

Managing Design - Is Design Management Education Relevant to the Design Management Profession?

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Summary of the roundtable discussion November 14, 2002, at the Köln International School of Design

A lot of people talk about design management and each of them has an opinion on what design management is, could or should be. However, most of them agree that design management is about organizing the strategic use of design in its vast complexity. Somehow it seems to be en vogue to talk about design management and the according need for it. But where is it positioned? In Germany for example only a few persons are known who call themselves "design manager", but obviously there are a lot of companies, which have integrated this job successfully. But who is doing it? University programs offering a Master in design management are quite rare. In Germany there is no master program available up to now. Only a few universities consider design management as an integral part of their design or business programs. There is a lot of mystery around design management. But what is it really about? Is design management a necessary approach? And why? What for? What is design management education about? Are graduates well educated? A lot of questions need to be answered to understand design management.

It makes sense to investigate the reality of design management in education and in professional life today. Furthermore there is a need to investigate design management from various viewpoints. For this reason we invited experts from different areas, like commerce, education, mediation and profession to participate in a roundtable discussion.

1. Strategic experts from the business community

Klaus Jürgen Maack (President, ERCO)

Reon Brand (Ph.D., Director Creative Solutions Strategic Design, Philips)

2. Course directors and teaching staff

Willemien Nagel (Course Director MA Design Management, INHOLLAND University)

Jos van der Zwaal (Free lance consultant and module coordinator MA Design Management INHOLLAND University)

3. Experts working as mediators or aggregators linking education and profession

Bill Hannon (Founder of the Design Management Institute, Boston and Professor at the Massachusetts College of Art)

Jörg Heithoff (Chairman of the Association of Young Economists in North-Rhine-Westphalia and President of Heithoff Identity)

Peter Boelsma (President, International Design Industry Services)

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4. Professionals who joined a design management program

_Gabriele Krause (MBA Design Management, President, ProEngine)
_Nina Kleebank (Dipl. Des., Consultant Interbrand, Zintzmeyer & Lux)

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The diversity of experiences, expertise and educational backgrounds creates different perspectives of design management. This doesn't make it easier to get a complete and realistic overview on what design management means today. So the forum started with the crucial question addressed to the experts from the business context:

_ Is the management of design important for the success of a company?

Klaus Jürgen Maack, president of ERCO, answered clearly, shortly and significantly: "Yes" There was absolutely no doubt. All experts at the table agreed that design is very well steering the success of a company. And it will do so even more in the future. Design plays an important role in the creation of identity and uniqueness. A strong identity recognized by the consumers is decisive for market competition today and even more in the future. It is obvious that the identity of a company depends very much on a company's knowledge. Three years ago Klaus Jürgen Maack arranged a strategic meeting to discuss future management issues. The management of knowledge in a globally operating company turned out to be a key problem that needed to be solved. "If ERCO would know what ERCO knows, ERCO would be a smart company", concluded Mr. Maack. For the development of a global business it seems to be important to gather the existing knowledge and make it available to the learning processes of the employees and it would be even better if it would be available to the clients as well. Driven by the desire to make efficient use of the available knowledge ERCO created an information logistics system and a navigation system for knowledge management in the company. The goal is to make the whole company process capable for using the existing knowledge efficiently. Finally, this is a new attitude towards design. The new ERCO website enables people to learn about the products interactively and trans-culturally. All stakeholders will benefit from this knowledge base. This is a future direction design has to follow. The organization and visualization of knowledge and the accessibility of knowledge will contribute to a progressive design development and a sustainable business success.

This is now!

_But what will the future of design be like?

_Which role will design play, respectively the management of design, in the future development of business strategies?

Reon Brand, director of Strategic Design at Philips responded to these questions, reflecting on the actual changes in management thinking. He declared that if we want to have a look of what the future of design will be like, we should first have an understanding of the past. In the past design was linked

to the product development process. These days design becomes part of the business creation process. The days are gone that designers were just sitting with a blank piece of paper and a pencil in some corner and developing great ideas which could beat the competition. In the future it will be recognized, that design adds value to the process of creation. He made it pretty clear that design adds value to peoples' lives as well as to the companies' business — not only economic value, but also emotional value. Design has to think about the personal and cultural context of the user. And it has to work together with sociologists and cultural trend watchers, to consider semiotics and the fast changing technology to create solutions that will satisfy the users and make them "smile". Design should learn to comprehend all the factors of the business process. It becomes a more interdisciplinary process every day. In the future it will be important that designers consider the changes in the business world and consider economic values. Companies will appreciate what design can do for the business. Reon Brand concluded that the responsibilities of design are growing. Design supports the business process and helps a company to design uniqueness and identity.

