



**SERVICE[®]
DESIGN
ACADEMY**



Five Reasons
**SERVICE
DESIGN
WORKS**

www.sda.ac.uk

The world is an uncertain place. As the outbreak and spread of the Covid-19 virus has powerfully demonstrated, change can happen with devastating speed. At the same time, although less visibly, there are profound global trends at work, ranging from the climate crisis to technological disruption and evolving social attitudes. A business' ability to thrive in the face of change, in whatever form it takes, will depend on ideas, solving challenges and exceeding customer expectations.

In today's economy, characterised by digital purchasing, social media and a glut of communication channels, customers have more choice and influence than ever before. Satisfying their expectations is the minimum standard. To stand out from the crowd, companies must exceed expectations and delight customers.

And that's where service design comes in!



Service Design can help build resilience to challenges and create opportunities for the future

Service Design...



helps us to understand the humans involved to speed change



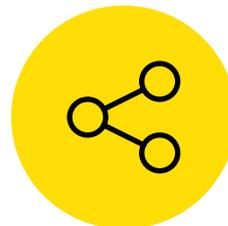
facilitates collaboration within and between department to enable people to align under a shared project



reframes challenges as possibilities to develop new stories and concepts for the future



helps us let go of perfect solutions, to develop experiments that enable learning and reduce risks



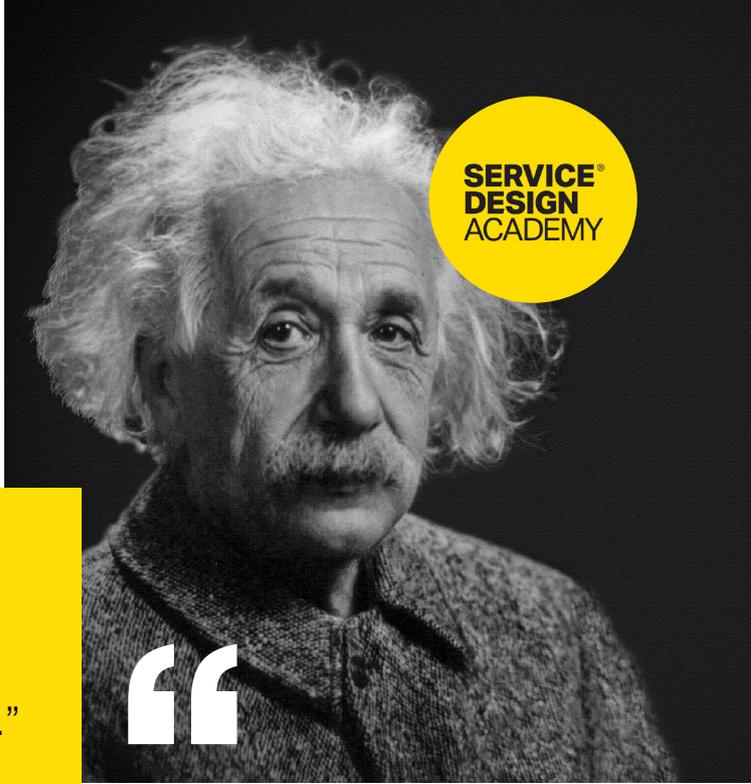
provides a structure to put our activities in context - to fit into the wider system

In this article we'll explain five reasons why service design works and provide real life examples from the Service Design Academy and other thought leaders.

1

SERVICE DESIGN IMPROVES BUSINESS PERFORMANCE

“We can’t solve problems by using the same kind of thinking we used when we created them.”



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Defining problems in obvious, conventional ways, not surprisingly, often leads to obvious, conventional solutions.

When service design is an integral part of a company’s strategy, it can improve business performance by unlocking the creativity within teams and encouraging a more collaborative, less risk averse culture focused on making things better for people. Naturally, this translates into a stronger brand with a clearer business purpose, coherent identity and great customer experiences that encourage loyalty and advocacy. Your customers become your sales team.

