

Executive Guide to Design Thinking



Learn how to utilize Design Thinking in your role as a leader and read summaries from Mariposa's 2012 *WiseTalk* interviews, including each guest's insights, what we found most interesting, and some practical tools.

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INTRO & CONTENTS

Mariposa Leadership, Inc. is thrilled to bring you excerpts from Design Thinking experts! Sue Bethanis kicks it off with an essay on how to utilize Design Thinking in your role as a leader. The following 12 chapters are outlines from Sue's 2012 *WiseTalk* interviews. The summaries include each guest's insights, what we found most interesting, and some practical tools. Content in these summaries is taken directly from the interviews, unless otherwise noted. You can get the whole interview by going to the full audio in the resource section at the end of each page.

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INTRODUCTORY ESSAY: *Leader as Designer*



“We are on the cusp of a design revolution in business. As a result, today’s business people don’t need to understand designers better, they need to become designers.”

—Roger Martin, Dean of University of Toronto’s Rotman School of Management



Roger Martin equates the role of “designer” with “leader.” I do, too. He and I are not talking about graphic design or interior design, or designing the next Eames-like masterpiece. Instead we are talking about Design Thinking—a movement, a model, and a philosophy that has caught on in business schools and business settings. Design Thinking taps into imagination and practicality, which taken together form the backbone of creative problem-solving and innovation.

There are a myriad of definitions of Design Thinking, many of which you can read about in the *Executive Guide to Design Thinking*. I see it as my role in coaching and writing to curate and translate various available theories and approaches, and my hope is that you use Design Thinking to help your teams think differently, solve problems, and come up with the next new things.

In describing Design Thinking, I have settled on the *Breakthrough!* model (detailed below) which emphasizes idea-to innovation. Since I was a college student, I have believed an idea is only as good as its usefulness, and adding Design Thinking to my repertoire three years ago only deepened my belief in this mantra. Things, services, and experiences can be beautiful and interesting, and practicality is still the key to good design!

In my coaching, I observe leaders who are “popcorners”: They’re considered visionaries who come up with an idea a minute—often in isolation—many of which don’t go anywhere. Even more often, I see leaders who “put all their eggs in one basket” and settle on one idea too quickly—again in isolation from their internal or external customers—and implement it without much testing or gathering enough feedback. For “popcorners” and “eggs-in-one-basket”-type leaders, their ideas often don’t materialize into innovations. A Design Thinking approach offers a practical way to get from idea-to-innovation, and I hope the *Breakthrough!* model of Design Thinking will serve you well.



Model inspired from: Stanford School of Design's course "Design Thinking and the Art of Innovation"

When you apply the Design Thinking principles of the *Breakthrough!* model to leadership, it looks like the following: Ask lots of well thought out questions, brainstorm frenetically, prototype imperfect things and experiences, test out multiple prototypes, fail fast, and start all over again. This is what being a designer is, and this is what leaders who are design thinkers do to help solve some of the seemingly intractable issues faced in this rapidly changing business landscape.

Whether you are trying to make a new product, establish a new service, design a workshop, figure out a new operation or process, delineate a new sales strategy, or productize a service, the *Breakthrough!* model can be applied. Each facet of the model can be used as a stand-alone tool; however, the overall process provides the necessary arc to set and solve the most wicked problems in a team or organizational setting.

Empathy – Put yourself in your customers’ shoes through interviewing and observation.

We create products, services, and experiences in isolation too much of the time. We need to have intimate knowledge of the users/customers by seeing people in action. We need to ask lots of well-thought-out, imaginative questions; videotape people in action; and sit next to an internal or external customer to experience what they are experiencing and feeling. This gives us context, and gives us a better chance to design something that will work best for the customer, not just for us. Constant customer feedback is vital when we are creating a new product or service. The same is true when we are solving even a simple problem.

A leader who is a design thinker will automatically look at a problem from multiple view points. Good designers and leaders are “T-shaped”: They have both horizontal perspectives and vertical skills. The vertical axis is typically the specialty in which you have been trained (in college and on-the-job) like accounting, psychology, industrial engineering, mechanical engineering, graphic design, or marketing. The horizontal axis portrays your ability to both empathize with and master disciplines other than your primary one. Thus, an optimal T-shaper is one who has a strength discipline and also takes the time to empathize with and apply other disciplines. For example, a General Manager (GM) of a game studio may have a vertical background as a product manager and be trained in and terrific at getting product features out the door; by comparison, a *highly successful* GM of a game studio also understands and applies knowledge in business analytics, user/customer experience, and organizational development. In other words, he or she is part MBAer, part designer, part anthropologist, and part coach.

Two good tools that get at empathy are *journey mapping* and *contextual interviewing*.

1. Journey mapping is plotting out each aspect of a customer’s experience. It is a good primer before you go into contextual interviewing. A couple of months ago, I did a customer journey map with a 7-person data storage marketing team made up of directors and managers. We actually did it over the phone, which I would not normally recommend. Even with that, I was amazed with the insights they were able to gain. This marketing team went through every touch point their external customer had in making decisions about buying their company’s most popular storage product. By going into minute detail and putting themselves in the customers’ shoes (their thinking and feelings), they were able to see some areas of opportunity that they had previously missed. When the team’s assumptions became clearer, they wanted to test them out. This required them to influence their sales counterparts to let them interview the customers and offer up a different set of questions than their sales partners had asked in the past.
2. Contextual interviewing is conducting conversations to understand the customer’s experience in their world. Early last year I helped a big data startup come up with pinpoint questions designed to get as close to potential users’ context and experience as possible. I encouraged the two founders to do as many interviews fact-to-face at the potential customers’ job sites or work spaces instead of on the phone or at their local Starbucks. The founders got such rich data from their “contextual interviewing” that they changed the direction of their startup because they saw a stronger need for a different kind of product.



The kind of data that you can get from journey mapping and contextual interviewing gives you the information you need to “set” the problem you will try to solve with brainstorming and prototyping. And having different perspectives in the room also helps “set” the problem.

Brainstorm – Do frenetic brainstorming that produces 100-200 new ideas; cull those ideas and determine which ones could be breakthroughs.

Remember the last time your team did a “brainstorming session”: You sat around a flip chart, blurted out a few things and tried really hard not to judge someone else’s ideas as someone tried to write on the flip chart the ideas that he/she heard. Throw that method out and try this one instead. I learned a variation of this at the Stanford Design School:

1. As the leader, come to your team with a specific question you want answered. This can be a question distilled from journey mapping or contextual interviewing. Or a question related to an internal team matter.
2. Encourage your team to be fearless, have fun, think differently and imaginatively.
3. Create 3-4 groups and give each team member a pack of sticky notes; ask each team member to write one idea on one sticky note, and say the idea out loud as he/she puts each sticky up on the wall.
4. After 10 minutes ask each team to count their stickies; then ask each group to double the amount of their stickies in the next 10 minutes. Remind them to merely put their ideas up on the wall and not comment on others’ ideas.
5. Let another 10 minutes pass...then see how many ideas were generated.
6. Take another 10-15 minutes for each group to look at the ideas as a whole.