The tendency that design becomes part of business creation is not only true at Philips, but is a general tendency to be observed in companies all over the globe.

_ Given the fact that the area of responsibilities is changing, what has the profile of a designer's competencies to be like?

_ What are the most important skills, talents and qualifications a designer must have and what are the selection criteria for employees in strategic design or design management?

Summarizing the answers first of all an employee working in strategic design management needs passion for design and a vision of what design should be in the future. Strategic designers should have a good education and general knowledge on design. Good computer skills are a prerequisite. Furthermore, knowledge about marketing is expected and they must be able to operate the generic tasks.

At Philips for instance there are four different groups working in strategic design:

- design group
- sustainability group
- trend group
- technology group

People working in strategic design should be rooted in one discipline but they must be able to see beyond their own discipline. It is evident that they feel comfortable to communicate with people of other disciplines and that they are eager to learn the language of other groups. Most important for the person who wants to do this kind of job is the ability to cross boundaries of disciplines — the ability to work "out of the box" and to look from another point of view.

The Design Management Institute in Boston supports Design Management on a worldwide level by. Bill Hannon founded the institute about 27 years ago. At that time design probably did not have the strategic relevance it has established today.

**_So, is it of interest to understand the reasons why setting up an institution like the Design Management Institute at that time?
_And, did the Design Management Institute change its objectives during the time span of its existence?**

When Bill Hannon graduated as a designer he took a job in a company producing all kinds of hospital appliances. He was responsible for the complete design program and went through a hard process of real life learning by arguing and fighting with all the experts such as technicians, production engineers and marketing managers. Years later when he took over the leadership of the design department at the Massachusetts College of Art in Boston he remembered the culture-shock he got when he first worked as a professional designer. And, he thought that not every young designer has to learn it the hard way and should go through the same experience. He organized his first conference with 35 people joining. As a last minute change he switched the title from "Conference" to "Institute". The meeting was successful and all the issues were put on the table. And at the end of the day the Design Management Institute was born. Today the Design Management Institute is running conferences and seminars as well as publishing a magazine and several newsletters. Case studies are published in co-operation with the Harvard Business School and the DMI has enormous resources in its databank. Furthermore it is constantly improving its global network and is supporting education and research. It is a mayor resource for people working in design management.

When the Design Management Institute started its operation education in design management did not exist at all and even today there are only a few programs in the US. Solely in the UK the number of courses in Design Management has grown in the past — but for different reasons they were recently cut back.

The downsizing of the companies has not reduced the workload but has shifted it. Strategic thinking is now often done by major consultancies in the US. To do this job most of them have hired people who are not designers, but educated in disciplines related to business, culture and society in order to fulfill the needs of strategic projects.

In Europe and especially in Germany there are a lot of small and medium-sized companies forming an important part of the economy. In this market we find companies that have built their success on design and they are pioneers in managing design strategically. On the other hand we can find companies that don't care about design at all. And most of the companies are positioned somewhere in between. The study "Design 2010" investigated the use of design in medium-sized companies and found out that there is an enormous demand to integrate design strategically. In order to win these companies as clients we have to ask:

_What are the typical requirements for design management skills and tools in medium-sized companies?

_And what kind of profile should designers communicate to small and medium-sized companies?

Jörg Heithoff is member of the board of the Association of Young Entrepreneurs in North-Rhine-Westphalia and he is the president of Heithoff Identity. Due to this function he has a good insight into the problems of medium-sized companies in this area. From his experience he draws the conclusion that we have good opportunities to establish design management as part of the managing process in medium-sized company. Especially because of the generation changes we now find a new open- and design-minded generation of entrepreneurs. These are interested in establishing a design culture to be managed in the long term. In consequence they are looking for design managers who are able to do the job. Obviously the medium-sized companies provide an excellent environment to manage design with a more holistic approach successfully. They are characterized by great flexibility, low hierarchy and decentralized responsibilities. Additionally they are thinking in long terms. Therefore a long lasting design management strategy can be integrated rather well. The precondition is a design minded CEO. Then, it seems to be most likely that they will integrate design management successfully into the business creation process.

