

NEW TOOLS, SKILLS AND MINDSET
FOR STRATEGY AND INNOVATION

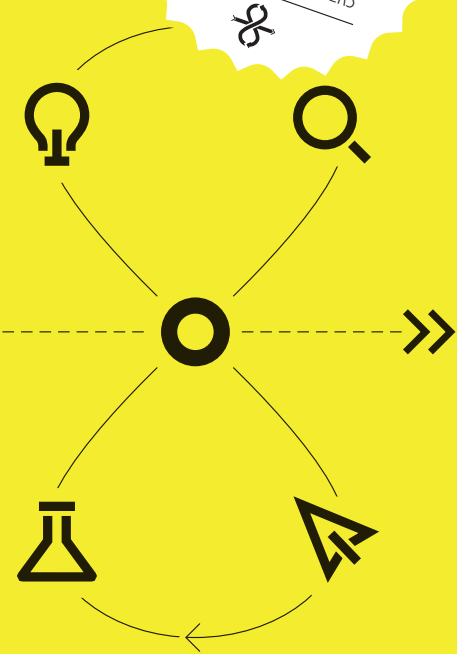
DESIGN A

> **BETTER
BUSINESS**

Written by Patrick van der Pijl, Justin Lokitz, and Lisa Kay Solomon
Designed by Erik van der Pluijm & Maarten van Lieshout

WILEY

INCLUDING
PERSONAL INSIGHTS
AND EXPERIENCES OF
30 DESIGNERS
AND THOUGHT LEADERS



PREVIEW

PREVIEW

HOW TO

CONTENTS

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> PREPARE	P24	Prepare your team, your environment, and how you work
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🔍 UNDERSTAND	P82	Understand your customer, context and business
💡 IDEATE	P124	Learn to ideate, expand your ideas, and select ideas
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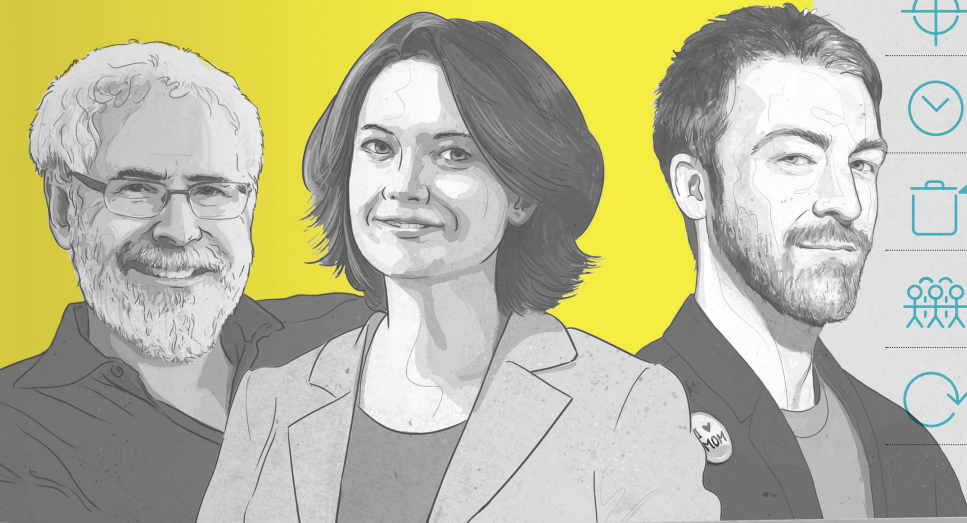
USE THIS BOOK

FILLED WITH **PERSONAL STORIES**
AND EXPERIENCES FROM **29**
DESIGN PRACTITIONERS AND
THOUGHT LEADERS SUCH AS...

STEVE BLANK
SERIAL ENTREPRENEUR, AUTHOR,
LECTURER
P.243

DOROTHY HILL
VP OF STRATEGY, ING BANK
P.63

ROB FITZPATRICK
AUTHOR, THE MOM TEST
P.89



TOOL ICON LEGEND



PERSONAL
This tool requires
personality



TANGIBLE
This tool helps you
build something



GENERATE OPTIONS
This tool helps you
to create options



CREATE FOCUS
This tool helps you
to decide and select



NORMAL SESSION
Normal work
session



PRESSURE COOKER
High intensity
session



TEAM SIZE
Small or large team
sizes



REVISIT
How often do you
need to revisit this

We've designed this book with you in mind! Unlike most books, this one can be read in several ways.

For one, you can read this cover-to-cover. The chapters build on each other. You can also scan for things that interest you, like new tools and skills. Additionally we've included fast passes in this chapter (page 22) in case there is something specific you want to learn about right now.

