Abilitare la Trasformazione Digitale attraverso il Design Thinking

Claudio Dell’Era
Direttore dell’Osservatorio «Design Thinking for Business»
LEADIN’Lab – School of Management, Politecnico di Milano
Design Thinking per abilitare la PA al digitale

Roma, 10 Dicembre 2018

- Business
- People
- Technology
Change embedded in Design Thinking

**FROM**
- Business
- Technology
- People

**TO**
- Technology
- Business
- People

**Business** as purpose
**Technology** as driver
**People** as mean

**People** as purpose
**Technology** as mean
**Business** as consequence
The growth of Design Thinking in the Management Arena

“Adding Fjord’s mobility and design capabilities to the services provided by Accenture Interactive will allow us to deliver engaging and relevant customer experiences powered by scalable, industrialized marketing technology and operations”.

Brian Whipple
CEO of Accenture Interactive
# M&A of Design Thinking players in the Management Arena

71 design agencies have been acquired since 2004. >50% of which have been acquired since 2013

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>ACQUIRED BY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004 Frog Design</td>
<td>Flextronics</td>
</tr>
<tr>
<td>2007 Doblin</td>
<td>Monitor</td>
</tr>
<tr>
<td>2009 Bigstock</td>
<td>Shutterstock</td>
</tr>
<tr>
<td>2010 TAT</td>
<td>Rim</td>
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<tr>
<td>2011 Sofia</td>
<td>Facebook</td>
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<tr>
<td>2011 Typekit</td>
<td>Adobe</td>
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<tr>
<td>2011 Helicopter</td>
<td>Globallogic</td>
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<td>2012 Maaike</td>
<td>One Kings Lane</td>
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<tr>
<td>2012 Bolt Peters</td>
<td>Google</td>
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<tr>
<td>2012 80/20</td>
<td>Square</td>
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<tr>
<td>2012 Cuban Council</td>
<td>Google</td>
</tr>
<tr>
<td>2012 Behance</td>
<td>Adobe</td>
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<tr>
<td>2013 Hot Studio</td>
<td>Facebook</td>
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<tr>
<td>2013 Fjord</td>
<td>Accenture</td>
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<tr>
<td>2013 Jet Coopers</td>
<td>Shopify</td>
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<tr>
<td>2013 Banyan Ranch</td>
<td>Deloitte</td>
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<tr>
<td>2013 Hook &amp; Loop</td>
<td>Infor</td>
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<td>2013 17Feet</td>
<td>Google</td>
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<tr>
<td>2013 Hattery</td>
<td>Google</td>
</tr>
<tr>
<td>2014 Carbon Design</td>
<td>Oculus/Facebook</td>
</tr>
<tr>
<td>2014 Gecko Design</td>
<td>Google</td>
</tr>
<tr>
<td>2014 Adaptive Path</td>
<td>Capital One</td>
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<tr>
<td>2014 Reactive</td>
<td>Accenture</td>
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<tr>
<td>2014 Flow Interactive</td>
<td>Deloitte</td>
</tr>
<tr>
<td>2014 Optimal Experience</td>
<td>PWC</td>
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<tr>
<td>2014 Cynergy Systems</td>
<td>KPMG</td>
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<tr>
<td>2014 S&amp;C</td>
<td>BCG</td>
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<tr>
<td>2014 Ultravisual</td>
<td>Flipboard</td>
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<tr>
<td>2014 Aviary</td>
<td>Adobe</td>
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<tr>
<td>2015 Teehan+Lax</td>
<td>Facebook</td>
</tr>
<tr>
<td>2015 Spring Studio</td>
<td>BBVA</td>
</tr>
<tr>
<td>2015 Lunar Design</td>
<td>McKinsey</td>
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<tr>
<td>2015 Monsoon</td>
<td>Capital One</td>
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<td>2015 Designit</td>
<td>Wipro</td>
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<td>2015 Seren</td>
<td>Ernst&amp;Young</td>
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<tr>
<td>2015 Mobiento</td>
<td>Deloitte</td>
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<tr>
<td>2015 Lapka</td>
<td>Airbnb</td>
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<td>2015 Catalyst</td>
<td>Cooper</td>
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<tr>
<td>2015 Akta</td>
<td>Salesforce</td>
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<tr>
<td>2015 Chaotic Moon</td>
<td>Accenture</td>
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<td>2015 Pacific Link</td>
<td>Accenture</td>
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<td>2015 Farm Design</td>
<td>Flex</td>
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<td>2015 Tactel</td>
<td>Panasonic Avionics</td>
</tr>
<tr>
<td>2015 Fotolia</td>
<td>Adobe</td>
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</tbody>
</table>
### SUPPLIERS
- make a cube
- avanzi
- Steelcase

