of quantitative and qualitative impacts lead to the appropriate allocation of resources.

If all these elements work together in co-ordination, the gears of innovation would turn smoothly. But it is a herculean task, as the real world challenges are complicated and diverse. Individual business units want immediate results and are reluctant to participate in system wide innovation initiatives.

### **The Emerging Social-bonding: Products vs Services**

In spite of our being in the role of a customer or client, patient or passenger, we cannot be cool to be passive consumers. People's expectations are soaring high. Consequently, there has been a far reaching shift in the dynamics between sellers of products and providers of services and consumers. Consumers' demands are endless. They relate differently to brands. They look forward to participate in deciding what will be offered to us. They extend their relationship with manufactures, beyond the point of purchase. This change occurs at three stages:

1. Between "products" and "services" the line is apparently blurring.
2. From discrete products and services to complex systems, design thinking is being applied at new scales.
3. There is a notable recognition among manufactures, consumers and others that there are limits.

The cycle of mass production and mindless consumption of the industrial age is no more. These trends evolve round a single, inescapable point. A new participatory social contact has to be formed in design thinking.

In fact, every product is a service. It implies a prior association with the brand that is connected to. It carries the expectations of the maintenance, repair or upgrade that will follow after purchases. In the process of innovation the manufacturers of office furniture, consumer electronics or sportswear are more active than those service businesses which are lagging behind in effective research and development cultures.

Here are some examples for the investments in innovation:

1. Apple Inc. invests hundreds of millions of dollars every years in the design and engineering of new products.
2. Proctor & Gamble invests heavily in consumer centered innovation and design
3. Toyota, the world's biggest automaker is well-known for investing in process innovation to improve the quality of its manufacturing.

Before the home computing came into existence, systematic innovation was not existence, systematic innovation was not contemplated upon, even in the fields of retailing, food services, banking, insurance and even health care. After the advent of the Internet, It gained momentum. CiTi Bank was the forerunner in this regard when it installed networked ATMs in New York, in 1972.

This enabled customer to do banking on their own. Previously, there was direct interaction between the service provider and the service recipient. But now, a company is considered competitive on its ability to look after its customers. It led to the concept that the more premium a service, the more people were generally involved in delivering it. By 1990, Industry realised that technology has to be replaced and it is the people who will define the consumer experience. Consequently major companies like Amazon, Zappos and Netflix became established brands, from the stage of start-ups. But the fact that only technology has to improve the quality of people's experience. Otherwise, the past experience of the companies of industrial age will be repeated. Past innovation is no guarantee of future performance. Netflix is a fine example for this. It rented DVDs via the Internet and delivered them by post. Thus it focused on building its core composition, secured a large customer base and sustained it.

Products become more like services and services become more like experiences. This change is gradual and certain to happen. Hence a systematic, design-based innovation, which engages both the employees and customers deeply, must be given top priority. In due course, Innovation labs will be seen in service sector companies like R & D facilities in manufacturing companies.

### **A Healthy Change**

The open-source platform, Android now owned by Google is a fine example of a disruptive innovation which is poised to dislodge more established mobile phone services. All these examples prove that It is the direct engagement with people that causes success. The people may be customers, clients, and audience or website watchers. This notable shift, from a product-orientation to a service-one is the key factor behind the design thinking.

Tim Brown, the CEO of IDEO aims that he is proud of helping companies create better products which meet the needs of people and help humanise the technology. But he also admits that in this process they face unanticipated problems which damage to our culture, economy and environment. He minces no words when he says that often in our enthusiasm for solving the problems before us, we fail to see the problem that we create. In the procuring of raw materials to the disposal, there are certainly new opportunities for innovation. But we should reduce environmental impact and enhance the quality of life of the people.

Offering solutions to problems, like eradication of preventable diseases, disaster relief and rural education are not merely the duties of Charitable Foundations or NGOs. The companies are not soulless. According to C. K. Prahalad, a famous business strategist, the companies dare to approach the world's poorest citizens not as cheap labour, but rather as partners in creative entrepreneurship.

Organisations like Aravind Eye Hospital, IDE (International Development Enterprises) are making experiments with approaches that measure success not by profit, but by social impact. They are applying the principles of design thinking. The UNMDG (United Nations Millennium Development Goals) has set some priorities. They are

1. To enable the poor farmers to increase the productivity of their land through simple, low cost products and services.

2. To enable adolescent girls to become empowered and productive members of the community through better education and access to services
3. To train and support community health workers in rural communities.
4. To find low-cost alternatives to wood-burning and Kerosene stoves in urban slums.
5. To create an infant incubator that does not need an electrical supply.

## Coming Down to Regional Issues

### Design Thinking in Education

Education is the only means through which a long term positive impact can be brought out in the society. Design thinkers have formulated some powerful methods, in this regard, for arriving at innovative solutions. Consequently, there has been focus on analytical and convergent thinking in education which makes the students believe that creativity is unimportant. It is the privilege of a few talented people. But the real objective must be to develop an educational experience that does not eradicate the natural inclination of the children to experiment and create.

One of the key concepts of design thinking is building on one another's good ideas. So a finite set of problems are to be focused on to make our successes more cumulative over time and place. Design thinking starts with divergence. It tries to expand the range of options but does not narrow them. It is integrative because it successfully balances the perspective of users, technology and business. It observes the behaviour of people and studies how the context of their experience affects their reaction to products and services. It considers the emotional meaning of things as well as their functional performance. It identifies the unstated, latent needs of people and translate them into opportunities. Thus it asks them the right kinds of questions, to determine the success of a new product or service.

### Conclusion

Our knowledge networks should support 'inspiration'. It should stimulate the emergence of new ideas, besides stream lining the progress of existing programmes. We must observe even the ordinary things with meticulous care. These observations and ideas must be recorded visually. Life should be thought of, as a prototype. We should look for opportunities to turn processes into projects. Thus the students of management education can bring tangible outcomes.

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