If you employ this type of brainstorming, you will generate more and more varied ideas. It also nicely balances the individual and the group. People need to have time and space to do imaginative thinking on their own while also getting support from the group. Brainstorming the ideas is the easy part; culling and curating the ideas is harder. Use all or a few of the following questions to help you sort the data:

1. What are the patterns and/or themes you see in the data?
2. What are the outlying ideas?
3. What idea is your favorite?
4. Based on the problem, what idea(s) carry the most energy for a breakthrough?
5. Does it make sense for each person to develop one prototype? Or should small groups of 2 or 3 form to build a prototype together (or both)?

I have worked with many groups using this brainstorming protocol, and the key to success is casting a wide net. That little gem in the rough appears when you least expect it.

Prototype – Build prototypes rapidly, get feedback from users, refine product and relationships.

Prototyping is the “design doing” of Design Thinking, and it is the bridge between ideas and innovation. Once you have built an initial prototype, this is your vehicle to collect feedback from users and potential customers. This back and forth process is typically called *iteration*.

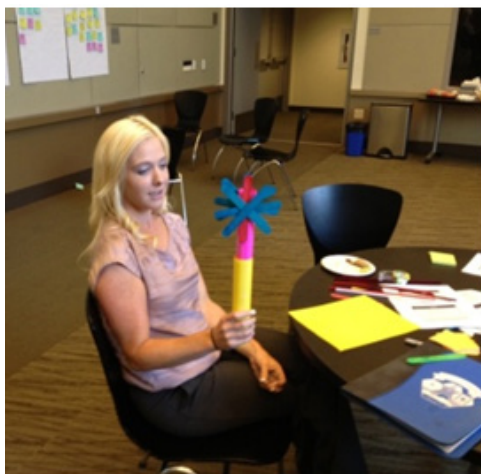
Prototyping takes on many hues depending on whether you are engaging in product or service design or creating an experience.



1. If your goal is to design a new product, here are some points to keep in mind:
 - “Rapid prototyping” is a term IDEO and Stanford d.school adhere to; they mean build your model fast and cheap, and sacrifice beauty for speed so you can get feedback sooner rather than later.
 - “Fail fast” is another important guideline that goes against the grain of traditional product development. The quicker you know your prototype doesn’t work, the better, so you can try something else.
 - Refine your product by getting customer feedback through interviews *and* observation. Watch your potential customers use your product in their environment and videotape their experiences. It is great at this stage if you can have an attitude of detachment so you’re more open to feedback and change.
 - Hopefully you started to build a relationship with current users and potential customers in the empathy stage, and now in the prototype stage, here’s where you want not only to refine your product, you also want to refine your relationships. Your goal is to have a long-standing sustainable relationship so you can continue to go back to them for feedback, testimonials, and eventually, referrals.

2. If your goal is to design a new service, all of the above points apply as well as the following:
 - Oftentimes when we design something non-tangible (think Virgin America’s kick-ass flying experience or an experiential workshop on influencing skills or ease of use at the ATM), we describe the experience in 2-D. We put it on PowerPoint and/or we tell a story with a lot of words. Tim Brown of IDEO often refers to prototyping as “building to think.” So even if you are designing a service or experience that seems non-tangible, make it tangible. Draw a storyboard of the step-by-step process of what the user will experience. Better yet, use raw materials with your hands to make a 3-D version of the service or experience.

3. If your goal is to solve a team problem and design a new experience, I want to strongly encourage you to make 3-D models of the potential solutions that you and your team have brainstormed.
 - Here are 3 recent “problems” I have facilitated with teams:
 - Networking Marketing VP/Directors: What is our 3-year vision?
 - City Government Managers: How do we best engage our employees to prevent burnout?
 - Social Media HR VP/Directors: How do we best productize our services?
 - There is no question that in coming up with the solutions to these problems, the teams could have used PowerPoint and even added a few nice photos or graphics to their presentations to capture the emotions of the users and/or employees. However, when you add the element of 3-D, it certainly livens up the solutions, and it allows you to use your right brain while you’re building. The 3-D versions act as lasting symbols that you can proudly show to your colleagues, use to decorate your desk, and of course, test with your employees. In the *Breakthrough!* workshops, I bring in a big backpack filled with raw materials—construction paper, PVC tubing, hot glue guns, straws, tons of markers, pipe cleaners, foam board, rubber bands, LED lights—so participants can turn concepts into breakthroughs. Remember, this process is less about drawing (2-D) and more about making (3-D), like the two examples here.



Last, whether you’re building prototypes for products, services, or experiences, it’s important to put attention into the space you’re using. Be sure you allow ample room for people to spread out, be messy, and be in their own worlds. Unless you are trained as an artist or product designer, the process of “making” things may cause some anxiety and resistance in people. Ensure that the environment is comfortable and fun and has some natural light.

Implement – Determine what works through testing and influence.

Implementing starts as a very soft launch. In this stage, you will test your product, service, or solution for an extended period of time, continue to refine it, and determine who you have to influence to get your product, service, or solution approved or blessed. Here are some essential elements of this stage:

1. You will want to test a more refined version of your prototype, and if you are a product developer, perhaps you have now transferred your prototype from handmade to computer-made. Inexpensive technology now available allows you to print prototypes on a desktop 3-D printer. It's pretty amazing, actually, and if you haven't seen or used this technology, I highly recommend it. I believe these devices alone will shift the way we design products.
2. You will determine what users will test your refined product, service, or solution. Perhaps it is the same internal or external customer you partnered with on the prototype, or perhaps you have referrals from these customers. With these users, you can pilot a workshop or ask a customer to use your refined product for a couple of weeks; all the while you will be collecting more data.
3. Depending on how refined your product, service, or solution is, at this time, you will need to start planning one or all the following:
 - develop your go-to-market strategy
 - choose your internal partners to form a team
 - gather success data in order to make your business plan
 - determine who you have to influence to get budget to manufacture your product, or roll out your service or solution.
4. Whether you are attempting to implement a product, service, or solution, please keep in mind: No matter how neat your prototype is, implementing requires more than just a happy user or customer; influencing the internal decision-makers is just as essential in order for your idea to become a true innovation. Your idea cannot stand alone on its beauty, coolness, performance, or even its usefulness. So much of what determines whether your idea turns into an innovation depends on your ability to influence your boss, your colleagues, the finance department, etc. More than any other single dilemma I hear from my clients is: How do I convince the so-and-so department to adopt my (you name it)? Influencing skills have always been an essential aspect of leadership (see *Leadership Chronicles of a Corporate Sage*), and influencing skills are central to *Leader as Designer*. There are many resources on influencing skills; please consider two of my favorite authors, Dan Pink and Robert Cialdini.