Usually, the executive managers are the problem. They have no idea of design and design management. Knowledge about design is not included in their education. Hence, communication problems arise quite often. The process has to start by training the bosses. The managers should become aware of the value design can add to their company. And this needs to happen before a company starts to develop a design management approach. A modular training program on design management for company representatives is needed. But also the designers need to be prepared for the job and should be able to understand the thoughts and arguments of the executive managers. It would be also worthwhile to link the existing business network with the evolving design management network.

To enhance the perspective it will be of interest to know if there is a general demand for design managers.

_Consequently we have to ask whether graduates in design management will fulfill the expectations of their employers?

Peter Boelsma is working as a mediator between education and the business environment, as he knows both sides. He stated that companies often do not know their need for design management. They have no idea what design can offer them and how it can be integrated to support their business. In contrast there are a lot of companies that have an idea about design, but they do not know how to handle it. They have no clue whether they should hire a fulltime design manager, a part-time design manager or look for a design management consultant. And they are dealing with the question to either establish their own design management department or to integrate design management into other departments or disciplines.

Peter Boelsma concludes that the main challenge the design management community encounters is not only the discussion about design management education, but we have to establish tools and the necessary knowledge which will help the medium-sized companies to manage design within their organization. We have to clarify what the power of design is and how the small and medium-sized companies can benefit from it. He is sure that the demand for design management increases and that design management education will prosper. A new area of new jobs will be created in the next few years.

Looking at the graduates of design management programs it seems that those students are very ambitious. There is a very low risk of failure. They all find jobs – maybe not a 100% job in design management — they may have to work in related areas as well. To provide the companies with the necessary knowledge in design management, education should not focus solely on educating fulltime design managers — especially the part-time MA will be of great interest. And short programs will offer the necessary knowledge as well. But, after all, the main focus is to convince students of the power of design and how to apply it within a company.

INHOLLAND University in Rotterdam (The Netherlands) started a Master program in Design Management in January 2002.

_What was the reason to do so?

_What is the content of the program?

_What in particular is being taught? Which qualifications, skills and capabilities are expected from students?

_And what kind of qualification is required from the prospect students in order to get admitted to the Master Program?

Willemien Nagel supervised the development of the Master Program at the INHOLLAND University because INHOLLAND University has already a successfully established BA in design management. INHOLLAND University is basically a business school — with a focus on communication in business. Willemien Nagel explained: “If you want to be a good communication designer you definitely have to understand design. So we integrated design. As a consequence the companies started to send us more and more students. This is because they realized the advantages for their business, if they have employees, who are trained in a multidisciplinary way and know how design, marketing, communication, finances etc. interact with each other. The next step in the process of the university was the question, how can we help people to build a career? A designer at Philips for example who works in research must learn about marketing, branding, society and other issues. This means as a consequence that students need certain modules they can choose from to qualify for their job. In the Master’s program the students learn about design, management, business, communication, creativity, “out of the box thinking”, strategies, projects and we offer them fields where they experience to be unsure in order to learn new things.”

To qualify for the MA program the students must have a BA degree. But the companies do not want to wait for the MA. Therefore we developed a part-time MA and it works. The students pick up what they need for their experi-

ence. In the professional career graduates never start as a manager they start somewhere else in the company and they have to climb up the ladder by qualification and experience. On top of that, employees need enthusiasm and creativity in their heads.

The intention is one thing. But how is the reality?

_Does the regular practice of teaching correspond to the defined intentions?

_And how do the students react?

_Does the content of the program correspond to the specific needs in the business context?

A professional designer, consultant and design manager, Jos van der Zwaal is one of the module coordinators and teachers in the Master program at INHOLLAND University. According to his opinion the driving source and the goal of the Master program is to create energy and enthusiasm. Design management is a new profession and the students joining the program come from a broad range of businesses and companies. Of course we convey knowledge, talk about books and have lectures from people all over the world, but the main thing is to give the students enthusiasm — they are the ones that build the new profession in the companies. Jos van der Zwaal explained his ideas by giving an example of a writer who presents a new book. Someone from the audience asks him: what do you mean by...? The writer interrupts the person and says it is not my book, it is your book — I only wrote it. This is similar to how Jos van der Zwaal sees design management education. The education is about the roles and the players, but they have to perform the work. It is the study program of the students — they make it work.

The students of the Master program appear to be very satisfied with what they get. They work in their companies very hard all week and in the evenings for their studies. They go to university on Fridays and Saturdays every fifth weekend and they are full of energy. They are enthusiastic about the program and they tell it to others. The teachers are enthusiastic as well. They link business strategy with design culture and generate a whole new way of thinking about design. There is no defined structure in the master program. The program intends to just motivate the students and to help them to develop their own ideas related to design and its business background.