PREVIEW
With a visual table
of contents and
legend

PREVIEW

FAST PASSES

WANT QUICK ANSWERS?

We have provided you with some fast tracks so you don't have to stand in line waiting for your future. These fast tracks will guide you to the relevant tools, skills, or case studies. Learn from the experience of others and apply it now.

FLIGHT NO. BM 1106 03.21

START BOARDING

GATE

SEAT NO.

FAST FREQUENT FLYER

I WANT TO DESIGN A STRATEGY

I need a plan of action to take my team to our desired future state.

STEPS:

- » Understand your current business model(s) and understand your customers by observing and asking questions
- » Develop a point of view by creating your 5 bold steps vision® and transform your vision into a story and seeing if it resonates
- » Ideate new business model options
- » Prototype new value propositions

PAGES:

86

58

142

152

FLIGHT NO. BM 1106 03.21

START BOARDING

GATE

SEAT NO.

BOARDING PASS - FAST FREQUENT FLYER

I WANT TO DO BUSINESS PLANNING

I want to move beyond spreadsheet and explore business planning with my team.

STEPS:

- » Map the current context you operate in
- » Understand your current business model
- » Observe your (future) customers
- » Revisit your company's vision
- » Design future business model options
- » Propose ideas to prototype

PAGES:

110

114

98

56

142

152

FLIGHT DB BIZ8

TIME 05MAR

GATE G13

SEAT 19B

FAST FREQUENT FLYER BOARDING

I WANT TO DO A SWOT OF MY BUSINESS

What are the strengths, weaknesses, opportunities and threats for my business?

STEPS:

- >> Understand the context of your business **PAGES: 110**
- >> Understand your business model(s) **86**
- >> Determine strengths and weaknesses **117**

I WANT A STRONG & SHARABLE VISION

I want to develop a North Star with my team so we know where we are headed.

STEPS:

PAGES:

- >> Develop your point of view and make a cover story vision® with your team **64**
- >> Validate your cover story in- and outside your company **180**

I WANT TO INNOVATE /GROW MY BUSINESS

There are no shortcuts, but we do provide you with some fast tracks so you don't have to stand in line waiting for your future.

STEPS:

- >> Do the Double Loop

PAGES:

24

I WANT TO WORK AS A STARTUP

Here's how you can work lean and mean when you want to bring your idea to market. Learn from start-ups.

STEPS:

PAGES:

- >> Prepare your point of view **48**
- >> Understand: observe and ask questions (!) **86**
- >> Ideate your business model options **142**
- >> Sketch a low and hi fidelity prototype **172**
- >> Validate, validate, validate **180**
- >> Tell stories during your journey **72**

CHEAP AND FAST

Class: Economy
 Ticket type: Fast&Cheap
 Price: £9,90
 Issue date: 02AUG17



USE A FAST PASS OR PREPARE FOR A FULL JOURNEY

PREVIEW
 Need fast answers?
 Fast passes give you a shortcut!

PREVIEW

UNCERTAINTY: YOUR SECRET WEAPON

The world around you – and your business – is filled with uncertainty. But, within that uncertainty exist enumerable opportunities to design (or redesign) game-changing businesses. These opportunities are there for the taking, if you know how to look for them.

The world has changed. Not only are consumer habits, technologies, and other trends uprooting once-thriving businesses, entire markets are shifting and emerging out of the uncertainty and unpredictable nature of today's network economy. Interestingly (and infuriatingly to some), many of the companies leading the charge – and the change – did not exist two decades ago. It's not that these new players are just lucky or employ smarter, more capable people. So, how is it that they've found gold in some of the most unlikely places? In a word: design.

Design is fundamentally about enhancing the way you look at the world. It's a learnable, repeatable, disciplined process that anyone can use to create unique and qualified value. Design is not about throwing away the processes and tools you have. In fact, quite the opposite is true. Just as design has enabled countless upstarts to create new business models and markets, design will also help you decide when to use what tools in order to learn something new, persuade others to take a different course, and at the end of the day, make better (business) decisions.

Most of all, design is about creating the conditions by which businesses thrive, grow, and evolve in the face of uncertainty and change. As such, better businesses are ones that approach problems in a new, systematic way, focusing more

on doing rather than on planning and prediction. Better businesses marry design and strategy to harness opportunity in order to drive growth and change in a world that is uncertain and unpredictable.

