research

JUSTYNA STAROSTKA
Ph.d., Kozminski University,
Department of Management,
Warsaw, Poland

DIFFERENT APPROACHES TO DESIGN MANAGEMENT
– comparative study among Swedish and Polish furniture companies

BY JUSTYNA STAROSTKA

INTRODUCTION

In recent years design has grown to be one of the most important tools in winning the customers' attention and loyalty (Perks, Cooper, Jones, 2005). Properly used, it can turn into a strategic tool helping companies to gain a sustainable competitive advantage enhancing products, environment, communication and corporate identity (Sun, Williams, Evans, 2011). Companies become more and more aware of the benefits that design can bring into their actions, which is reflected in growing literature in this field.

At the same time, the level of knowledge and interest in design management differs from country to country. In Poland, very little research has been done in this field. The biggest research project conducted in 2007 by the Institute of Industrial Design in Warsaw indicated that there is a lack of resources and specialist knowledge on design management and many shortages in the process of collaboration between designers and other specialists, especially marketing managers. On the other hand, Sweden is well known for its excellent design and a lot of research in the field of design management knowledge has been done in this country.

The aim of this paper is to present the results of a comparative study conducted among Swedish and Polish design-oriented companies from the furniture industry. Research conducted by Swedish Industrial Design Foundation shows that in Sweden, the furniture industry buys more design than any other manufacturing sector (Nielsen, 2004). Despite the fact that analysis will be about only one sector, we think that some findings could be useful for other industries. We also aim to present managerial implications – by identifying gaps existing in design management practices, we intend to provide some recommendations and best practices.

LITERATURE REVIEW

Today design is not simply about aesthetics or making a product easier to use. The traditional role of design in business was on skills associated with the intuitive, visual and sensual ways of working (Cross 1993). Whyte, Salter & Gann (2003) suggest that leading companies recognise that design is an intellectual asset and they invest in extending this capability. The role of designer in a company is growing and those complementary design activities are from marketing, management and market research area. This shift is most recognizable in the new product development process, where the role of designer is most important. Perks, Cooper and Jones (2005) suggest that three distinct roles can be discerned: functional, integration and process leadership, where the last two being far away from traditional scope of designers'

work. Designers more often take actions to manage and lead the development process, along with non-design functional actions. Different roles lead to different management structures and the value of design management to business has been recognize for many years, as Bruce and Bessant (2002) put it: 'Good design does not happen by accident, but rather as the result of a managed process'. At the same time however, literature provides the view that the term 'design management' presents a significant challenge, as it contains a contradiction between the remits of the disciplines of design and management. Borja de Mozota (2003) stress that design is based on exploration and risk-taking, whilst management is founded on control and predictability.

DESIGN LADDER

The role of design is changing. However, there is a question of how fast companies adapt to this trend. As an answer to this issue, Danish Design Center developed a tool called 'the design ladder'. This is a four-step model for grouping companies' design maturity on the basis of their attitudes towards design. The higher a company is up the ladder, the greater strategic importance design will play. A company at the top level where design is seen as innovation considers design to be of such critical importance that it can reformulate some, or even all, aspects of its business. The designer works closely alongside the company's owners/management on complete or partial renewal of the total business concept. Companies on the 'design as process' step see design as an important aspect of its business – design is also incorporated into much of the corporate philosophy and integrated into the early stages of the development processes. Design is not a result but a method and the production outcome requires contributions from a range of specialists. Below this is 'design as styling', where design is seen solely as relating to the final physical form of a product. This can be the work of a designer, but is usually created by other personnel. 'Non-design' situation occurs when design is a negligible part of the product development process, usually performed by other professionals than the designer (Nielsen, 2008).
Studies conducted by Swedish Industrial Design Foundation in 2004 and 2008 show that the general number of companies in non-design group is going down (27% in 2004 to 23% in 2008), at the same time the number of companies in the group 'design as strategy' is growing (22% in 2004 to 31% in 2008). (Nielsen, 2008). We don't have that specific information about Polish market, but we can assume that, due to the fact that Polish market is still in pre-maturity phase, those numbers can be significantly lower.

RESEARCH

Objective of our study was to empirically explore the nature of the current role of design within design-oriented companies ('design leaders') from Sweden and Poland [1]. This project was qualitative research aimed to compare managers' attitudes towards design; to look into existing processes in companies connected with design issues and to explore the different roles that designers play in organizations.

