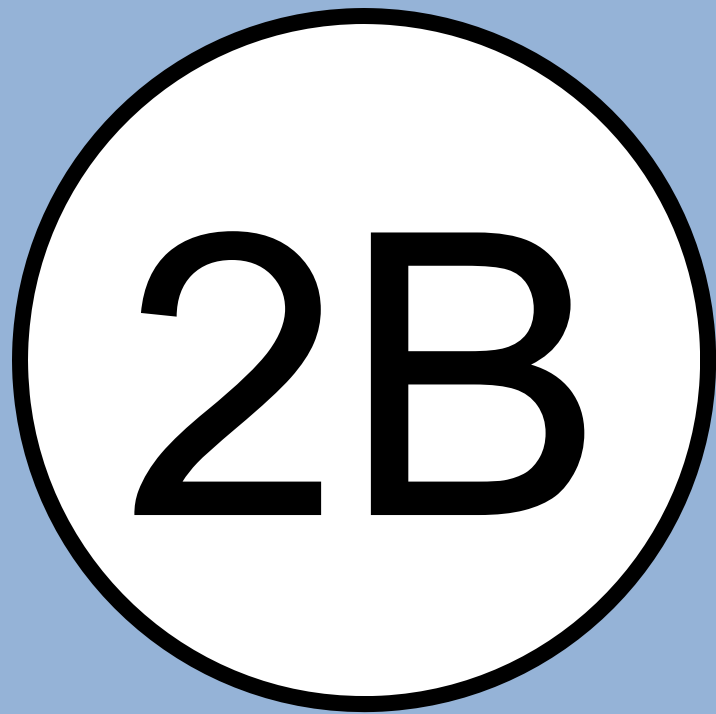


Creativity, Strategy, Design
Design Strategy

Jon Kolko

ac4d



Design Strategy



Gary Hamel and CK Prahalad

Strategic Intent

“At the same time, strategic intent is more than simply unfettered ambition. (Many companies possess an ambitious strategic intent yet fall short of their goals.) The concept also encompasses an active management process that includes focusing the organization's attention on the essence of winning, motivating people by communicating the value of the target, leaving room for individual and team contributions, sustaining enthusiasm by providing new operational definitions as circumstances change, and using intent consistently to guide resource allocations.”



Describe the challenges of these points.

Explain what it means to “capture the essence of winning” – why is this important?

Gary Hamel and CK Prahalad

Strategic Intent

Many companies are more familiar with strategic planning than they are with strategic intent. The planning process typically acts as a "feasibility sieve."

...

The goal of strategic intent is to fold the future back into the present. The important question is not "How will next year be different from this year?" but "What must we do differently next year to get closer to our strategic intent?"



What's the
difference
between
planning and
intent?

Gary Hamel and CK Prahalad

Strategic Intent



“Whereas the traditional view of strategy focuses on the degree of fit between existing resources and current opportunities, strategic intent creates an extreme misfit between resources and ambitions.

... To achieve a strategic intent, a company must usually take on larger, better financed competitors. That means carefully managing competitive engagements so that scarce resources are conserved... For smart competitors, the goal is not competitive imitation but competitive innovation, the art of containing competitive risks within manageable proportions.”

What's the role of design in the context of strategic intent?

Gary Hamel and CK Prahalad

Strategic Intent



What is strategic intent?

What is your specific strategic intent?

Why?

Roger Martin

Design Thinking and How It Will Change Management Education



“As I watched it, I saw that this is what great business leaders do. They enter some kind of constrained environment where they want to do something that is near impossible. They have to figure it out by thinking differently from anybody else. The best of what I see in the best business people is the same as what I see in designers at their best.”

Is this what you
do, as a
designer? How?

Roger Martin

Design Thinking and How It Will Change Management Education



“In a Harvard Business School class, you would never say to another student, “I don’t understand fully why you think that: Could you just talk a little bit more about what you saw in the case that caused you to believe that?” You are not taught the skill of listening with the intent of gaining some insight that you didn’t have in you head already. Instead, you are taught to build cases in your mind that are airtight and completely logically sound, and anybody who thinks otherwise is the enemy you must crush.”

Juxtapose your education to this. What are the differences?

Roger Martin

Design Thinking and How It Will Change Management Education



“An important aspect of collaboration, however, is the idea of expanding perspectives by collaborating with individuals unlike oneself. While Martin does allude to this in the interview, Leonard and Straus (1997) go further in arguing for “creative abrasion” to encourage innovation by hiring and developing people who make one uncomfortable.