Conclusion

My goal in this essay is to open up Design Thinking to different applications and audiences, and to offer up a clear process to go from idea-to-innovation. The *Breakthrough!* model is not just a way to design cool products (it is that!); it is also an engagement method that leaders can use to solve problems. If your tendency is to be impetuous, then be sure to interview your users/customers/employees before you try to sell them your product. If your tendency is to sink into scads of data so that you can perfect the ultimate product or experience, then stop, make a prototype of your concept and get it out to users ASAP to see what people think and feel. If you're already using the *Breakthrough!* model or some semblance of it with success, fantastic! Then get out there and coach someone else to be a *Leader as Designer!*

Finally, I welcome your comments and questions! This essay is merely a prototype; there will surely be more iterations!



Resources

- *Breakthrough!: What Wicked Problem Do You Want to Solve?*, Energize Your Leadership Creativity Executive Workshops, Mariposa Leadership Inc., San Francisco, CA.
- *Design Thinking and the Art of Innovation*, Innovation Masters Series, Stanford Design School course, Stanford University, Palo Alto, CA.
- *How to Design Breakthrough Inventions*, David Kelly interview. CBS 60 Minutes, January 6, 2013.
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About the Author



Susan J. Bethanis, Ed.D., is the Founder/CEO of Mariposa Leadership, Inc., a 12-person San Francisco-based firm that provides executive coaching to technology leaders. Mariposa’s clients include Facebook, Pinterest, Fitbit, FireEye, Amazon Web Services, HP Networking, Gilead and SLAC. Sue’s book, *Leadership Chronicles of a Corporate Sage*, is a fly-on-the-wall account of real conversations between a coach and an executive. Sue received her Doctorate in Education at the University of San Francisco, specializing in Organizational Leadership, and her Master’s Degree in Education from Stanford, specializing in Instructional Design. To learn more about the *Breakthrough!* workshop and how Sue applies Design Thinking in her work, please write her at sueb@mariposaleadership.com, follow her [@suebethanis](https://twitter.com/suebethanis), or go to <http://mariposaleadership.com/services/workshops-group-facilitation/>.

Thanks

I am thankful for many insights from Roger Martin in the form of books and conversations; he has had a tremendous influence on my thinking. I also want to thank Bill Burnett at Stanford d.school: The 2010 course, *Design Thinking and the Art of Innovation*, that Bill taught in and coordinated was the original impetus for all of this work. I also appreciated learning about Jeanne Liedtka’s work last November; she is a kindred spirit when it comes to problem-solving and practicality!



CHAPTER ONE: *Brand Thinking for Leadership*

Guest:

Debbie Millman, President of Design, Sterling Brands
January 24, 2012

Summary of Topic:

Prominent designer Debbie Millman joins Sue Bethanis for a *WiseTalk* discussion about what it really means to brand your company, product, services—even your person—in order to attract the customers and clients you want, and how to apply some of that big-picture thinking to where you want to lead your company.

Favorite Quote:

“I believe that the conditions of brands now reflect the condition of our culture. And by extension, branding reflects the condition of our species. I was seeking to examine why we brand and why we as a species are compelled to make and mark things.”

Insights from the conversation:

Why are people compelled to brand? In the 1800's, product brands were created as a label of consistency. Brands today are very different in terms of what they represent. Now, they're used to signal affiliations and stimulate a basic human need—a need for connection and belonging. We can attribute our need for connection and belonging to the limbic (mammalian) part of our brain. We simply cannot exist without wanting to reference others—other people; other symbols. We are hard wired to want connection—to our families, society, community, and to brands—without which we wouldn't be able to survive or thrive. Brands allow us to communicate who we are and what we believe in to the world. Brands provide us with a sense of belonging and in many ways, we naturally feel happier in the company of others who have like-minded values and visions about our place in the world. We've never lived in a time before when it was so easy to be able to decipher whether or not somebody had similar affiliations based on what they were wearing or their relationship to society. Even for those who don't want to communicate a brand or logo and purposefully don't consume certain products or services, that still says something about who they are and their affiliations—their own cultural, economic, or personal brand.

So, how does this relate to design thinking? Design thinking (which Debbie also calls human thinking) provides a process

to and helps make sense of the cultural, economic, and personal implications in the creation of things. Ultimately, it's about what it means to be human right now, and design thinkers assess what it is we're making and figure out how that helps solve various fundamental problems. Brand thinking is about creating an empathic understanding between somebody that needs something and somebody that's making something. Whether that is something to be acquired or consumed may not necessarily be part of the equation. Design thinking facilitates the creation of products and solutions on a large scale thereby meeting basic human needs, helping us feel more connected to each other, thus a greater sense of belonging. Design = Human = Brand.

What we found most interesting:

Debbie revealed that her most revelatory moment of writing her book, *Brand Thinking and Other Noble Pursuits*, was when she interviewed Dan Pink and he spoke about brand responsibility. He said that if better living comes through consumption, it doesn't stop when you've consumed everything you covet; that brands are elusive and don't keep you happy for very long. Debbie quoted Dan saying, “The evidence is overwhelmingly clear that human beings metabolize brands very quickly. I am specifically using the world metabolize because we're talking about hunger and thirst. If a big screen TV is your symbol of stature and significance, you're playing a fool's game. These kinds of external objects do not provide enduring satisfaction.” She said that Mr. Pink went on to talk about what psychologists call the “hedonistic treadmill”. In other words, you know you're on a hedonistic treadmill when you're always looking to validate yourself by buying things, yet you never find satisfaction. It's an endless and addictive cycle. The brand's purpose is to get you on that treadmill, which may be good for business in the short run, but in the long run, the consumer is doomed.

For more information:

- *WiseTalk* Recording: <http://bit.ly/2e5sfbR>
- Book: [Brand Thinking and Other Noble Pursuits](#)
- Video: bit.ly/DebbieMillman-BrandThinking
- Contact: debbiemillman.com
- Twitter: [@debbiemillman](https://twitter.com/debbiemillman)

CHAPTER TWO: *Clearing the Way for Progress*

Guest:

Teresa Amabile, Edsel Bryant Ford Professor of Business Administration, Harvard Business School
February 28, 2012

Summary of Topic:

Sue talks with renowned psychologist Teresa Amabile about the best—and surprisingly small—ways to motivate employees to think big and do their most creative and inspired work

Favorite Quote:

“Inner work life matters. It matters how people feel at work, how motivated they are, and what they think of the place they’re working. It matters for how well they’ll perform. It’s important for people to understand that of all the things that drive people in their work and make them feel good about the work that they’re doing, the single most important is simply making progress on meaningful work.”