### Design Studios
- DESIGN INNOVATION
- DEGW
- frog
- Logotel
- Michael Anastassiades
- COPPA LANDINI
- CONTINUUM

### Strategic Consultants
- BCG
- Deloitte
- EY
- IBM
- PwC

### Technology Developers
- 3M
- Adobe
- IBM
- Lenovo

### Digital Agencies
- CAFFEINA
- DOING
- Intesys
- ROKIVO
- sketchin

### INNOVATORS
- BNL
- LEROY MERLIN
- Postelisions
- Buddibank
- Ducati
- Electrolux
- TIM
- Intesa Sanpaolo
Focus on Service Providers: 47 Case Studies

Design Studios

Digital Agencies

Strategic Consultants

Technology Developers

- Design Innovation
- DEGW
- frog
- Logotel
- CONTINUUM
- COPPA/LANDINI
- experientia
- gaia
- HIT
- Intesys
- ROKIVO
- sketchin

- BCG
- Deloitte
- EY
- IBM
- PwC
- P4 Group
- PwC
- Dentsu
- PRS
- NRDS
- SAP
- Vodafone
- altran
- Adobe
- 3M
- Lenovo
- Microsoft
- NTT Data
- moviri

Il Design Thinking per abilitare la PA al digitale - Roma, 10 Dicembre 2018
Transformation in Design Thinking

SCHOOL OF MANAGEMENT

in collaboration with

https://www.osservatori.net/it_it/osservatori/osservatori/design-thinking-for-business
"The way I think about design thinking is it is in a halfway house between analytical thinking, for the purely deductive and inductive logical thinking that utilizes quantitative methodologies to come to conclusions, and intuitive thinking, knowing without reasoning. And design thinking is the kind of thinking that takes the best of both sides."

Roger Martin – Rotman School of Management at the University of Toronto
### Design Thinking (1.0)

**Creative Problem Solving**

**PRINCIPLES**

<table>
<thead>
<tr>
<th>Aim</th>
<th>Solve problems</th>
</tr>
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<tbody>
<tr>
<td>Thinking</td>
<td>Ideating</td>
</tr>
<tr>
<td>Direction</td>
<td>Outside-in (Users at the Beginning)</td>
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**PRACTICES**

<table>
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<tr>
<th>Iterative process</th>
<th>Focus on Divergence</th>
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<tr>
<td>Learning</td>
<td>By prototypes</td>
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<tr>
<td>Participation</td>
<td>Naïve mind</td>
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</table>
Creative Problem Solving: Diffusion

38 Service Providers
[out of 47] adopt the Creative Problem Solving
81%

94% Design Studios
75% Strategic Consultants
75% Technology Developers
67% Digital Agencies
Creative Problem Solving: Domains

Annual Revenues obtained by ...

... in order to innovate ...

Direction (Vision and Business Model) 17.2% 3.8% 13.4%

People (Culture, Organization and Processes) 7.6% 2.2% 5.4%

Solution (Product, Service, Communication, Retail, Experience) 75.2% 22.5% 35.0% 6.4% 5.2% 6.1%
Design Thinking in the era of Digital Transformation
Emerging challenges

Conceiving  Implementing

MVP  PRODUCT
Sprint Execution: Theoretical Background

“*The sprint is a five-day process for answering critical business questions through design, prototyping, and testing ideas with customers. [...] You can prototype anything. Prototypes are disposable. *Build just enough to learn, but not more.* The prototype must appear real*”

Jake Knapp – Google Ventures Design Partner
## Sprint Execution: Principles and Practices

<table>
<thead>
<tr>
<th>Design Thinking (1.0)</th>
<th>Design Thinking (2.1)</th>
</tr>
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<tbody>
<tr>
<td><strong>Creative Problem Solving</strong></td>
<td><strong>Sprint Execution</strong></td>
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<td>Deliver products</td>
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<td>Inside-out (Users at the End)</td>
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### PRACTICES

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<td>Focus on Convergence</td>
<td>By minimum viable products</td>
<td>Experts (internal stakeholders)</td>
</tr>
</tbody>
</table>
Sprint Execution: Diffusion

- **Design Studios**: 35%
- **Digital Agencies**: 100%
- **Strategic Consultants**: 42%
- **Technology Developers**: 50%

23 Service Providers [out of 47] adopt the Sprint Execution

49%
Sprint Execution: Domains

Annual Revenues obtained by ...

... in order to innovate ...

**Direction**
(Vision and Brand, Business Model)

- Vision and Brand: 2.3%
- Business Model: 7.4%

**People**
(Culture, Organization and Processes)

- Culture: 3.0%
- Organization and Processes: 1.7%

**Solution**
(Product, Service, Communication, Retail, Experience)

- Product: 34.7%
- Service: 32.5%
- Communication: 9.2%
- Retail: 5.6%
- Experience: 3.6%
Emerging challenges

Conceiving → Implementing
Organization → People
“Too often, companies and individuals assume that creativity and innovation are the domain of the “creative types.” […] Being human centered is at the core of our innovation process. Deep empathy for people makes our observations powerful sources of inspiration.”