This book will provide you with new tools, skills, and a mindset to harness opportunities born of uncertainty in order to design better businesses. We've included tons of real-world examples of people who have mastered the fundamentals of design, as well as case studies of companies that have created change using design as the underlying foundation for decision making. And, just as design is a repeatable process, this book is meant not only to guide you on your design journey, but as an ongoing reference to help you scale the design beyond one project or product to an entire company. ■

**YOU'VE GOT
EVERYTHING TO**

PREVIEW
Dealing with uncertainty
is at the core of our
methodology.

PREVIEW

DESIGNER: A REBEL WITH A CAUSE

THE 7 ESSENTIAL SKILLS

IT ALL STARTS WITH THE CUSTOMER.

Observing customers to understand them will give you fresh insights into their needs. You must ask the right questions to get the answers you seek.

THINK AND WORK VISUALLY!

Working visually helps you to see the bigger picture, gain clarity on complex topics, create a visual anchor for your strategic conversations and engage with your audience.

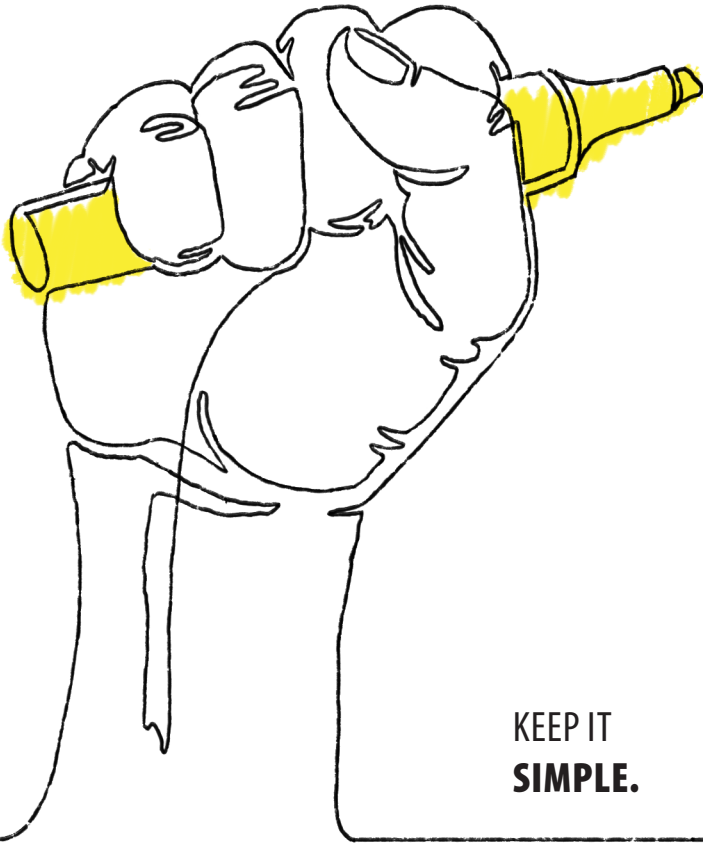
DON'T FLY SOLO.

YOU ARE NOT
SMARTER THAN
EVERYONE ELSE.

Gather different insights by working together. Connecting the brains in the room and in your market will enable you to uncover hidden opportunities.

**TELL STORIES
AND SHARE THE
EXPERIENCE.**

Stories have a clear beginning and end, and most likely they have heroes your audience can connect with. Cool stories stick. Cool stories will be told by others. Cool stories will spread.



KEEP IT SIMPLE.

Just start. Don't try to build the final product. Don't add features that don't solve real problems.

SET UP SMALL EXPERIMENTS AND LEARN SHIT.

Every little iteration and trial will net tons of useful new insights – things you wouldn't have learned if you just started building. Reality is different than what you assume.

EMBRACE UNCERTAINTY. IT'S CANDY FOR THE BRAIN.

Except for change, there is no such thing as certainty in business. Accept this and harness opportunities from uncertainty.

PREVIEW
*We describe the 7
most essential skills
you need as a
designer*

PREVIEW

MASTERING BUSINESS ADMINISTRATION

Are we teaching business leaders the right skills to lead successfully in today's dynamic, unpredictable, and yes, exciting environment?

If you earned a Masters in Business Administration more than 5 years ago, you would have studied the prescribed disciplines of marketing, economics, finance, operations, organizational behavior and leadership through lectures, textbooks, case studies, and group assignments. You would have learned that

marketing revolved around 4 P's, competition comprised 5 forces, and strategy boiled down to one of three choices: market leader, fast follower or low-cost provider. A leader was someone who could communicate the big picture, and managers had operational skills to oversee projects and people. A lot has

ASK YOURSELF
WHAT THE
QUESTION IS
AND NOT THE
ANSWER



Nathan Shedroff is the Founding Chair of the MBA in Design Strategy program at the California College of the Arts. Shedroff envisioned a totally different type of graduate business program that would expose emerging leaders to the mindsets, disciplines and practices that would allow them to imagine and design better futures that were not only profitable, but sustainable and meaningful as well.