Insights from the conversation:

Inner work life includes perceptions, emotions, and a sense of motivation—all of which are the basic psychological experiences people have as they react to and try to make sense out of what is going on in their work day.

- Perceptions include judgments, impressions, and thoughts we have as we try to figure out why something happened, what it means, and what that signifies.
- We form perceptions to give us context of our place in the organization, in relationship to our coworkers and our boss, and also in relationship to ourselves. Emotions are all of our feelings. They can be sharp, distinct, intense emotional reactions to a specific event or a more diffuse mood throughout the course of the day.
- Our emotions and perceptions interact with each other, so when something unexpected or ambiguous happens, our minds try to make sense of it.
- Emotions and perceptions influence motivation: our drive to do what we’re doing and the reason why we do it in a certain way.
- Intrinsic motivation is the motivation to do something because of a deep interest in it, out of enjoyment, and because it satisfies and personally challenges, i.e. passion is high intrinsic motivation.

What we found most interesting:

Teresa explains a study she did to measure the inner work life of groups of creative knowledge workers in 7 different companies. Her goal was to measure the productivity and creativity but the participants were not aware of this. The research was collected through an email questionnaire that participants returned on a daily basis. She analyzed and categorized over 12,000 of these diary entries along with peer reviews over the course of several years and this is what she found:

- A positive inner work life exhibits higher levels of creativity, productivity, and team cohesion.
- Positive emotions translate to people being 50% more likely to come up with a creative idea or solve a problem.
- Negative events have a stronger impact in a negative direction, two to three times stronger, than positive events did in the positive direction.
- People are less productive and creative under pressure or stress.
- Five motivators were identified: Progress, Incentives, Recognition, Clear Goals, Interpersonal Support
 - By far, progress is the most important factor in allowing people to feel deeply and happily engaged; intrinsically motivated.

Practical tool to apply:

Take 5-10 minutes at the end of each work day to reflect—see where you made progress; identify any setbacks and why. This will help you practice identifying emotions and perceptions as they arise and will increase your personal motivation.

For more information:

- WiseTalk Recording: bit.ly/262h1hn
- Book: [The Progress Principle: Using Small Wins to Ignite Creativity at Work](#)
- Video: bit.ly/TeresaAmabile-ProgressPrinciple
- Contact: progressprinciple.com
- Twitter: [@TeresaAmabile](https://twitter.com/TeresaAmabile)

CHAPTER THREE: *Why Design Matters*

Guest:

Bill Burnett, Executive Director of the Design Program,
Stanford University
March 22, 2012

Summary of Topic:

Sue talks with Stanford Design Professor Bill Burnett about three critical components of design thinking: Empathy, putting yourself in your customer's shoes; brainstorming, to produce a myriad of ideas; and rapid, imperfect prototyping designed to vet ideas quickly.

Favorite Quote:

"What really unlocks innovation is not coming up with a solution but finding the right problem."

Insights from the conversation:

The word design is used for a lot of different things. There are also many types of thinking in the world. Engineering thinking for example, is rigorous and mathematically based—using math, you solve equations and you get answers. There's also business thinking where you make decisions through comparison, based on some figure of merit such as net present value or strategic fit.

What makes design thinking different? First of all, it works on a different kind of problem and most of the problems that we face today really can't be solved like an engineering problem—there's no one right answer—or even in terms of finding out what's better or worse. It's more challenging because the problems are complex and involve many different players. They're strategic in nature and they can have many answers because they're the problems of people.

Design thinking is a method of problem solving that's bigger than just designing things—it's for all kinds of problems that business leaders work with. We're being challenged to create more products with fewer resources and new competitors are entering the market daily. Also, by the time you launch a strategy or come up with a solution, the entire problem has changed because things are moving so quickly.

From Bill's perspective, some of the basic tenets of design thinking are:

- You're never going to fully define the problem but you have to understand where the center of the issue is and

that's always with people—so you start with empathy.

- Use interviewing and other techniques to actually meet and be with the people we're trying to create solutions for.
- Step back and frame a point of view after you discover where and what's interesting about their problem.
 - Our first answer is generally wrong and a response to the problem based on our perceptions rather than the actual data.
 - Brainstorm, mind map, do bio-mimicry, etc., and come up with lots of answers.
- Build a prototype to find out what you missed.
 - A prototype is not a solution but a means by which to re-engage the user.
 - Gather feedback, realize where they fail, and iterate - go back and derive a new point of view and do more brainstorming.

What we found most interesting:

Iterating and co-creating the way to the solution with your users is what truly gives this process an edge over the traditional method of 'research, plan, and execute'. Because you have a chance to fail repeatedly in very small ways and collapse the boundary conditions around your problem to get all the stakeholders to the table, you can reveal all the issues behind the things people say and do. The things people say and do aren't really what they think and feel and you have to get behind their words and actions to the thinking and feeling part of the problem before you're really on the right track.

For more information:

- *WiseTalk* Recording: bit.ly/2ejA9UD
- Book: *The Design of Business: Why Design Thinking is the Next Competitive Advantage*
- Video: bit.ly/BillBurnett-DesignThinking
- Contact: dschool.stanford.edu/bio/bill-burnett/
- Twitter: [@wburnett](https://twitter.com/wburnett)

CHAPTER FOUR: *Your Business Re-designed*

Guest:

Roger Martin, Dean of University of Toronto's Rotman School of Management
May 2, 2012

Summary of Topic:

Sue talks with prominent design thinker Roger Martin, Dean of the Rotman School of Management at the University of Toronto, about *abductive reasoning* as the backbone of what it takes to keep an organization moving forward while not neglecting practical efficiencies and rewards. Leaders at any level can learn how to hold space for these seemingly opposable goals for incredible competitive advantage.

Favorite Quote:

"How often do you get a blinding insight out of your own head? You usually get to blinding insights when you listen to somebody and take that little snippet of logic or data, merge it with something that is in your head, and whammo, out comes an interesting new idea. You systematically prevent yourself from getting there by being dismissive of users, clients, and colleagues who don't agree with you."