Tom Kelley and David Kelley – IDEO
Creative Confidence: Principles and Practices

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<tr>
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Creative Confidence: Diffusion

16 Service Providers
[out of 47] adopt the **Creative Confidence**
34%

- **Design Studios**: 35%
- **Digital Agencies**: 0%
- **Strategic Consultants**: 58%
- **Technology Developers**: 25%

Il Design Thinking per abilitare la PA al digitale - Roma, 10 Dicembre 2018
Creative Confidence: Relevance

Annual Revenues obtained by ...

... in order to innovate ...

Direction
(Vision and Brand, Business Model)

Vision and Brand: 6.7%
Business Model: 12.7%

People
(Culture, Organization and Processes)

Culture: 23.7%
Organization and Processes: 30.6%

Solution
(Product, Service, Communication, Retail, Experience)

Product: 7.1%
Service: 16.2%
Communication: -
Retail: -
Experience: 3.0%
Emerging challenges

Conceiving ➔ Implementing

Organization ➔ People

Solutions ➔ Direction
“We live in a world awash with ideas. Thanks to open innovation, crowdsourcing, and especially to digital technologies, we have easy access to an unprecedented amount of novel opportunities. How to make sense of this overabundance of opportunities? How to envision the next big thing? How to avoid trying everything and fall into the paradox of ideas (the more ideas we create the less we innovate)? To succeed in an overcrowded world we need a meaningful direction.”

Roberto Verganti – Politecnico di Milano
Innovation of Meaning: Diffusion

16 Service Providers [out of 47] adopt the …

34%

41% Design Studios

42% Strategic Consultants

33% Digital Agencies

17% Technology Developers

Service Providers

16

[Out of 47]
Innovation of Meaning: Relevance

Annual Revenues obtained by ...

... in order to innovate ...

**Direction**
(Vision and Brand, Business Model)

- Vision and Brand: 41.7%
- Business Model: 17.8%
- Business Model: 23.9%

**People**
(Culture, Organization and Processes)

- Culture: 9.7%
- Organization and Processes: 11.9%

**Solution**
(Product, Service, Communication, Retail, Experience)

- Product: 9.5%
- Service: 16.6%
- Communication: 3.1%
- Retail: 2.5%
- Experience: 5.0%
### Innovation of Meaning: Principles and Practices

<table>
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<td>Thinking</td>
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<td>Building</td>
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<td>Criticizing</td>
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<td>Naïve mind</td>
<td>Experts (internal stakeholders)</td>
<td>Experts (internal stakeholders)</td>
<td>Experts (outsiders)</td>
</tr>
</tbody>
</table>
## Design Thinking Approaches: Diffusion

<table>
<thead>
<tr>
<th>Approach</th>
<th># of Service Providers</th>
<th># Service Providers adopting as CORE (&gt;50%)</th>
<th>Average % of Annual Revenues obtained by ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creative Problem Solving</td>
<td>38 [81%]</td>
<td>22 [47%]</td>
<td>65.5%</td>
</tr>
<tr>
<td>Sprint Execution</td>
<td>23 [49%]</td>
<td>6 [13%]</td>
<td>47.6%</td>
</tr>
<tr>
<td>Creative Confidence</td>
<td>16 [34%]</td>
<td>4 [9%]</td>
<td>35.0%</td>
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<td>16 [34%]</td>
<td>4 [9%]</td>
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Design Thinking Approaches: Domains

Annual Revenues obtained by ...

... in order to innovate ...

Direction
(Vision and Brand, Business Model)

18.6% 9.7% 19.4% 41.7%

People
(Culture, Organization and Processes)

8.7% 4.7% 54.3% 21.6%

Solution
(Product, Service, Communication, Retail, Experience)

72.7% 85.6% 26.3% 36.7%
From **Ideating** to E³: **Executing, Engaging and Envisioning**

- **2000:**
  - **Design Thinking 1.0 as creative problem solving**

- **2010:**
  - **Design Thinking 2.1 as sprint execution**
  - **Design Thinking 2.2 as creative confidence**
  - **Design Thinking 2.3 as innovation of meaning**

- **2020:**
  - **Ideating**
  - **Executing**
  - **Engaging**
  - **Envisioning**
Claudio Dell’Era is Associate Professor of Design Strategy at the School of Management of Politecnico di Milano,

where he serves also as Co-Founder of LEADIN'Lab, the laboratory for LEADership, Design and INnovation

and Director of the Observatory Design Thinking for Business

Research activities developed by Claudio Dell’Era are concentrated in the area of Design Thinking and Design Management

He has published more than 100 papers in relevant international journals, such as Journal of Product Innovation Management, Long Range Planning, R&D Management, International Journal of Operations & Production Management, Industry & Innovation, International Journal of Innovation Management