We've decided to narrow our study only to 'design leaders' in order to identify and compare best practices in both countries. In the process of selecting those companies, the following criteria have been taken into account: number of design awards ('Red Dot Design Award', 'The Design S' in Sweden and 'Dobry Wzór' in Poland), industry publications, consultations with design specialists and designers, companies' web pages.

In this research project 24 in-depth interviews were conducted among two groups of respondents: marketing managers/CEOs and designers. Interviews were carried out over a period of six months (from January to July 2010). Interviews were guided by a semi-structured questionnaire, ranged from one to two hours, were taped and transcribed. The broad themes of the questionnaire encompassed the following: company and respondent characteristics, attitudes towards design, design management, processes and strategies connected with design, the role of designer in a company and design-marketing interplay. In the next section we present briefly the results of our study. As this article is limited in space, we present main conclusions in three areas:

1. Definition and nature of design;
2. Design management;
3. The role and place of designer in the company;

Company names are omitted for confidentiality reasons.

RESULTS
THE DEFINITION AND NATURE OF DESIGN

Our project has shown many differences in almost all fields of our interest. The most fundamental area was the definition of design.

Among the Swedish respondents design was seen as a process referred mainly to the design of the product. Managers and designers emphasized the interdisciplinary nature of the concept. Typical definition that was used by respondents can be presented as this:

> Design is an interdisciplinary process of creating a product that is the answer to many questions. It is a system of creating products, when you think about everything; from materials through functionality, ergonomics. This process includes all of these aspects.

Most of the interviewees pointed to the fact that good project should be coherent with the brand and that design refers to the strategy and philosophy of the entire company, cannot be identified only with the product. One respondent described design as the essence of the brand, ensuring the consistency and clarity of communication and actions. The following quotation illustrates this point of view:

> Design for me is the strategy of the company. (…) Design has an impact on the design of the product, but the product is a matter of secondary importance. Design allows you to specify certain values that the brand offers.

Polish respondents expressed more diverse opinions on how they understand the term 'design'. The main line of division concerned the definition given by the managers and the designers. Managers often identified design with the physical objects, referring it to the final result (product) rather than to the process. Statements often oscillated around expensive, luxury products, addressed to the affluent group of customers. This approach was very heavily criticized by Polish designers. They claimed that this perspective is causing that in general perception of people design is the 'art of making things weird and more expensive'.Polish designers understood design as a process with great social value.One of them gave the following definition:

> Design is life. It's simple and modest life. It should serve this elderly lady that lives on the fourth floor.

The majority of designers claimed that their work is very important, because it is responsible for the whole human environment; many of them stressed this social mission of the designer's work.
Perhaps the discrepancy between the opinions of managers and designers on the merits of design stems from the fact that - as one respondent pointed out - in Poland, well-designed products are still rather luxury, and the design is an investment that increases the price of the products.

THE ROLE AND THE PLACE OF DESIGN
IN THE COMPANY

This difference in perceiving the definition of design was reflected in different roles that designers play in companies in both countries.

Most of the Swedish interviewees agreed that design is now an essential tool for managing a company; a tool that improves functioning of the whole organization in all areas. As a result of this approach, designers were playing very important roles. In most cases they were involved in issues that go far beyond the traditional realm of their work. Despite the fact that the Swedish companies often worked with external designers, usually with one or more of them they were establishing very close cooperation. Often, these designers were invited to meetings of the company 'strategists'; referred to by respondents as: 'Design Advisory Board' or 'Board Product'. At these meetings, issues related to the development of new products, new trends, marketing, public relations were being discussed. In this approach, designers were consultants, advisors, while taking over the role of interpreters of market changes. One respondent described this phenomenon as follows:

Most of the companies that strategically approach design, receive help from designers who act like creative directors for these brands. For example, the company Offecct has Eero Koivisto who is a designer for them, but he is also the unofficial art director of the company…he leads them, advises them, looks at the ideas of others.

Respondents emphasized that in recent years, more and more companies have increasingly became a 'virtual enterprises', focusing mainly on designing and building a brand name, outsourcing production to external entities. This change has had a direct impact on expanding the requirements for designers work.