Insights from the conversation:

A person or organization instilled with that discipline of design thinking is constantly seeking a fruitful balance between reliability and validity, between art and science, between intuition and analytics, and between exploration and exploitation. The design thinking organization applies the designer's most crucial tool to the problems of business. That tool is *abductive reasoning*. Unlike deductive or inductive reasoning—which goal is to declare a conclusion to be true or false—the goal of *abductive reasoning* is to posit what could *possibly* be true. Whether they realize it or not, designers live in a world of abduction; they actively look for new data points, challenge accepted explanations, and infer possible new worlds.

What we found most interesting:

The way you create value in life as a business or non-profit is to advance and drive knowledge through what Roger calls "the knowledge funnel". From mystery: where we don't even know what we're looking at—to heuristic, which is a way of thinking about the problem that helps us get to an answer—to algorithm, which is a mechanical way of ensuring you get

to the outcome you want.

As you move from mystery to heuristic to algorithm, efficiency increases. The process that wins in an industry is one that can take today's mystery, drive it into tomorrow's heuristic, drive it into next week's algorithm, and exploit that algorithm to grow to size, use the proceeds of that to explore the next mystery, to heuristic, to another algorithm. In this way, you will always have an advantage over your competitors.

Practical tool to apply:

Roger mentioned on *WiseTalk*, 'What I try to do is pay attention to the things that don't fit.' He went to talk about how you develop that ability to notice the things that don't fit? It's really helpful for somebody in a superior or mentor role with their protégé or subordinate, to ask them what they notice in particular situations. Try and notice the impact on other people by following them through their processes. The more you do this, the more you develop your cognition to notice and suddenly you have a theory, if you will, of noticing.

For more information:

- *WiseTalk* Recording: bit.ly/262h1hn
- Book: [The Design of Business: Why Design Thinking is the Next Competitive Advantage](#)
- Video: bit.ly/RogerMartin-DesignofBiz
- Article: [Designing Relationships](#)
- Contact: rogerlmartin.com
- Twitter: [@RogerLMartin](https://twitter.com/RogerLMartin)

CHAPTER FIVE: *Creating a Design Thinking Culture*

Guest:

Catherine Courage, VP Product Design, Citrix Systems, Inc.
May 31, 2012

Summary of Topic:

Sue asks Citrix VP of Product Design Catherine Courage her insights about what works—and what doesn't—when creating a “design thinking (and doing)” culture within your organization.

Favorite Quote:

“Keeping your team inspired is critical to success. Hire a team of A+ players, and give them exciting and challenging problems; then just get out of their way. And take time to recognize and reward greatness and be sure to have fun as a team along the way.”

Insights from the conversation:

Design thinking is a different mindset. In an engineering driven company, like most technology companies are, it's very much about execution and driving forth solutions very quickly. However, the design thinking approach is not geared toward execution and driving toward solutions immediately. It's about taking a step back—looking at the big picture—because if you start with a solution in mind, you're going to be focused on constraints and existing things that could result in only incremental improvements. You're never going to get to that next breakthrough.

Design thinking is not only about ideation. However key, the customer is your first focus, but it's not about focus groups. It's about spending time with the customers in their world, observing them, and truly developing empathy for them. It's about listening and deeply understanding their needs. It's about asking: What are all the things we could possibly do based on the problems we see and our understanding from the customer? Once you have many answers and ideas around that, narrow them down. Ask, what do we realistically think is the right solution? This is when you come up with phenomenal ideas that never would have emerged had you not taken the time to step back and idealize.

Catherine also says as you start to refine what you want to build, you want to keep the customer engaged and iterating the ideas. Get those prototypes in front of customers; get feedback early and often. As mentioned before, it really is all

about ideation and the customer—those two are the core of the process.

What we found most interesting:

Traditionally, the biggest barrier in the customer observation, prototyping, and iteration process has been the sales team. They've disliked the idea that designers were going out and talking to the customers—they thought it would mess up their deal. But in reality, the customers love it! They love that you're out there asking them and that you care enough and want to make their product better. It gives them a sense of affiliation. It's usually the sales team you have to convert by getting them out to see the reaction. Then they see what a huge asset it is to sales and soon realize it's like saying, 'Our company cares about design and we care about our customers. Your voice matters and you can play a significant part in shaping your products.'

Practical tool to apply:

How do you take the customer observation data and turn it into something tangible?

It's crucial to regroup quickly. Using whiteboards and post its, do an “affinity diagram” where people write their discreet findings and discoveries down on post-its, group them according to trends, then identify what's repeating and what's related. Use color coding—green post-its for the really great ideas uncovered; Pink post-its for the difficult moments which uncovered things that must be fixed; Blue post-its for the innovative ideas and “aha” moments had. You will end up with a very visual map. From there, someone transcribes it all into a document and you can move into prototyping.

For more information:

- *WiseTalk* Recording: bit.ly/2eusrDb
- Book: [Understanding Your Users: A Practical Guide to User Research Methods](#)
- Video: bit.ly/CatherineCourage
- Article: [From 0 to 365: My First Year as a Design Executive](#)
- Twitter: [@ccourage](#)

CHAPTER SIX: *Jugaad Innovation*

Guest:

Navi Radjou, Fellow, Judge Business School, University of Cambridge
June 20, 2012

Summary of Topic:

Sue talks with thought leader and strategy consultant Navi Radjou about innovation in emerging markets and how to apply frugality and flexibility in your company.

Favorite Quote:

"You don't have to invest a lot of money to get breakthrough results. It's been observed that when a lot of money is at play, people actually become more discouraged – they tend to play it safe so they don't 'rock the boat', so to speak. With the Jugaad approach, you actually de-risk the innovation process by not becoming too obsessed with the resources at play, but more focused on the customer needs, then discovering the ideal solution to meet their need."

Insights from the conversation:

What is Jugaad Innovation? Jugaad is a Hindi word that means: the gutsy art of overcoming adversity by improvising an ingenious solution using limited resources. It's really about a frugal and flexible mindset that allows you to overcome very complex problems. Think MacGyver—he embodied Jugaad in every episode of his TV show. He was able to save himself from many difficult situations using simple tools. This kind of "Yank ingenuity" was very prevalent in America but over time we lost touch with it because we were introduced to structured R&D techniques. However, Jugaad is very prevalent in emerging markets and it's used very successfully by entrepreneurs and companies in India, China, Africa, and Brazil. Because of its effectiveness and profitability, this mindset is very relevant to the western world moving forward.

But how does it foster growth in an organization? We learn from Jugaad that you don't have to spend a lot of money in R&D to get great results. It's becoming more necessary to apply the DIY, fluid, and improvised way of innovation to large organizations because of volatility and resource constraints.