Long-term studies by McKinsey and the Design Management Institute have compared the performance of businesses with strong design capability against that of their peers. In both cases, the businesses that exhibited the best understanding and most effective use of design were found to outperform their peers by around 200% in terms of revenue and shareholder returns. Many other studies have linked design capability with increased customer satisfaction, faster growth, increased revenue, and exports. Evidence based award schemes such as the Design Business Association’s (DBA) **Design Effectiveness Awards** routinely highlight examples of design delivering significant value for business.

How one human centred insight led to \$4 billion in growth for American Express (Ideo Journal)



2 SERVICE DESIGN BUILDS RESILIENCE

This pandemic has exposed many flaws and vulnerabilities in our structures, practices, and ways of working that have been ignored for too long.



Service Design will help you re-invent the things that don't work as well as they should or things that need to change to fit new ways of working.

Perhaps for the first time, people can collectively see and understand that the way we currently work has levels of risk, inefficiency, bias, and waste baked in. We can no longer ignore the compelling reasons to re-invent ourselves, our communities and our organisations and build a better normal.

***A service design led pandemic response** gave Dundee & Angus College students the support they needed, and the College are able to implement the right customer experience plan quickly, saving time and creating organisational resilience.*

3

SERVICE DESIGN CREATES EMPLOYEE BUY-IN

An innovation won't succeed unless a company's employees get behind it. The surest route to winning their support is to involve them in the process of generating ideas.

In a stable environment, efficiency is achieved by driving variation out of the organisation. But in an unstable world, variation becomes the organisation's friend, because it opens new paths to success.

Recognising organisations as collections of human beings who are motivated by varying perspectives and emotions, service design emphasises engagement, dialogue, and learning.

By involving customers and staff in the definition of the problem and the development of solutions, design thinking garners a broad commitment to change.

DESIGN PRINCIPLES

The framework outlines four core principles for problem-solvers to work as effectively as possible:

Put people first

Start with an understanding of the people using a service, their needs, strengths and aspirations.

Communicate visually and inclusively

Help people gain a shared understanding of the problem and ideas.

Collaborate and co-create

Work together and get inspired by what others are doing.

Iterate, iterate, iterate

Do this to spot errors early, manage risk and build confidence in your ideas.

Staff become more loyal and more dedicated to making things happen. Not just your front line, everyone, because they care and are involved.

Importantly it connects the people designing a service with the people who will use it and moves away from organisational silos. Service Design gets around the human biases, for example, being rooted in the status quo because it's perceived as "too difficult to change" or attachments to specific behavioural norms "That's how we do things here".

It does this by overcoming workplace politics, as generated solutions are based on customer experience data, which is transformed into insights, which help teams agree on the design criteria they use to brainstorm solutions.

*Alex Breuer, Executive Creative Director and Tara Herman, Executive Editor, Design at The Guardian **tell us how** design thinking and service design not only helped them change their funding model and boost revenue, but also adapt their culture*

4

SERVICE DESIGN SOLVES THE RIGHT PROBLEM

Service Design explores the rationale behind the use of user research and how important it is to consider all stakeholders when designing the right thing, and the thing right.

