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DESIGN AS A STRATEGIC INSTRUMENT IN BUSINESS MANAGEMENT

Abstract. *The main aspects of complicated interaction between design and management process have been analyzed in the given article. The main areas have been defined where design tools can be strategically applied. The main elements of design management and the main functions of design managers have been identified in the given study. The role of design thinking as an integral part of product management is explored in the article. The importance of cross-functional teams' creating in the sphere of design and management has been indicated in the research.*

Keywords: *design manager, design management, cross-functional teams, elements of design management, design thinking.*

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ДИЗАЙН ЯК СТРАТЕГІЧНИЙ ІНСТРУМЕНТ В УПРАВЛІННІ БІЗНЕСОМ

Анотація. *У статті проаналізовано основні аспекти складної взаємодії між процесом дизайну та управління. Було визначено основні сфери, де можна стратегічно застосувати інструменти дизайну. У даному дослідженні визначено основні елементи дизайн-менеджменту та основні функції менеджерів зі сфери дизайну. У статті досліджено роль дизайн-мислення як невід'ємної частини продукт-менеджменту. У дослідженні вказано на важливість створення міжфункціональних команд у сфері проектування (дизайну) та управління.*

Ключові слова: *дизайн-менеджер, дизайн-менеджмент, міжфункціональні команди, елементи дизайн-менеджменту, дизайн-мислення.*

Introduction. In today's dynamic business world, the integration of design and management is a key alliance that shapes companies' success and competitiveness. Design has the power to go beyond mere aesthetics to attract customers and enhance their experience. At the same time, effective management keeps the wheels of innovation turning by orchestrating project planning and execution. This comprehensive research explores the complex interplay between design and management and sheds light on the deeper significance of this partnership.

The aim of the research is to analyze the main aspects of complicated interaction between design and management process. According to the aim the following tasks have been set: to detect the main areas where design tools can be strategically applied; to indicate the main elements of design management and the main functions of design managers; to emphasize the role of design thinking as an integral part of product management; to determine the importance of cross-functional teams' creating in the sphere of design and management.

The importance and main characteristic features of design management were studied by K. Naborczyk, J. Fitzgerald, N. Burmeister, J. Wang, Min Li, Tingyu Wan, A. Ballav investigated the role of a design manager in business activity. Rizal Sebastian explored the peculiar features of interaction between design and management. However, this area needs further scientific investigation.

Findings. Design is widely used as a strategic tool in business management. In an ever-evolving business world, design has emerged as a key strategic asset to guide companies in today's complex marketplace. Design can bring creativity and uniqueness to products, services and business models. Incorporating design into corporate strategy goes beyond visual aesthetics to include user experience, functionality and innovative problem solving.

The strategic application of design covers several areas, including:

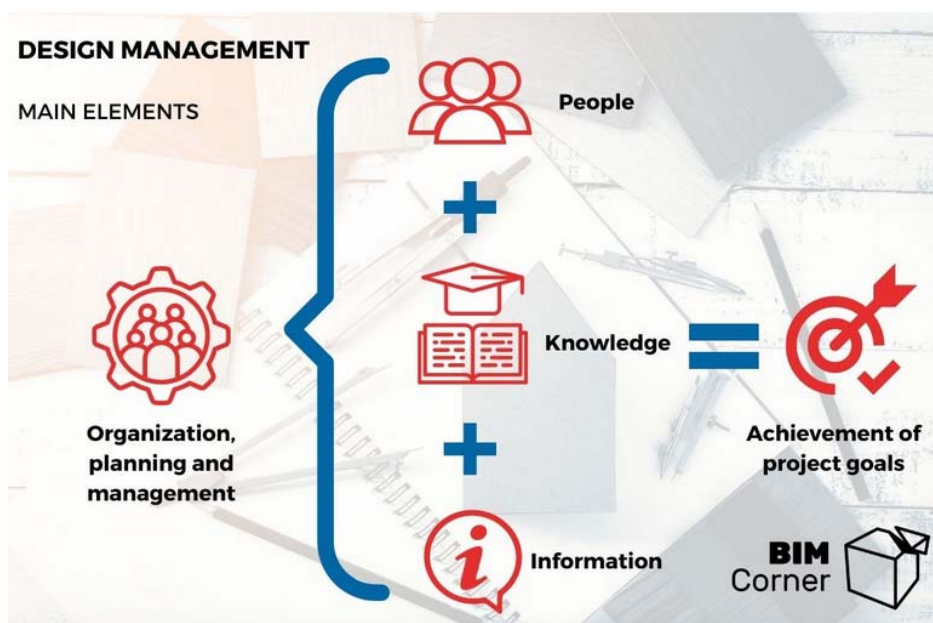
a) Product design: product design: here design influences the creation of visually striking, intuitive and user-centered products. It plays an important role in refining both the aesthetic and practical aspects of a product, thus enhancing its market appeal and longevity.

b) Service design: beyond tangible products, the influence of design extends to the service sector. It ensures that the customer experience is fluid, engaging and memorable. This approach is redefining service delivery standards, transforming sectors such as hospitality, healthcare and e-commerce.

c) Branding and marketing: design is a key element in creating a brand identity and marketing strategy. It effectively communicates a company's philosophy, personality and vision. Successful branding relies on the strategic application of design, from logo creation to the development of marketing materials.

d) User interface (UI) and user experience (UX) design: In a digital-centric world, the importance of UI and UX design cannot be overstated. They are crucial in determining the usability and appeal of digital platforms such as websites, apps and software. Superior UI/UX design streamlines processes, minimizes user frustration and increases customer satisfaction.