One of them said that today being a designer is like having several different jobs at the same time. He stressed that in order to convince the company to his concept, he often has to create an advertising campaign around his idea, allowing the company to immediately see the additional value of new product. It is also more often required to provide the technological know-how associated with the manufacturing process or the materials used. Those changes are well illustrated by the following quotation:

The myth of the designer doing a sketch on a napkin, in a bar somewhere, has nothing to do with reality. …Companies now very often don't own production, don't have the knowledge, technological know-how, which means that we [designers] have to go to the sub-contractor to gain this knowledge to sell our idea to the specific company.

Polish respondents pointed out that in Poland awareness of the role and importance of design is now increasing, but – especially in the opinions of designers – is still at a very low level when it comes to proper understanding of the nature of design. The interviewees paid attention to the fact that public awareness of what is the subject of the designer's work is still rather limited. Designer is usually seen as an artist, not having anything to do with the reality of business. Polish managers confirmed these opinions – very often they argued that more and more companies are 'being forced' to start working with designers. These statements were revealing that in some cases establishing a co-operation with designers were not a result of company strategy, but rather more of external pressure, the result of design-related fashion.

As a result of this way of thinking, the majority of Polish companies are not making the most of opportunities offered by the design. The designer, even if it's pulled into action, still works as a stylist, concerned with issues related to the external appearance of the product:

In Poland there is still this perception that the designer is a stylist: 'We produce furniture, but more and more we have a signal that they are ugly, so we need someone to do it nice.' […] In most cases it's still very schematic, stereotyped way of thinking and complete fear of doing something creative, something different.

Representatives of Polish companies were expressing opinions that design is very important marketing tool, claiming that the designer's name higher prestige of product, and thus the brand. Designers have criticized this approach, arguing that they are employed by manufacturers mainly just so the company can use their names and ultimately – to raise the price of the product.

EXISTING PROCESSES – DESIGN MANAGEMENT
In the majority of Swedish companies, design management structure was based around the position of design manager. Respondents emphasized that design management is not only about a product, but every aspect of the company matters – style, graphics, and ways of communication. All these

aspects must be subordinated to the essence of the brand and brand values. Typical in this respect was the statement of one of the managers:

In every decision we make, regardless of what it refers to, design is always present in this decision. It all starts with the 'design thinking'. Design plays a role in how we dress, what cars we drive, how our website looks like... Even this how we serve coffee and answer the phone - everything is design management, because you cannot stop the half way.

Respondents repeatedly emphasized that design must not only relate to all areas of the company, but also to all employees. In particular, it is important that at every stage of work, every employee feels like a co-author of a new product. One respondent described this as follows:

It's not just about that it was your idea, but this project must become a part of the entire company, so that every employee will identify with what you and your team are doing. […] Every employee should feel somehow a part of this creative design process.

As emphasized by Polish respondents, the majority of Polish companies were formed in late 80', during the system transformation in Poland. Those businesses were funded mainly from private capital, with a critical role of the founders, who, in most cases, are very often still in charge, taking every decision, including those connected within the design management domain.

Situation described above relates mainly to small companies, larger companies usually situate design management in the responsibility of marketing department. One such marketing managers responsible for design, admits that the process of learning how to cooperate with designers usually takes place through trials and errors. Many respondents were stating that Polish companies don't have enough experience and know-how on how to cooperate with designers:

We have the money, we have the equipment, we have technical experience, but now there is all about the establishment of design with which we have no experience at all. We do not have the march of conduct, we do not know to what end who should decide whether the designer should have a main sentence, or the technologist, or perhaps the head of the company? We learn all this while we work, during trial and error.

Respondents often stressed that they have considerable problems in clarifying the expectations for designers, and that this often lead to conflicts and misunderstandings. In addition, one of the managers emphasized the fact that it is very hard to make everyone in the company to understand the essence and importance of design. Often, new solutions offered by designers, reluctantly accepted by other employees, are most often seen as 'hindering their work'.

Only two of the surveyed Polish companies had a position of design manager. The scope of their activities, however, differed greatly from the activities of Swedish experts. In Poland, design manager was the link between business and design, and the responsibilities of design managers were associated more with creating a corporate image, publicity and PR, than seeking innovation and building company strategy and culture based on design.

