



# CREATING VALUE THROUGH DESIGN

## Global Models of Design-Driven Economies

Moderated by Joan Gregor  
Intersection-Inc / The Design Academy  
June 2016

**DESIGN  
FORWARD** 

BBD

New Zealand

D2B

Victoria, Australia

# transformation by design

through design integration initiatives



# Peter Haythornthwaite

Trained as Industrial Designer in NZ & USA

Senior Designer at Henry Dreyfuss Associates & Charles Pelly Designworks

Headed Design Dept. at University of Auckland

Established PeterHaythornthwaiteDesign (NZ) – multidisciplinary consult.

Owner, arti-fakt-s Design - office desktop products – sold internationally

Co-authored NZ Design Scoping Review leading to NZ Design Taskforce

Success by Design leading to establish. of NZ Better by Design initiative

Partner, Equip Design Integration. Co-architect of BBD Audit & Plan program

Co-designer & implementer of Vic State (Aust.) Design to Business initiative

Mentor to BBD graduate companies. Consultant to NZ companies & Crown

Recipient of many design awards. Work in collections including MOMA

Honorary Doctorate. Officer of NZ Order of Merit. Adjunct Prof. Victoria

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**2004 – current**

**better by design**

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## What was the catalyst?

Fifteen years of slow economic growth by a tiny country, dependent on commodity exports, thousands of miles from its markets

Government backed design as an economic growth initiative

Taskforce 2003 - 'Success by Design'

- Strategy: Economic growth through highly visible, & successful exemplars that create pull for design
- Focus: SMEs, owner run – flexible, open to change
- Idea: Innovation *plus* design capability create competitive advantage
- Delivery: Hybrid of government and business
- Governance: Independent advisory panel
- Funding: \$12.5m over three years, direct from Treasury

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## **An audacious KPI**

**5 x 50 x**

**5 x 500** achieved

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## **What was intended?**

### **1. Inform SMEs**

Economic & cultural value of design, design doing, design thinking

Via: CEO Summit

Design Study Visit

Peer company visits

### **2. Enable SMEs**

- Expose design capability gap
- Reveal the opportunities
- Embed design capability
- Guide on design journey

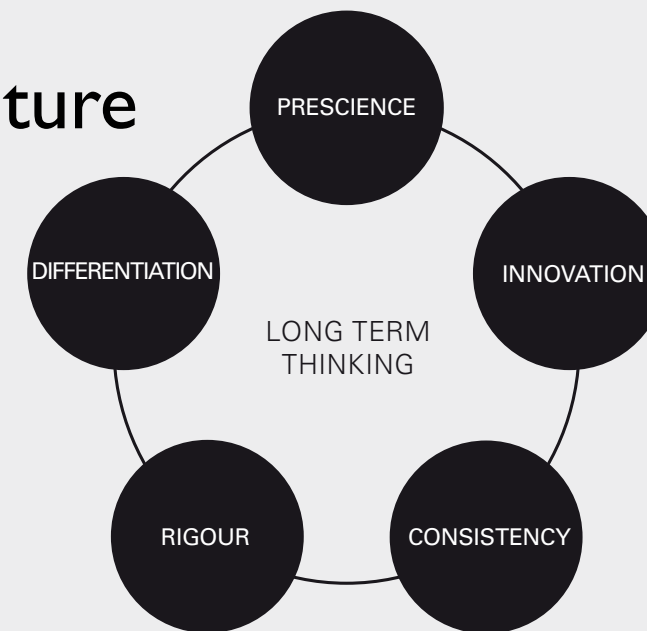
## Needed – receptive SMEs

### Who?

- Smart, growth orientated, export capable, \$5-100m
- Companies from technology, tourism, medical, software, furniture etc
- Open to embed design culture IN business culture

**Capability shift** more likely if the right cultural attributes are present

### Key attributes of design culture



SUSTAINABLE PRACTICES  
SUSTAINABLE BUSINESSES  
SUSTAINABLE SOCIETIES  
SUSTAINABLE PLANET



Program evolution

BBD - 3 variants over 12 years

Evolved via implementation insights; and customer, deliverer, external advisor input

140 co's. participate

Focus on 60 of 140

Design Audit

D360 Assess + Plan

BBD coaching

2004

2007

2012-2016

Three consultant team  
Report & recommend

Three consultant team  
Report, recommend,  
plan, coach

Coach-based  
Experiential learning

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## What has BBD delivered?

Phil&Teds, a baby buggy company, grew from \$3m to \$200m in 8yrs  
Campbell Gower the Owner/CEO states

*“We were like Cro-Magnon man, we were on a different evolutionary path to the one we're actually on now. That idea of product and brand working together as a unique and powerful combination I think has the capability of squaring or cubing the value of the business.”*

D2B

Victoria, Australia

2013 - 16

# design 2 business

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## **The catalyst for the program?**

Economy dependent on 'crops and rocks' and a real estate boom, all fuelled by tax incentives and debt.

Slow growth, decline of local auto industry

SMEs not competitive with internationals in local markets

Observed success of BBD in NZ and trials in Aus

Purpose:

- Strategy: 40 companies graduate from the DI program. Create demand via visible success
- Focus: SMEs \$5-50m
- Idea: Innovation plus design capability create competitive advantage
- Delivery: Business
- Funding: \$4.8m over three years

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Victoria, Australia

## D2B – two programs in parallel

1. **Integration** – deep one year involvement – 47 SMEs  
Collaborative diagnostic audit + plan. Mentoring modules,  
Monthly mentoring, Master classes, Alumni events,  
International study visit + design profession alignment

engage >

Relevance  
Capac. to benefit  
Commitment

audit >

Consciousness  
Capability gap  
Opportunities  
Confirm suit.

plan >

Goals  
Action plan  
KPIs  
Resources req'd

enable (mentor)

Execute plan  
Bridge knowledge gaps  
New skills/knowledge  
Gauge success

2. **Insight** – Three-month classroom-based – Small Enterprises  
Intro to des. value. Companies not ready for Integration

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Victoria, Australia

## **Securing the right candidate SMEs**

### **Advocates**

Participant bus. owners to other co's  
Convinced designers encouraging clients

### **Whet candidate appetites by**

What is 'design'  
DI success stories  
Program comprises, gains on journey  
Short sharp engagement – user centred = fresh insights  
Journey guidance  
Value of network initiatives  
Funding

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## **There's an epiphany when people realise**

- Own a niche – necessitates anticipating user needs & design is the discipline to invest in
- Difference – only valuable when relevant
- Product and Brand - powerful in combination, more so when company purpose and values align with the customer's cause
- More profitable - doing fewer things better

Some get it when told the DI story

90% see it after diagnostic audit

10% might see but not be ready or willing



D2B

Victoria, Australia

**Is D2B working?**

Rod Massey

CEO, Woods Education Furniture

*"D2B has created a new chapter in our business. Now we have a blueprint, an umbrella strategy, running across our products and brand. Previously we got lost in the blur resulting from lack of clarity. We no longer design just for the local market - our offerings must meet needs in a simple and aligned manner so we can compete anywhere in the world"*

design forward san diego. June 16 2016



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**design culture embedded in  
business culture creates  
transformations that accelerate  
business growth and prosperity**  
the nz and victoria experiences  
demonstrate that design  
integration delivers cultural shifts,  
capability growth and economic  
returns well worthy of the  
investment