Meeting 21st Century Organizational Challenges with Design Thinking

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Abstract

Organization Development (OD) practitioners today are tasked with helping organizations develop solutions to complex adaptive challenges for which there are no easy solutions. To solve these challenges OD practitioners must look for new tools and techniques to incorporate into their existing toolbox. Over the past two decades Design Thinking has emerged in the business world as an approach to creating innovative yet practical solutions for complex organizational challenges. This paper explores how OD practitioners can lead organizations in solving 21st century challenges by adding Design Thinking to their toolbox.

**Keywords:** design thinking, adaptive challenges, solving complex problems, 21st century OD practices, updating the OD toolbox

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The Current State of Organizations

Organizations today face adaptive challenges for which there are no easy solutions (Heifetz, 1994; Kegan & Lahey, 2009; Rittel & Webber, 1973). Adaptive challenges are emerging problems with multiple contributing factors that are difficult to define and do not have readily available solutions. Adaptive challenges require innovative thinking that can introduce new solutions (Brown, 2008; Heifetz, 1994; Kegan & Lahey, 2009; Martin, 2009). Examples of adaptive challenges in today’s organizations include keeping pace with the ever-changing regulatory environment, retaining an engaged workforce, learning to navigate the rise of freelance workers, leading geographically dispersed and culturally diverse teams, adapting to emerging technology, and growing revenues in a globally competitive marketplace (Conner, 2013; Helmrich, 2016; Lindzon, 2016; Rampton, 2015). These are the challenges that Organization Development (OD) practitioners today are tasked with helping to resolve.

Many organizations lack the capabilities needed to solve the challenges they are facing (Boland & Collopy, 2004; Martin, 2009). Design Thinking is an approach to solution finding that is well-suited for addressing today’s adaptive challenges because it focuses on creating innovative yet practical solutions to tackle adaptive challenges (Brown, 2008; Martin, 2009; Meyer, 2011; Neumeier, 2008).

Understanding Design Thinking

To date, there is no agreed upon concrete definition of Design Thinking. For the purposes of this paper, Design Thinking is defined as: An iterative and collaborative process that takes an empathetic approach to problem solving that is particularly effective when the issue at hand requires solutions that are innovative yet practical. Design Thinking emphasizes balancing creative thinking with analytical thinking, calls for shifting between generating and evaluating ideas, and encourages confronting uncertainty by testing out potential solutions early in the process to learn what may or may not work.

The popularity of Design Thinking in the past two decades have been driven by Practitioners such as Tim Brown and David Kelley of IDEO. Scholars have also promoted Design Thinking through their call for expanding the practice into other disciplines to create positive organizational outcomes (Brown, 2008; Kimbell, 2011; Martin, 2009; Boland & Collopy, 2004). Many scholars have researched and published in the area of adapting Design Thinking in the business world (Boland & Collopy, 2004; Owen, 2005; Brown, 2008; Martin, 2009; Fraser, 2007; Kimbell, 2011; Lockwood, 2010; Kimbell, 2011; Liedtka & Ogilvie, 2011). The work of Boland & Collopy (2004) for example, discusses how Design Thinking can improve management decision making. They describe the job of managers as being selecting the correct option from a list of existing options. Given the complexity of the challenges facing organizations today, managers need to move beyond selecting between existing options and engage in creating new options. Managers have an in-depth knowledge of their businesses and understand their challenges more intimately. Therefore, managers are in best position to know the types of solutions their businesses need. The challenge is that management training historically has not taught managers how to engage in ideation that leads to creating new options. Design Thinking provides managers a framework for driving innovation, so they can create better outcomes for their organizations (Brown, 2008; Boland & Collopy, 2004; Martin, 2009). The literature provides many applications of Design Thinking in business areas such as product development, service delivery, business growth, and strategic planning (Brown, 2008; Conklin, 2005; Owen, 2005; Krippendorff, 2006; Lockwood, 2010; Kimbell, 2011; Liedtka & Ogilvie, 2011).

Recent research demonstrates the effectiveness of this approach in business (Brown, 2018; Schmiedgen, Rhinow, Köppen, & Meinel, 2015). For example, studies show that companies using Design Thinking capture 1.5x greater market share and increase customer loyalty (Brown, 2018; Brozek, 2016). While more research on the effectiveness of Design Thinking is needed, the initial findings of these studies support the stance of scholars that call for organizations to adopt this way of working.
Design Thinking in Practice

The purpose of Design Thinking is to discover solutions that are both innovative yet practical. In this way, Design Thinking seeks to find solutions that meet the criteria of desirability, viability, and feasibility—see Figure 1 (Brown, 2008). Desirable meaning solutions that customers want because they fulfill a need they have. Viable meaning solutions that create value for the organization and will survive in the marketplace. Feasible meaning solutions that are practical from a financial and technical perspective. Design Thinking offers a framework for working that allows the discovery of solutions that intersect at desirability, feasibility, and viability.