The six principles of Jugaad are:

1. **Seek opportunity in adversity**—maintain the ability to always see the glass half full.
2. **Do more with less**—practice frugality and develop the ability to deliver more value at less cost.
3. **Think and act flexibly**—optimize how quickly you can adapt in changing environments.
4. **Keep it simple**—technology has made life much more complex so try to make it easier on your users.
5. **Include the margin**—inclusive capitalism that makes profits also improves the lives of all.
6. **Follow your heart**—you must rely on more than an analytical mind; follow your intuition, empathy, and passion.

What we found most interesting:

Innovation and frugality go hand in hand. On this Wise Talk, Navi shares a discussion he had with the CEO of Renault-Nissan, Carlos Ghosn, who coined the term "frugal engineering", and how he implements the Jugaad principles in his company. Mr. Ghosn actually challenged his western engineers to come up with cars that cost \$10k rather than \$30k. He saw the economic recession was looming and people worldwide were cutting major expenses. His engineers came up with a car called the Logan that would sell for about \$10k. They thought it would be successful only in emerging markets like the Middle East and Africa, but it actually became a best seller in France, the home country of Renault-Nissan. Why? Because it was simple, affordable, and it met people's needs.

For more information:

- *WiseTalk* Recording: bit.ly/2eSfHsP
- Book: [Jugaad Innovation: Think Frugal, Be FLEXible, Generate Breakthrough Growth](#)
- Video: bit.ly/Jugaad-Video
- Article: [Use Jugaad to Innovate Faster, Cheaper, Better](#)
- Contact: naviradjou.com
- Twitter: [@NaviRadjou](https://twitter.com/NaviRadjou)

CHAPTER SEVEN: *The Power of Thinking Differently*

Guest:

Javy Galindo, Adjunct Faculty, John F. Kennedy University
July 25, 2012

Summary of Topic:

Sue talks with creativity speaker, consultant, and author Javy Galindo about the process of thinking differently and how to develop team skills to bring your ideas to reality.

Favorite Quote:

“You don’t have to invest a lot of money to get breakthrough results. It’s been observed that when a lot of money is at play, people actually become more discouraged – they tend to play it safe so they don’t ‘rock the boat’, so to speak. With the Jugaad approach, you actually de-risk the innovation process by not becoming too obsessed with the resources at play, but more focused on the customer needs, then discovering the ideal solution to meet their need.”

Insights from the conversation:

Upon mention of creativity, most people’s initial thoughts go to that of an artist—a dancer, musician, or painter. Or if you come from the business world, you think about creativity in terms of product development, increasing revenue, and streamlining processes. According to Javy, the process the artist goes through and that of an entrepreneur, inventor, or scientist are the same. If you can understand the process and the different aspects of creativity, you can be prepared to deal with the obstacles that will naturally occur as you go through the different stages.

In this *WiseTalk*, guest Javy Galindo—with his extensive background in psychology, philosophy, business, and music—outlines six different aspects of the creative process that closely follow the idea of “individuation.” Coined by philosopher Carl Jung, the idea is that human beings, as we grow through life, continually evolve and change, and if we don’t, we often feel stuck in our lives. The six aspects of Javy’s process are:

1. Developing habits and skills
2. Choosing to explore
3. Letting go of dominant perceptions
4. Generating ideas
5. Letting ideas find you
6. Bringing ideas to life

What we found most interesting:

How does this apply to the business world? When working in groups, one of the biggest stumbling blocks of creativity in the workplace is the actual environment and types of social interaction that we’re used to in our office. With creative teamwork, we don’t necessarily need a group of expressly creative people in order to come up with great ideas in a brainstorming session. Everyone is inherently creative; it’s just a matter of nurturing and practicing those inherent abilities. When we’re in a brainstorming session or business meeting, what often gets in the way of us sharing our ideas is the worry that others will judge us harshly. Because we don’t trust our co-workers enough to expose ourselves and share our ideas, we are hindered and limited in our thinking and expression. Therefore, an essential key to this process is to establish rapport and have fun with the people we want to create with. This means developing trust and comfort with our fellow co-workers, taking time out to play games and cultivate affiliation beyond what we’re working on. It can be challenging in the face of work stress or imminent deadlines, but introducing fun team building activities to our workplaces is necessary in order to foster creativity.

Practical tools to apply:

Recognize when your worry or fear of judgment gets in the way of your creativity and don’t let it hold you back. Cultivate relationships in your workplace and introduce fun activities to help bring people together. Reach out to HR for support.

For more information:

- *WiseTalk* Recording: bit.ly/2e7bT5O
- Book: [*The Power of Thinking Differently: An Imaginative Guide to Creativity, Change, and the Discovery of New Ideas*](#)
- Video: bit.ly/JavyGalindo
- Article: [Creativity Brainstorming](#)
- Contact: thinking-differently.com
- Twitter: [@JWGTHINK](#)

CHAPTER EIGHT: *Breakthrough Creativity*

Guest:

Josh Linkner, CEO and Managing Partner, Detroit Venture Partners
August 20, 2012

Summary of Topic:

Sue talks with tech entrepreneur and bestselling author Josh Linkner on how to drive breakthrough creativity in business and individual success.

Favorite Quote:

“Research shows that creativity is in fact 85% learned behavior, which means that all of us really have enormous amounts of creativity. We just need to develop a skill set to bring it out.”

Insights from the conversation:

There’s a myth that creativity is this awe inspired lightning bolt; instead, creative breakthroughs consist of small processes that you tinker with for a while until you reach a better conclusion. For his book *Disciplined Dreaming*, Josh conducted interviews with 200 thought leaders—artists, musicians, non-profit leaders, billionaires, CEOs—and boiled his insights into a step-by-step process. What he discovered was that in the business world, there are processes for just about everything, from how to deal with a customer complaint to how to set the alarm. However, he found that creativity is often left to happen by chance.

He wanted to demystify the creative process and came up with a five-step process to having a creative breakthrough:

- **Ask:** Why, what if, and why not? These three questions force you to imagine what can be, rather than just what is. Asking directs your creativity towards a specific target and awakens your curiosity and awareness.
- **Prepare:** The more prepared you are, the more creative you can be. Prepare your physical environment, your mindset, and as a leader, your culture. Create workplaces that celebrate the creative process rather than hinder or punish it.
- **Discover:** Seek inspiration and also borrow ideas from other fields, such as nature or other industries. You can often find it in non-traditional ways and places to then come up with innovative breakthroughs.
- **Ignite:** Distinguish the sparks of creative ideas and then use some specific techniques to unleash creativity.

- **Launch:** Reconnect your right (creative) and left (analytical) brain and figure out how to put them in action.