Creative abrasion refers not to interpersonal conflict but to the constructive management of people with different cognitive approaches. Since Martin’s purpose in promoting diverse perspectives in teams is the expansion of the range of ideas available, it is likely that he would endorse Leonard and Straus’ view.”

Describe the role of personality in innovation, in your experience.

Roger Martin

Design Thinking and How It Will Change Management Education



“Martin argues that a designer’s attitude toward constraints differs as compared with conventional management thinking. In conventional management thinking, constraints are seen as an undesirable barrier to the generation and implementation of ideas; for a designer, however, constraints are embraced as the impetus to creative solutions.”

What’s the role of constraints in developing a strategic approach to a wicked problem?

Stefan Stemersch

Strategic Bundling of Products and Prices: A New Synthesis for Marketing



“Bundling is the sale of two or more separate products in one package. The term “separate” has enormous implications for understanding the legality and optimality of the phenomenon, so it merits precise definition. We define separate products as products for which separate markets exist, because at least some buyers buy or want to buy the products separately.”

What implication does this definition have on a service blueprint?

Stefan Stemersch

Strategic Bundling of Products and Prices: A New Synthesis for Marketing



“A product bundle can therefore be thought of as having an integral architecture (Ulrich and Eppinger 1995). It implements the different functions of the bundled products in a single product bundle.

Whereas price bundling is a pricing and promotional tool, product bundling is more strategic in that it creates added value. Managers can therefore use price bundling easily, at short notice, and for a short duration, whereas product bundling is more of a long-term differentiation strategy. In the case of physical goods, product bundling requires a new design, research to optimize the design, and retooling to manufacture the product bundle. In the case of services, product bundling requires redefinition of services, optimization of the interfaces among the services, and redesign of service delivery processes.”

Why is a product bundle “more strategic”?

Stefan Stemersch

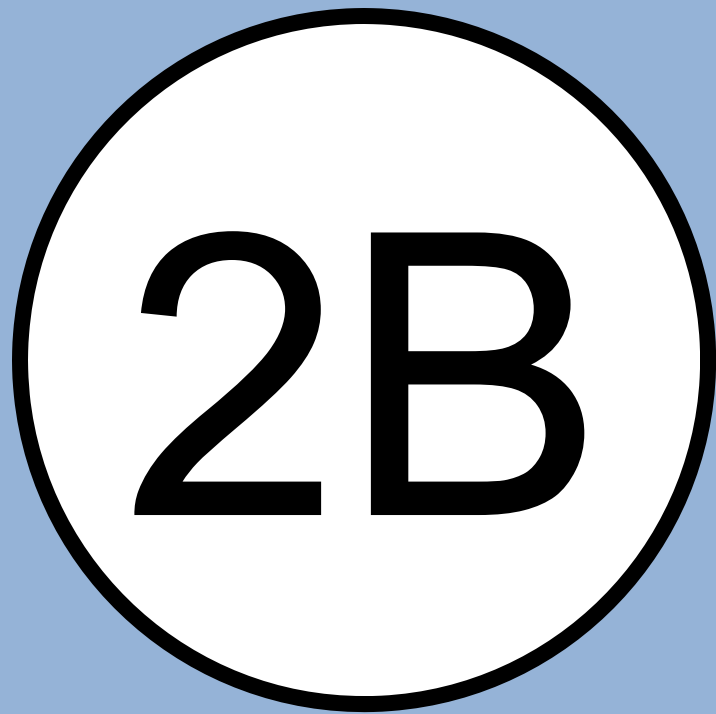
Strategic Bundling of Products and Prices: A New Synthesis for Marketing



“Most of the behavioral research on bundling is grounded in prospect theory (Kahneman and Tversky 1979) and mental accounting (Thaler 1985). Central to prospect theory is the value function. In prospect theory, outcomes are framed as positive (gains) or negative (losses) deviations from a reference point. The value function is concave in gains and convex in losses. Mental accounting suggests that people perceive multiple gains as more rewarding and multiple losses as more punishing than a single gain and a single loss of the same amount...

P12: For price information, it is optimal for companies to (a) integrate all price information in a single bundle price rather than present it in a list of separate product prices and (b) separate the bundle discount in multiple savings rather than present it as a single saving.”

If this is true, what are the implications on your work?



Design Strategy



Describe your design strategy –
craft a succinct, one paragraph
strategy statement.

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