Design Thinking as a Methodology

Similar to how Design Thinking does not have an agreed upon definition, there is also not one agreed upon way to engage in Design Thinking. The literature presents multiple process models for engaging in Design Thinking (Brown, 2008; Fraser, 2007; Liedtka & Ogilvie, 2011; Martin, 2009). In examining the literature, Chesson (2017) concluded that there are three basic stages for engaging in Design Thinking. All Design Thinking process models have a stage for understanding the problem, a stage for ideation, and a stage for testing out solutions. The Chesson model adds an Implementation Stage that focuses on putting the solutions into action—see Figure 2.

The Understanding Stage focuses on...
exploring the who and the how. Who is impacted? How are they impacted? This stage builds empathy for the problem and helps us understand what a desirable solution might look like. The Conceptualizing Stage focuses on generating a plethora of ideas that may alleviate the problem. The volume of ideas in this stage is important because it increases the likelihood of finding a solution that is workable. This stage builds on the understanding developed in the previous stage. The Experimenting Stage focuses on testing out ideas that were generated in the previous stage. The goal of this stage is to find a solution that can be implemented. The Implementing Stage focuses on putting a desirable, viable, and feasible solution into action.

While Design Thinking processes are discussed in a linear fashion, in practice the processes are iterative. For example, a team may move from the Understanding Stage to the Conceptualizing Stage and realize they need to learn more about the problem. Therefore, in practice, it is important to allow space for moving back and forth between stages.

**Design Thinking Capabilities**

Design Thinking is often discussed as a process or a methodology to follow. However, Design Thinking is much more than a methodology and viewing it only as such limits its full potential for problem solving. Design Thinking is a philosophy, a mindset, a methodology, and a set of capabilities. Learning the Design Thinking process provides an entree to understanding this approach but, to truly master this way of working we must go beyond just following the process—we must also build the capabilities, and adopt the mindset (Chesson, 2017). The philosophy of Design Thinking is covered earlier in this paper—see Understanding Design Thinking. The previous section covers the methodology of Design Thinking—see Design Thinking as a Methodology. The following paragraphs discuss the capabilities of Design Thinking.

Design Thinkers - those that engage in Design Thinking - are optimistic about finding solutions (Brown, 2008; Owen, 2005; Simon, 1969). They see constraints as being part of the process and do not let obstacles get in the way of creating solutions. Design Thinkers are empathetic and interested in the experiences of human beings (Brown, 2008; Fraser, 2007; Junginger, 2007; Lawson, 2006; Liedtka and Ogilvie, 2011; Martin, 2009). They aim to understand a problem from the perspective of those that are impacted by the problem. They are idea generators. When presented with a problem, Design Thinkers can imagine many potential ways of solving the challenge. Design Thinkers are visually expressive (Lawson, 1979, 2006; Liedtka and Ogilvie, 2011; Owen, 2005). While not all Design Thinkers are talented artists, they are comfortable with visual techniques such sketching, diagramming, and mind mapping. Design Thinkers use these techniques to communicate, explore, and reflect on ideas. Design Thinkers harness the power of collaboration because they know that good solutions do not come about in isolation. They proactively work to engage others in the solution finding process. Design Thinkers are comfortable with uncertainty and understand that creating something new requires exploring unknown spaces (Fraser, 2007; Martin, 2009; Owen, 2005). Design Thinkers confront the unknown by testing out solutions, exploring options, and learning from failed experiments. Collectively these are the capabilities needed to engage in Design Thinking. These capabilities are not absolutes (meaning you either have them or you don’t). These capabilities exist in all of us to some degree but not all of us have had the opportunity to develop them fully (Chesson, 2017). Through mindful practice we can develop these skills and become innovative problem solvers.

**Organization Development Consulting**

Organizations when faced with challenges they cannot overcome alone turn to OD practitioners for support. The OD literature offers a framework for how OD Practitioners engage with clients. This framework is referred to as the organization development consulting process (Anderson, 2012). Throughout the literature there are various iterations of this process. As described by Anderson (2012), there are seven stages to the OD consulting process. These stages are: Entering, Contracting, Data Gathering, Diagnosing, Feedback, Intervention, Evaluation, and Exit.
The Entering Stage
This stage is all about building relationships, gaining trust, and understanding the needs of potential clients. This stage consists of business development activities to create awareness among potential clients (Freedman & Zackrison, 2001). Activities in this phase can include making calls, presenting at conferences, advertising, and informal meetings with prospective clients.