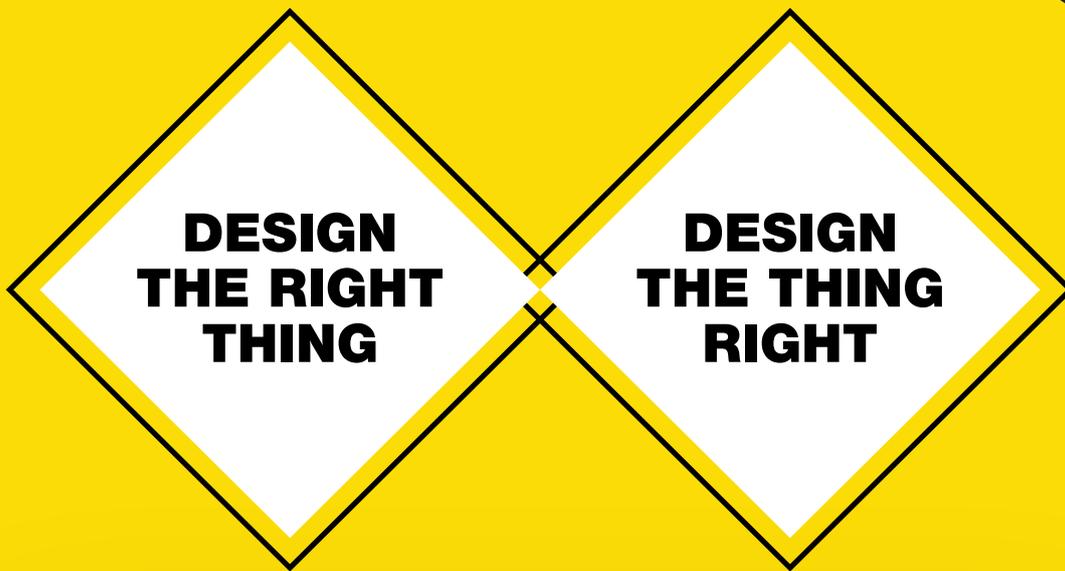


CLIENTS

USERS

The Design Council's Double Diamond clearly conveys a design process to designers and non-designers alike. The two diamonds represent a process of exploring an issue more widely or deeply (divergent thinking) and then taking focused action (convergent thinking).

The Double Diamond



Discover

Define

Develop

Deliver

Discover. The first diamond helps people understand, rather than simply assume, what the problem is. It involves speaking to and spending time with people who are affected by the issues.

Define. The insight gathered from the discovery phase can help you to define the challenge in a different way.

Develop. The second diamond encourages people to give different answers to the clearly defined problem, seeking inspiration from elsewhere and co-designing with a range of different people.

Deliver. Delivery involves testing out different solutions at small-scale, rejecting those that will not work and improving the ones that will.

5 SERVICE DESIGN IS A CATALYST FOR GROWTH

For businesses engaged in innovation, regardless of size or sector, design can be a catalyst for growth.

We can easily see the value of great design (and the detrimental effects of bad design) in the goods, services, and environments that we buy and use in our daily lives.

Great design boosts the value of new ideas by making sure they're not only feasible, but also desirable, useful, and frustration-free. It gives businesses a competitive advantage and allows them to compete on value, rather than price, by offering preferable customer experiences that command a premium. At the same time, design can find novel ways to reduce costs without compromising the result so delivering more valuable outcomes.

By offering a delightful experience, you build loyal customers who become your salesmen and women.

#delightingusers

#customerexperience

When you challenge the conventional wisdom of your industry, it allows you to view your organization from a different perspective, which helps you come up with different, more innovative solutions.
#innovation #branding #delightingusers

When conventional wisdom is challenged, we as consumers are pleasantly surprised and a spark of chemistry with the creator is ignited.

By involving people earlier through user-research, testing and co-design activities, a design approach can help companies make important discoveries and validate ideas sooner. It reduces the risk of late-stage problems, saving time and money and increasing the likelihood of successful outcomes thereby reducing innovation risk.

Service Design is all around you. So what distinguishes the best of the best? (Fast Company)

ROUND UP

The structure of design thinking creates a natural flow from research to rollout. Immersion in the customer experience produces data, which is transformed into insights, which help teams agree on design criteria they use to brainstorm solutions. Assumptions about what's critical to the success of those solutions are examined and then tested with rough prototypes that help teams further develop innovations and prepare them for real-world experiments. Service Design is about making mistakes in the right way so that you identify the gaps and the areas for failure before you finalise a service or a product. So economically it's a return on investment to ultimately save time, money, and resources.

**Great services don't just happen, they are designed that way.
We can help you to do that no matter what sector you're in.
If you'd like service design expertise in your business,**

GET IN TOUCH

sources:

Design in Innovation Strategy 2020-2024, Innovate UK

Why Design Thinking Works, Harvard Business Review

Design Council, Business Impact Report 2020

Service Design Academy (Stories)

The Design Council

The Business Value of Design, McKinsey & Co