Table 1. Summary of main findings and conclusions

Area of interest	Main conclusions from Swedish respondents	Main conclusions from Polish respondents
The definition and nature of design	Design is an interdisciplinary process Design is a business tool used as a mean to reflect the essence of a specific brand	Design is a luxury product - in the opinion of managers Design is a social phenomenon aimed to improve life of ordinary people - in the opinion of the designers
The role and the place of design in the company	Design is regarded as a strategic tool Increased responsibilities of designers who are consultants, advisers Designers included in forming company strategy (Design Advisory Board, Product Board)	Poor public awareness of what is the essence of design and what is the object of the designer's work Designer is treated as a stylist Design is the foundation of marketing and PR activities
Existing processes - design management	Responsibilities for design in hands of professional design managers Design management connected with all aspects of the company, not just products Design becomes the responsibility of every employee	Design management in hands of business owners (small business), or the marketing department (larger companies) Lack of specialist knowledge on how to work with designers

Table 1 presents main conclusions from our study. We can observe considerable differences in perceiving the role of design, the role of designer in the organization and also different approaches to design management.

Source: own study based on research.

CONCLUSION

There are many roles that design can play in organisations. It can be source of good marketing strategy, and designer by himself can be a promotional tool for a company. Thanks to those actions companies can gain publicity, media attention and good PR.

On the second level, design can be perceived as 'process of making things better'. In this case companies can achieve more effective product development process, new tools and technologies.

On the third level we have the situation when designer work alongside with company managers with the whole business concept. At this level, designers' work looks more like a brand consultant, a strategist. In this approach design should be reflecting certain brand name and brand values.

As our study presented, Swedish companies operate on those two, higher levels, while Polish still limit the scope of design. We strongly believe, that Polish companies, as they gain more experience with design activities, will be more likely to perceive design in this more mature approach. In the meantime, presenting best practices from companies from other, more mature countries could be a good way of promoting design as a strategic asset rather than promotional tool. We believe that in order to fasten this process, Polish companies should as follows:

1. Work more often with external and foreign designers;
2. Expand the area of designer responsibilities in companies;
3. Place the responsibility for design in hands of professional design managers.

REFERENCES

Borja de Mozota, B. (2003) *Design Management: Using Design to Build Brand Value and Corporate Innovation*, Allworth Press, Canada

Bruce, M. & Daly, L. (2007) *Design And Marketing Connections, Journal Of Marketing Management*, vol. 23, no. 9–10

Bruce, M. & Bessant, J. R. (2002) *Design in Business: Strategic Innovation Through Design,* Harlow, London and New York, Financial Times/Prentice Hall

Cross, N. (1993) *Science And Design Methodology: A Review*, Research in Engineering Design, vol. 5, no. 2

Dell'Era, C. & Verganti, R. (2010) *Collaborative Strategies in Design-intensive Industries*, Long Range Planning, vol. 43 no 1

Dell'Era, C., Marchesi, A. & Verganti, R. (2008) *Linguistic Network Configurations: Management of Innovation in Design-Intensive Firms*, International Journal of Innovation Management, vol. 12, no. 1

Dreyfuss, H. (1967) *Designing for People*, Paragraphic Books, New York

Nielsen, T. (2004) *Svenska Företag Om Design – Attityder, Lönsamhet Och Designmognad*, Stiftelsen Svensk Industridesign, Stockholm

Nielsen, T. (2008), *Svenska företag om design*, Stiftelsen Svensk Industridesign, Stockholm

Norman, D. (2004) *Emotional Design. Why we love (or hate) everyday things*, Basics Books, New York

Perks, H., Cooper, R. & Jones, C. (2005) *Characterizing the role of design in New Product Development: An Empirically Derived Taxonomy*, The Journal of Product Innovation Management, vol. 22 issue 2

Sun, Q., Williams, A., Evans, M. (2011) *A Theoretical Design Management Framework,* The Design Journal, vol. 14, issue 1

Ulrich, K. & Eppinger, S. D. (2000) *Product design and development*, The McGraw/Hill Companies, Boston

Verganti, R. (2006) *Innovating Through Design*, Harvard Business Review, vol. 84 issue 12

Verganti, R. (2008) *Design, Meanings, and Radical Innovation: A Metamodel and a Research Agenda*, The Journal of Product Innovation Management, vol. 25, issue 5

Whyte, J. K. Salter, AJ & Gann, D. M. (2003) *Designing to Compete: Lessons from Millennium Product Winners*, Design Studies, vol. 24, no. 5