The Contracting Stage
Once a client has expressed an interest in engaging the OD Practitioner in a scope of work, the process moves to the Contracting Stage. This stage is about understanding the challenges the client is facing and defining the scope of work. As the issues are discussed, the OD Practitioner works with the client to document the scope of work to be done, the steps in the process, the length of time, and payment—this is the formal aspect of this stage. There is also a psychological aspect to this stage which involves, coming to a mutual understanding of how the client and OD Practitioner will work together (Schein, 1969). This may include the level of involvement the OD Practitioner has in the organization, the method of communication, and outlining expectations (Boss, 2000).

The Data Gathering Stage
In this stage, the OD Practitioner engages with other members of the organization to collect information about the initial problem defined in the previous stage. The purpose of this stage is to confirm and deepen the understanding of the issue (Argyris, 1970; Block, 2001; & Nadler, 1977). OD Practitioners may use a variety of methods such as interviews, surveys, observations, and focus groups to collect data (Anderson, 2012).

The Diagnosing Stage
This stage involves using the data collected to diagnose the problem. The data analysis method used is determined by how the data were collected (Anderson, 2012). For example, if data collection was done through interviews, thematic analysis may be used to sort and organize the information collected. Conversely, if surveys were used, statistical analysis may be used to analyze and organize the information collected. This stage is most successful when OD Practitioners engage members of the organization in the data analysis process (Bartee & Cheynusni, 1977; Moates, Armenakis, Gregory, Albritton, & Field, 2005). Once the data is sorted and analyzed, the OD Practitioner prepares to give feedback to the client.

The Feedback Stage
The goal of this stage is to help organizations understand its behaviors and learn what they can do to improve their situation (Manzini, 1988). Feedback can be provided as part of a written report or presentation at a meeting. The goal of this stage is to provide information that creates awareness and also inspires action toward resolving the issue. For this purpose, it is recommended that feedback is done through a meeting where the organization can actively be engaged in a discussion (Argyris, 1970; Nadler, 1977, Anderson, 2012).

The Intervention Stage
This stage consists of two parts. First is selecting the intervention and planning for action. Second is implementing the intervention by executing the action plan (Anderson, 2012). In the planning process, it is important for the OD Practitioner to assess the organization’s readiness for change and support the organization in overcoming resistance.

Evaluation and Exit Stage
In this stage, the OD Practitioner evaluates the effectiveness of the intervention and develops a transition plan to exit the engagement (Anderson, 2012). In the process of evaluating the intervention the organization may identify new scopes of work for the OD Practitioner to assist with. In this case, the OD Practitioner completes the existing engagement and begins again in the Entering Stage for the new scope of work.

The professional responsibility of the OD practitioner is to help organizations build their own capabilities and create solutions to challenges the organization is not able to solve on their own. By engaging the organization throughout the consulting process, OD practitioners help create awareness and help the organization build the capabilities they lack.
Bringing Design Thinking into Organization Development Practice

As discussed earlier in this paper, organizations today are facing complex challenges for which there are no readily available responses. Design Thinking is as an approach that is well-suited for handling these types of challenges (Brown, 2008; Martin, 2009; Meyer, 2011; Neumeier, 2008). As we consider what organization development could be in the 21st Century, Design Thinking offers some ways to enhance the organization development process to better meet the challenges of today.

Empathy in Organization Development Consulting

Design Thinking calls for human centeredness and empathy. In practice, this translates to understanding the needs of those we serve (clients) so well that we can see situations through their eyes and we can walk a mile in their shoes (Liedtka & Ogilvie, 2011; Stickdorn, Lawrence, Hormeß, Schneider, 2018). Design Thinkers believe that without empathy we cannot deliver meaningful solutions that make a difference. In a global marketplace where technology is advancing rapidly, the ability to connect with customers and deliver solutions that meet their latent needs is critical to business success. Journey mapping is a technique used in Design Thinking to gain empathy for the challenges clients face. Journey maps are visual illustrations of how an organization interacts with their customers (Liedtka & Ogilvie, 2011; Stickdorn, Lawrence, Hormeß, Schneider, 2018). Journey maps can be created at a macro-level such as incorporating the entire firm or the micro-level such as a specific service offered by an organization. These maps help organizations understand their business from various perspectives.

OD practitioners can incorporate journey mapping in the Contracting Stage when working to understand the challenges their client is facing. Here the OD practitioner may use the journey mapping technique to have the client walk through the process where the issue is occurring and isolate where in the journey the challenges arise. Journey maps bring a client’s story to life and the OD practitioner sees what the client sees, hears, feels, and does in their day-to-day life. This technique helps the OD practitioner develop empathy for the client while also helping the client understand their own situation. Having empathy and deeply understanding the challenges clients face will allow OD practitioners to deliver better organizational outcomes.