The program started recently and no student has graduated yet. Nevertheless the question is:

_Does design management education prepare the students for their professional life?

Gabriele Krause graduated with an MBA from the design management program at the University of Westminster in London. (Due to the lack of accreditation the course was discontinued in 2002.) She runs her own business ProEngine GmbH on project development and business process consultan-

cy. According to her experience the MBA program was directed to two target areas: design and business. The focus was placed on the interaction between design and management. The intent of the program was to inform about the value of design and how to implement design into the business strategies. In her opinion the course is not only important for future design managers, the MBA program also enables students to create new opportunities. It encourages students to create their own marketing based projects on a business platform. And she stresses that in the course they did not talk about design, rather design was understood as the thematical entrance to the market. Gabriele Krause is convinced that design management should be part of the business language in every company. Concerning the MBA program she appreciated the emphasis that was placed on self-motivated learning. She says that she received what she has expected. Regarding future programs she pointed out the necessity of a lively communication between students and teachers.

Nina Kleebank is another design program graduate. She graduated with a degree project in design management from the Köln International School of Design. She now works as a consultant for Interbrand, Zintzmeyer and Lux. During her study she spent one semester at INHOLLAND University with a focus on design management. Looking back on her education she concludes that learning to work in teams from the start and undergoing the necessity to set clear goals, to organize and to schedule the work was a very valuable experience. Furthermore she appreciates the different design disciplines that built the teaching program of the Köln International School of Design in a very positive manner. For someone who is interested in design management it is very important to know the whole range of design and to be able to handle the different design specialties. The guest semester at INHOLLAND University in Rotterdam was a complementary experience and provided her with a set of management techniques and tools. In Rotterdam she studied together with students from different cultures and no one had a background in design. This was another big challenge for her.

Nina Kleebank is convinced that her education equipped her very well for the job she is doing now. She is one of four consultants at Interbrand, Zintzmeyer and Lux in Cologne and in her professional life she has experienced her design-related background as an advantage. Sometimes she thinks it must be a hard job for her colleagues to sell design to the clients and not having the design experience by themselves. She understands design management as a service for the client to implement design in their companies. Managing design means very often to talk about the organizational structure of a company in order to find the right place to establish a design manager. This service should include a review to prove the objectives were full-filled or the design management process has to be modified. Nowadays we have to ask ourselves what kind of value can design bring to a company? Until today there are no valid measures and tools available and there is really a demand for it. Finally, passing several years of professional experience Nina Kleebank recommends integrating more management in design education.

Conclusions

Design determines the success of a company. This has been proven by many “best practice” examples worldwide, which are showing us how to manage design successfully. Although we might find different perceptions of design management among different cultures, there is a unique understanding that design adds value. Design is a constant process of learning and education and therefore it should be managed carefully. ERCO delivered an example how to manage a company’s knowledge to improve learning processes for the company’s stakeholders.

Nowadays Design enters a new area: design — management — strategy. Design is becoming a serious part of the business strategy and it supports a company to concentrate on its DNA. The management of design helps a company to articulate the process. But still, we find a whole bunch of companies in the market which do not know yet what design can do for them and others that might know but don’t know how to start and how to handle design. Obviously there are a lot of prospect clients and a lot of work that needs to be done.

People who are managing design in a company are mostly self-educated coming from various backgrounds. Only a few have studied design management or graduated as design managers. And, few study programs are available on the international market. As a consequence there is a lack of experts who are able to do the job properly. Especially in small and medium-sized companies uncertainty exists and there is a lack of knowledge about the influence of the design approach. This means that as a first step the bosses (decision-makers) have to be trained. Furthermore more educational programs, like full-time and part-time master degrees, need to be developed.

The design-educators are convinced that education in first place has to motivate students and make them enthusiastic about the power of design. The curricula have to enable them to realize their own ideas and to work strategically and independently. They have to learn to communicate and to work across disciplines and to negotiate on the management level. They have to be prepared to bear the new responsibility and to deal with the global market and different cultures. However, alumni who studied design management or graduated from design management programs seem to be prepared quite well to do their jobs. After all there is a big demand on the market.

As educators in design management we will have to adapt the academic programs in design management to the needs of the business community and therefore develop programs to prepare graduates to handle design as a part of the business creation process. But also, we have to convince the companies that the management of design generates market advantages by inspiring them to use the power of design.