What we found most interesting:

In this *WiseTalk*, Josh describes “role storming” as one of the techniques that can be used to ignite sparks of creativity. In essence, you brainstorm in character. His studies have shown that fear is the number one block to creativity and so if your role storming, you’re brainstorming as if you’re somebody else and all those fears disappear. In a regular brainstorming session, we might be afraid to share our ideas for fear of judgment—What others will think? Will I be taken seriously? What will my boss think? —but if you’re role storming and you take on the character of Steve Jobs for example, no one is going to laugh at you for coming up with a big idea. In fact, they might laugh at you for coming up with a small idea. So, in this case, playing the role of Mr. Jobs, you have unlimited ability to create and no real threats or fears holding you back.

Practical tool to apply:

Pick your favorite character—a movie star, a politician, a sport hero, a scientist, whoever inspires you—and try role storming with your next creative idea.

For more information:

- *WiseTalk* Recording: bit.ly/2e25Myq
- Book: [Disciplined Dreaming: A Proven System to Drive Breakthrough Creativity](#)
- Video: bit.ly/Linkner-TED
- Article: [5 Ways to Kill a Brainstorming Session](#)
- Contact: joshlinkner.com
- Twitter: [@joshlinkner](https://twitter.com/joshlinkner)

CHAPTER NINE: *Business Model Innovation*

Guest:

Saul Kaplan, Founder and Chief Catalyst, Business Innovation Factory
September 24, 2012

Summary of Topic:

Sue talks with business innovation guru Saul Kaplan on how to capture, design, innovate and transform your business. Saul is the author of *The Business Model Innovation Factory: How to Stay Relevant When the World Is Changing* and a regular contributor to *HBR*, *Fortune*, and *Bloomberg Businessweek*.

Favorite Quote:

"Business model innovation is not about inventing something new. It's about re-assembling the parts."

Insights from the conversation:

With business model innovation, we want to get below the buzzwords. We want to focus on transformational change: How we reinvent ourselves as individuals, the organizations that we work in, and the communities we live in. Not how we tweak them or make small incremental changes, but how we transform them. While we're good at tweaks and small changes, we're not as good at making bold transformational changes, and that usually takes the form of an entirely new business model or the way we create, deliver, and capture value.

We haven't had to change the business model in a long time because our way of creating, delivering, and capturing value has worked for a long time. We occasionally improve the capabilities and improve the existing model, but the problem we have in the 21st century is that the business model we've been using will not last as long because everything is changing at such a rapid pace, and we're all vulnerable to being disrupted.

What we found most interesting:

During this *WiseTalk* with Saul, he discussed Blockbuster's business model. At its peak, there were over 5,000 Blockbuster video stores in the U.S., and they were highly successful at creating and delivering value to their customers. It was a booming business model! Then the DVD came along and what did Blockbuster do? It added DVD's

to its shelves which gave us a choice thereby adding value; however, Blockbuster didn't rethink the business model despite the new wave of technology. Reed Hastings came along and changed all of that. He was upset about getting a late fee from Blockbuster so he created a business that would mail DVDs to customers, allow them to order from the internet, and there would never be a late fee. He disrupted the existing model of movie rental and suddenly Blockbuster (and every other video rental store) got "Netflixed", a term coined by Saul.

As Saul points out in his book, the most important technique to begin the process of business model innovation is called "changing your lens." All of us think about our current business through the lens of our current business models. And until you change that lens, you're almost never going to do anything other than small incremental improvements. If you want to get ahead of a potential disruption, if you want to be the disruptor rather than the disrupted, if you want to avoid being "Netflixed," you have to change the lens.

The lens you should start with is the lens of your customer. What are they trying to do? What job are they trying to get done? What problem are they trying to solve? Can we design a way to solve that problem or deliver value that might take us outside of the way our current business model works? Are there ways that might force us to think about some new or different capabilities than we're accustomed to using inside of our current model?

Practical tool to apply:

Ask yourself, will you wait to be disrupted or are you going to become the disruptor?

For more information:

- *WiseTalk* Recording: bit.ly/2emALFp
- Book: [*The Business Model Innovation Factory: How to Stay Relevant When the World is Changing*](#)
- Video: bit.ly/SaulKaplan-BMIF
- Article: [The Hardest Question Any Leader Can Ask](#)
- Contact: businessinnovationfactory.com
- Twitter: [@skap5](https://twitter.com/skap5)

CHAPTER TEN: *Gamestorming*

Guest:

Dave Gray, Founder, XPLANE
October 23, 2012

Summary of Topic:

Sue talks with visual thinker and creativity expert Dave Gray on finding new ways to sharpen innovation in your company and on your team.

Favorite Quote:

“Playful structure actually helps orchestrate the process of creativity and how you structure group interaction matters a lot.”

Insights from the conversation:

Gamestorming is a set of practices for facilitating innovation in the business world. A facilitator leads a group towards some goal by way of a game or a structured activity that provides scope for thinking freely, even playfully. A game may be thought of as an alternative to the standard business meeting, one that suspends some of the usual protocols and replaces them with a new set of rules for interaction. These are great tools for the ideation phase of design thinking.

What we found most interesting:

During this Wise Talk, Dave Gray said, “At the rate which things are changing we must take more of an iteration-driven process as opposed to having the perfect plan.

Practical tool to apply:

One of the very quick and incredibly helpful games from Dave’s book, *Gamestorming*, is an Empathy Map as a tool for design thinking. The goal of the game is to gain a deeper level of understanding of a stakeholder in your business ecosystem, which may be a client, prospect, partner, etc., within a given context, such as a buying decision or an experience using a product or service. Here’s how it can go:

1. Start by drawing a circle to represent the person and give the circle a name and some identifying information such as a job title. It helps if you can think of a real person who roughly fits the profile, so you can keep them in mind as you proceed. In keeping with the idea of a “profile” think of the circle as the profile of a person’s

head and fill in some details. You might want to add eyes, mouth, nose, ears, and maybe glasses if appropriate or a hairstyle to differentiate the person from other profiles you might want to create. These simple details are not a frivolous addition—they will help you project yourself into the experience of that person, which is the point of the exercise.