"Designers learn that you don't have to wait for someone else to make changes. In the context of sustainability and resource scarcity, we need 6 billion more people that think like this to make positive change. Let's introduce the design process to education, in kindergarten on up. Somewhere between kindergarten and twelfth grade, we tell them that they can't do this anymore."

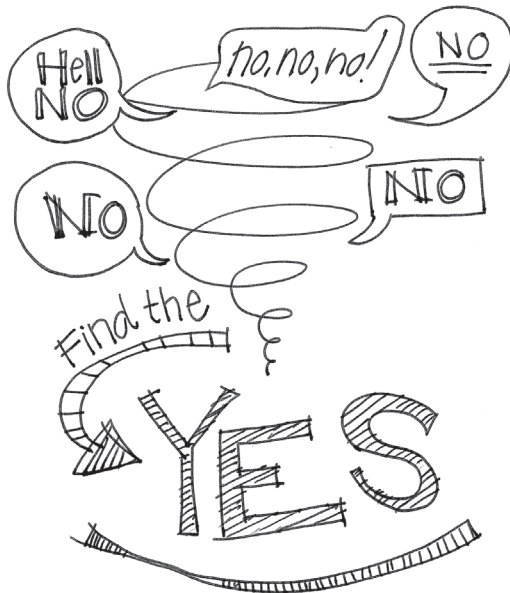
designmba.cca.edu

changed since then. Today, constant change is fueling new disruptors and disruptions, leaving strategies in the dust.

DRIVING FOR INNOVATION

Competition is no longer based on grabbing the biggest share of (fixed) customer needs but by responding to real customer needs in entirely new ways, in real-time, and as they constantly change. With a click, customers can find any service or product they desire. And, if they don't like what's offered, they have a global megaphone that can instantly inflict damage with a few nasty tweets.

Driving for innovation is the rule today, not the exception. Viable business models now come



in a variety of flavors, and enduring success is far more complicated than outlined in the case studies used in traditional MBA courses.

So what do future business leaders need to know and experience to lead successfully in today's dynamic, unpredictable, and yes, exciting environment?

INTUITIVE SKILLS

Ten years ago, author Daniel Pink challenged us to think of the “MFA, or Masters in Fine Arts, as the new MBA.” In his seminal book, *A Whole New Mind: Why Right Brainers will Rule the Future*, Pink predicted the world would get more automated, outsourced, and abundant in its offerings. He argued that more education and organizational attention should be placed on high-touch, high-concept skills such as empathy, story, play and meaning. In short, he urged disciplined training to support the development of our creative and intuitive skills and our process-driven, quantitative skills.

// Emily Robin
DMBA graduate 2016

WHEN WAS THE
LAST TIME YOU FELT
COMFORTABLE WITH
"NOT KNOWING" ALL
THE ANSWERS?

Pink's vision predates most of the things we couldn't do without today, like smart phones and Uber. He was right in his predictions, just wrong about how soon they would occur.

AMBIGUITY

The DMBA believes it's time to incorporate Pink's MFA as the new standard for MBA programs. We can start by changing the title of these programs. Long gone are the days of “Mastering Business ‘Administration” (What are we administering anymore?). Today, the

ff EVERYTHING IS AN

ASSUMPTION I

PROVEN OT

// Shribalkrishna
DMBA grad

PREVIEW
48 Case studies how others
dealt with uncertainty
in different
situations.

PREVIEW

ARE THE DAYS MASTERING BUSINESS ADMINISTRATION?"

model we must teach is more appropriately titled: "Mastering Business Ambiguity." For the last six years, Lisa Kay Solomon has been part of the groundbreaking MBA in Design Strategy, focused on integrating creative and analytical problem-solving skills that help create, capture and scale value in sustainable and impact-driven ways. As one of 13 progressive graduate programs at the California College of the Arts, the "DMBA" curriculum is informed by the integrated pedagogy of the well-regarded 109 year-old art and design school and the entrepreneurial spirit of the bay area.