Journey mapping may also prove useful in the Data Gathering stage. Keeping in mind that journey mapping occurs at different levels, the OD practitioner may build on a journey map developed in the Contracting stage, and dive deeper into examine the organization more closely. In data gathering, journey mapping could be coupled with current techniques used by OD practitioners such as interviews and surveys. For example, OD practitioners could use surveys to collect data then engage members of the organization to plot the data collected on a journey map to tell the story. This visual map could then be used in the feedback stage to illustrate the challenges the organization is facing.

Ideation in Organization Development Consulting

Both Design Thinking and organization development encourage collaboration in the solution finding process. Members of the organization are more likely to support solutions they help create, making adoption of the solution much easier (Kotter, 2011). To find solutions Design Thinking encourages generating an ample supply of ideas and offers various techniques to inspire teams to engage in ideation (Liedtka & Ogilvie, 2011; Stickdorn, Lawrence, Hormeß, Schneider, 2018). One commonly used technique for idea generation is brainstorming. The process involves a team gathering to verbally share ideas while a facilitator captures the thoughts that are shared. This approach is often criticized because it may not be welcoming for individuals that are reluctant to speak up in groups or need quiet reflection to be creative. However, done properly brainstorming can be effective in bringing forward innovative ideas. Liedtka and Ogilvie, 2011 provide a detailed framework for effectively facilitating brainstorming. Another technique used in Design Thinking is brain writing (Stickdorn, Lawrence, Hormeß, Schneider, 2018). As the name suggests this technique captures ideas
in writing and works well to ensure that everyone’s ideas are captured. Similar to brainstorming, in brain writing a small group gathers however, instead of group members verbally sharing ideas, the ideas are captured in writing. Each member of the group is provided a sheet of paper and a pen. They are asked to come up with a specific number of ideas within a given time frame. When time is up, each member of the group passes their sheet of paper to the person on their right (or left). Then the writing exercise is repeated. In the subsequent rounds, team members are asked to read the ideas already on the paper and either build on those ideas or add new ones. This process continues until each team member has written on each sheet of paper.

The Design Thinking literature offers several other techniques for ideation (Liedtka & Ogilvie, 2011; Stickdorn, Lawrence, Hormeß, Schneider, 2018). Similar to selecting an OD intervention, OD Practitioners should pay mind to the purpose and organizational culture when selecting an ideation method. Regardless of the method used to ideate, Design Thinking encourages beginning the process by setting the context. This can be accomplished by having teams either participate in collecting information about the problem or reviewing data that has already been gathered.

Ideation techniques can be used in the Intervention Stage to engage the organization in developing solutions to the challenges they face. These techniques work best when teams understand the problem for which they are ideating. Therefore, these activities serve as a complement to the Feedback Stage. Here the OD Practitioner could plan an ideation session to take place after feedback is provided to the client.

**Prototyping in Organization Development Consulting**

Design Thinking calls for creating tangible experiences of proposed solutions to understand if a solution is viable and feasible (Brown, 2008). Prototyping enables ideas to evolve and potential issues to be identified early on before organizations invest resources to implement a solution. The Design Thinking toolbox offers many techniques for prototyping however; the theatrical approaches may be the most appropriate for the practice of OD. The theatrical approaches to prototyping involve team members acting out scenarios to understand how a solution might work (Stickdorn, Lawrence, Hormeß, Schneider, 2018). One method for prototyping is called the desktop walk-through. With this technique, teams create maps, small-scale models, and use figurines to walk through the proposed solution. This process allows the organization to see how the solution will work, identify any pitfalls, and make any improvements prior to implementing.

Prototyping techniques can be used in the Intervention Stage. Here OD Practitioners could have the organization test out several potential interventions to understand how they will work. In doing so, they may be able to identify if an intervention is not feasible or come up with ideas to improve a solution. Additionally, prototyping provides another opportunity for OD practitioners to engage the client in developing solutions. When organizations are engaged in the process, we can create solutions that better meet the needs of our clients and increase the likelihood of the change being adopted (Kotter, 2011). In this way, prototyping may allow OD practitioners to deliver more successful interventions.

**Conclusion**

Traditionally, Design Thinking has been associated with iconic companies known for design such as Apple, Samsung, and Nike. However, in recent times the approach has extended to organizations outside of the design sector. Today, companies such as Kaiser Permanente, IBM, and government agencies like the Australian Taxation Office and the National Health Service of the UK are using Design Thinking to improve patient care, deliver better customer service, identify unmet customer needs, and create more efficient organizations (Bevan, Robert, Bates, Maher & Wells, 2007; Body, 2008). These examples illustrate that Design Thinking is no longer a “nice-to-have” or limited to iconic design firms. Design Thinking is accessible to all organizations and can help improve organizational capabilities for delivering solutions to complex adaptive challenges. By combining Design Thinking with the proven practices of organizational development, OD practitioners can lead organizations in solving 21st Century
challenges.

References


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