2. Determine a question you have for that stakeholder. If you had a question you would want to ask him/her, or a situation in their life you want to understand, what would that be? You might want to understand a certain kind of buying decision, for example, in which case your question might be “Why should I buy X?”
3. Divide the circle into sections that represent aspects of that person’s sensory experience. What are they thinking, feeling, saying, doing, hearing? Label the appropriate sections on the image.
4. Now it’s time for you to practice the “empathy” portion of the exercise. As best you can, try to project yourself into that person’s experience and understand the context you want to explore. Then start to fill in the diagram with real, tangible, sensory experiences. If you are filling in the “hearing” section, for example, try to think of what the person might hear, and how they would hear it. In the “saying” section, try to write their thoughts as they would express them. Don’t put your words into their mouth—the point is to truly understand and empathize with their situation so you can design a better product, service or experience.
5. Check yourself: Ask others to review your map, make suggestions, and add details or context. The more the person can identify with the actual stakeholder the better. Over time you will hone your ability to understand and empathize with others in your business ecosystem, which will help you improve your relationships and your results

For more information:

- *WiseTalk* Recording: Unavailable
- Book: [Gamestorming: A Playbook for Innovators, Rule-breakers, and Changemakers](#)
- Video: bit.ly/GamestormingVideo
- Article: [What is Culture Mapping and Why Should You Care?](#)
- Contact: xplaner.com
- Twitter: [@davegray](#)

CHAPTER ELEVEN: *Designing for Growth*

Guest:

Jeanne Liedtka, Professor of Business Administration,
University of Virginia's Darden Graduate School of Business
November 29, 2012

Summary of Topic:

Sue talks with strategy consultant and educator Jeanne Liedtka on the ability to turn abstract ideas into practical applications for optimal business growth.

Favorite Quote:

"Design thinking is a systematic approach to problem solving. To me, it's a different way to approach and look for solutions for the kinds of problems we have. And what makes it so valuable is that it really is different and it brings something to the conversation that we haven't had before."

Insights from the conversation:

Leadership team development is at the forefront of growth and as a business scales, it must do so in a way that is smart and sustainable. In addition to executive coaching to assist organizations with growth, today's successful leaders need to embrace tools and methods for innovation and problem solving. Design thinking is one of those methods and a proven approach to growth. In this *WiseTalk* with Jeanne Liedtka, she reviews and explores the distinctive tools offered in her book with Sue. Sue describes their talk and Jeanne's book, *Designing For Growth: A Design Thinking Toolkit For Managers*, as "practical and highly applicable knowledge every leader should have."

What we found most interesting:

Liedtka breaks down the design process into four basic, yet powerful, questions:

1. **What is?**—explores the current reality.
2. **What if?**—envisions a new future.
3. **What wows?**—makes some choices regarding breakthroughs.
4. **What works?**—takes us into the marketplace.

There are ten essential tools that a design thinker uses to address the four questions—tools needed to create new possibilities and reduce the risk as you manage the inevitable uncertainty of growth and innovation. They are as follows:

1. **Visualization:** using imagery to envision possibilities and bring them to life.
2. **Journey Mapping:** assessing the existing experience through the customer's eyes.
3. **Value Chain Analysis:** assessing the current value chain that supports the customer's journey.
4. **Mind Mapping:** generating insights from exploration activities and using those to create design criteria.
5. **Brainstorming:** generating new possibilities and new alternative business models.
6. **Concept Development:** assembling innovative elements into a coherent alternative solution that can be explored and evaluated.
7. **Assumption Testing:** isolating and testing the key assumptions that will drive the success or failure of a concept.
8. **Rapid Prototyping:** expressing a new concept in a tangible form for exploration, testing, and refinement.
9. **Customer Co-Creation:** enrolling customers to participate in creating the solution that best meets their needs.
10. **Learning Launch:** creating an affordable experiment that lets customers experience the new solution over an extended period of time, to test key assumptions with market data.

Leaders who design their organizational growth and innovate in such a way, stay on the leading edge of thought. And in the long run, the effort it takes to do research and development using design thinking actually saves time and resources.

Practical tool to apply:

Professional development and education sometimes get pushed to the back burner. Why not try a design thinking approach to your own professional development in this coming year?

For more information:

- *WiseTalk* Recording: bit.ly/2emDT3Y
- Book: [Designing for Growth: A Design Thinking Toolkit for Managers](#)
- Video: bit.ly/Liedtka-Video
- Article: [Designing for Growth, Apple Does It, So Can You](#)
- Contact: jeanneliedtka.com
- Twitter: [@jeanneliedtka](https://twitter.com/jeanneliedtka)

CHAPTER TWELVE: *Hierarchy to Networked Organizations*

Guest:

MJ Petroni, Principal, CauseIt!
December 18, 2012

Summary of Topic:

Sue talks with innovation team consultant and cyborg anthropologist MJ Petroni to discuss the transition from hierarchy to networked organizational structures.

Favorite Quote:

“The hierarchy may be where the power is distributed, but where the work gets done is in the network. Networked organizations are where we’re going in our social lives but it’s also what’s happening even more than ever before in organizations. It’s where groups of people can collaborate on the fly. It’s where connections are lateral rather than vertical.”

Insights from the conversation:

Almost all companies organize people in a hierarchy and then run well known managerial processes within it. Many of us have seen the hierarchical organizational charts— inverted pyramids with pointing arrows—and have been through so many logistical meetings, that we take all of this as a given, as if it had existed forever. We know it hasn’t.

The hierarchical organization is an incredible invention. It can direct and coordinate the actions of thousands of people making and selling thousands of products or services across thousands of miles, and do so effectively, efficiently, and profitably, continuously. However, 20th-century hierarchy does not handle transformation well. And in a world with an ever increasing rate of change, it is impossible to thrive without timely transformations.

Both at a philosophical and a practical level, the hierarchy actually opposes change. It strives to eliminate anomaly, standardize processes, solve short-term problems, and achieve maximum efficiency within its mode of operation. But in reference to something far bigger: large-scale organizational change, such as a company redesigning its entire business model, or accomplishing its most important strategic objectives of the decade, or changing its portfolio of product offerings, there is no evidence to suggest that the hierarchy allows for such changes, let alone that it effectively facilitates them.

What we found most interesting:

The successful organization of the future will have two organizational structures: a *hierarchy*, and a more teaming, egalitarian, and adaptive *network*. Both are designed and purposeful. While the hierarchy is as important as it has always been for optimizing work, the network is where big change happens. It allows companies to more easily spot big opportunities and then change itself to grab them.

In this *WiseTalk*, MJ Petroni defines the network as a system of teams with representatives from all divisions and levels, who leave formal titles at the door to participate in a decidedly anti-hierarchical forum. As the environment changes in various ways, this system senses and responds to it, and in turn creates more and more teams with volunteers to address the discrete parts of a larger change. With the network, potential opportunities are identified, urgency around tomorrow’s possibilities is fostered and maintained, strategies for organization-wide changes are formed, barriers are identified and addressed, and transformation is achieved.

For more information:

- *WiseTalk* Recording: bit.ly/2dP8CoN
- Article: [A Field Guide to Creating Cultures of Innovation](#)
- Contact: causeit.org
- Twitter: [@causeit](https://twitter.com/causeit)