Konrad Naborczyk identifies the main elements of the design management on Figure 1.



Source: [6].

Figure 1. Main elements of the design management

The key role of the design manager is to perform the role of a bridge between creativity and implementation. Design managers play a crucial role in the harmonization of design and management. Their growing importance is attributed to their exceptional ability to blend creative vision with practical implementation. These professionals possess a variety of skills that combine excellence in design with skilled management skills.

Design managers play a key role in a variety of areas, including:

1) Product development: in manufacturing and product-centric businesses, design managers oversee the entire product development lifecycle. They ensure that designs are not only visually appealing, but also practical, cost-effective and aligned with the organization's goals.

2) Creative agencies: in advertising, marketing and design, design managers coordinate creative teams. They manage project schedules, resource allocation and client interaction, ensuring creative work meets deadlines and budget constraints.

3) In-house design teams: many large companies have in-house design teams responsible for brand, product design and user experience development. In this case, the design manager synchronizes the efforts of these designers with the company's broader strategic goals.

4) Software development: in the technology sector, design managers are key to leading UI/UX design teams. Their role is crucial in ensuring that software products are not only beautiful, but also highly functional and user-centered [2].

Design managers have a great influence on the work process by performing the following functions:

- Facilitating effective communication: as intermediaries between the design team and other organizational units, design managers ensure that the design process is aligned with broader business goals.

- Optimizing resource utilization: Responsible for resource planning and ensuring that projects are delivered within established timelines and budget constraints. Fostering collaboration: the design manager facilitates an environment where designers work closely with professionals from different disciplines to produce a design that is balanced in terms of aesthetics, functionality, marketability and practicality.

- Setting clear objectives: contributes to setting and communicating clear design goals and project objectives that are critical to the success of the project.

The process of any product management is closely connected with design thinking. Design thinking is a methodology that has revolutionized the field of product management and is characterized by its collaborative, empathetic and iterative approach to problem solving. It can be applied not only to product development, but also to service design and process optimization [5].

The main reasons why design thinking is gaining popularity and influencing business processes are:

1) Enhanced collaboration: at the heart of design thinking is the principle of interdisciplinary teamwork. Design thinking brings together experts from different disciplines - design, engineering, marketing and end-user communities - to tackle complex problems together. This inclusive approach welcomes different perspectives and produces more innovative and effective results.

2) Empathy-driven solutions: empathy is a fundamental element of design thinking. It requires a deep understanding of end users' needs, preferences and challenges. This empathetic stance allows organizations to customize products and services that truly resonate with their target audience.

3) Iterative problem solving: design thinking advocates an iterative process of ideation, prototyping, testing and refinement based on user feedback. This iterative cycle facilitates rapid adaptation and improvement, ensuring that solutions more closely match user requirements.

4) Broad applicability: design thinking is not limited to product design but can address a wide range of organizational challenges. It can be effectively used to improve customer service, increase the efficiency of internal operations and drive innovation in a variety of contexts.

5) User-centeredness: At its core, Design Thinking embraces a user-centered approach to problem solving. By prioritizing the experiences and needs of end users, organizations can develop solutions that drive market success and user satisfaction [4].

There are certain benefits of creating cross-functional teams in the sphere of design and management. Cross-functional teams are gaining more importance in design and management.

It happens because organizations recognize that innovation often comes from bringing together different expertise. Such teams bring together people from different disciplines such as design, marketing, engineering and project management and are becoming increasingly popular in modern business.

Cross-functional teams contribute to business process improvement in several important ways:

1) Integration of different perspectives: bringing together experts from different disciplines offers a rich perspective. This diversity not only stimulates creativity and innovative thinking, but also leads to more comprehensive solutions.

2) Developing comprehensive solutions: these teams consider factors other than aesthetics, such as functionality, market feasibility and practicality. Such a comprehensive approach tends to result in products and services that are more in line with expectations customer needs and market.

3) Streamlined decision-making: cross-functional teams are often better at making decisions because they have access to a wide range of expertise. Decisions are made collectively and insights from different areas of expertise are integrated.

4) Fostering a collaborative environment: adopting cross-functional teams fosters a culture of collaboration within the organization. Such an environment is conducive to open communication, exchange of ideas and a strong alignment towards common goals.

5) Advanced risk management: the involvement of experts from different disciplines in these teams helps to identify and mitigate risks early in the design and development phase [3].

There is a tendency concerning embracing user-centered design in modern business. User-centered design is a design philosophy that prioritizes the needs and experiences of end users at the forefront of the design process. It is growing in popularity because it is effective in creating products and services that deeply align with user expectations and preferences. This user-centered approach significantly improves business processes in several ways:

- Increased customer satisfaction: by prioritizing user needs and preferences, products and services can be developed that deliver high levels of customer satisfaction. Satisfied customers are more likely to remain loyal, which improves brand reputation and customer base.

- Minimizing redesign and changes: incorporating user input early in the design process reduces the likelihood of major redesigns and changes after development, saving unnecessary cost and time.

- Alignment with market needs: designing around user preferences increases the likelihood that a product or service will match actual market needs. This alignment often increases adoption rates and market presence.

- Reduced customer support costs: When products and services are intuitively designed with the user in mind, customer support requests and complaints are noticeably reduced. This reduction leads not only to cost savings, but also to increased overall operational efficiency [1].

Conclusion. The interaction between design and management is a key driver of innovation and productivity in modern business. Organizations can achieve greater success by embracing design as a strategic tool and integrating design managers into teams. Approaches such as 'design thinking' facilitate the creation of products and services that meet and exceed customer expectations. Aligning design and management is essential to remain competitive in today's fast-paced business environment.

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