ADAPTIVE PROBLEMS

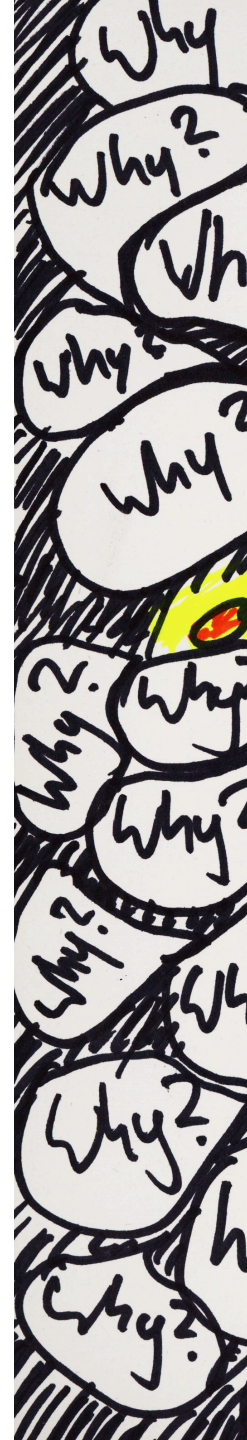
At the DMBA, each of the four semesters includes a studio-based course that weaves together theory, best practices, dynamic tools and hands-on engagement with real clients or emerging world issues. Classes are designed to help students think beyond profits to consider the social, community and environmental impacts of their work. In "Innovation Studio," students have tackled complex, adaptive prob-

lems such as The Future of Money, The Future of Work, and the Future of Voter Engagement. These challenges start on the first day of their graduate school experience, as a primer of the divergent and convergent processes they'll experience and practice throughout the program.

TEAM BUILDERS

Not unlike any business challenge, this approach calls for courage and a willingness to take on problems that don't have single, simple solutions. Students discover their way to possible solutions, applying the same tools and skills found in this book. They learn generative skills such as visual and design thinking, perspective-taking and empathetic, open-ended questioning. They learn to facilitate collaborative and productive teams of diverse perspectives across nearly every kind of communication channel. They have the opportunity to work directly with a wide range of industry experts and leaders who frequently come to our classes not just to lecture, but to also learn with the students as co-creators, mentors and network builders. >>

WHO IN YOUR ORGANIZATION CAN HELP YOU SCALE DESIGN?





BECAUSE...

PREVIEW

Read about the employers
and employees of
tomorrow and how
they create
value.

PREVIEW

WORKING ON THE TEAM IS AS IMPORTANT AS WORKING AS A TEAM.

// Jennifer Muhler

IDEAS IN ACTION

In each semester, DMBA students have opportunities to create original solutions to unfolding issues. They use dynamic frameworks and tools to interrogate existing business models —

and invent new ones. They have to be ruthlessly curious investigators and methodical researchers, while also honing their own intuition and strategic judgment. They have to find new and compelling ways to translate their insights into hypothesis-driven experiments to move ideas into action. They learn to share their ideas through compelling stories and experiential presentations that highlight emotional needs, not just the financial upside of an idea. Students grow comfortable with uncertainty and ambiguity. They take risks and move outside of their comfort zones to build new competencies, even if it means early failure.

THESE ARE OUR NEW LEADERS

Most importantly, DMBA students learn a mindset of possibility, optimism and abundance — a confidence that their role as leaders is not to deliver a single, proven “right” solution, but to create the space, conditions and team to bring to life something fundamentally new. They carry with them a new language, new tools, new skills, and the ability to continuously, and repeatedly harness opportunities from change. If you want to make change in the future, this is the mindset you must have. ■



// Design
MBA
Bookshelf

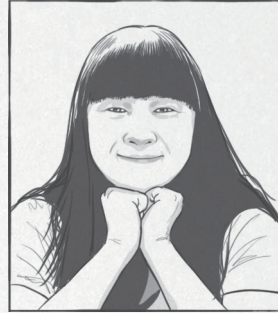
DMBA ALUMNI

MASTERING AMBIGUITY IN THE REAL WORLD



ADAM DOLE, DMBA GRADUATE 2010
DESIGNING ACCESSIBLE HEALTHCARE SYSTEMS

Shortly after completing the inaugural DMBA class, Adam was named a Presidential Innovation Fellow, working at the White House in partnership with the US Department of Health and Human Services to accelerate private sector partnerships and accelerate the growth of personalized healthcare in the United States.



SUE POLLOCK, DMBA GRADUATE 2013
DESIGNING A SUSTAINABLE PLANET

As Project Director for the Conservation Program Development at The Nature Conservancy, Sue uses design to help its diverse staff of scientists, conservationists, advocates, funders, and nonprofit agencies to work together towards common goals. "Our work is inherently about wicked problems. Convening stakeholders and building trust are the keys to getting the work done."



MOHAMMED BILAL, DMBA GRADUATE 2014
DESIGNING CROSS CULTURAL COMMUNITIES

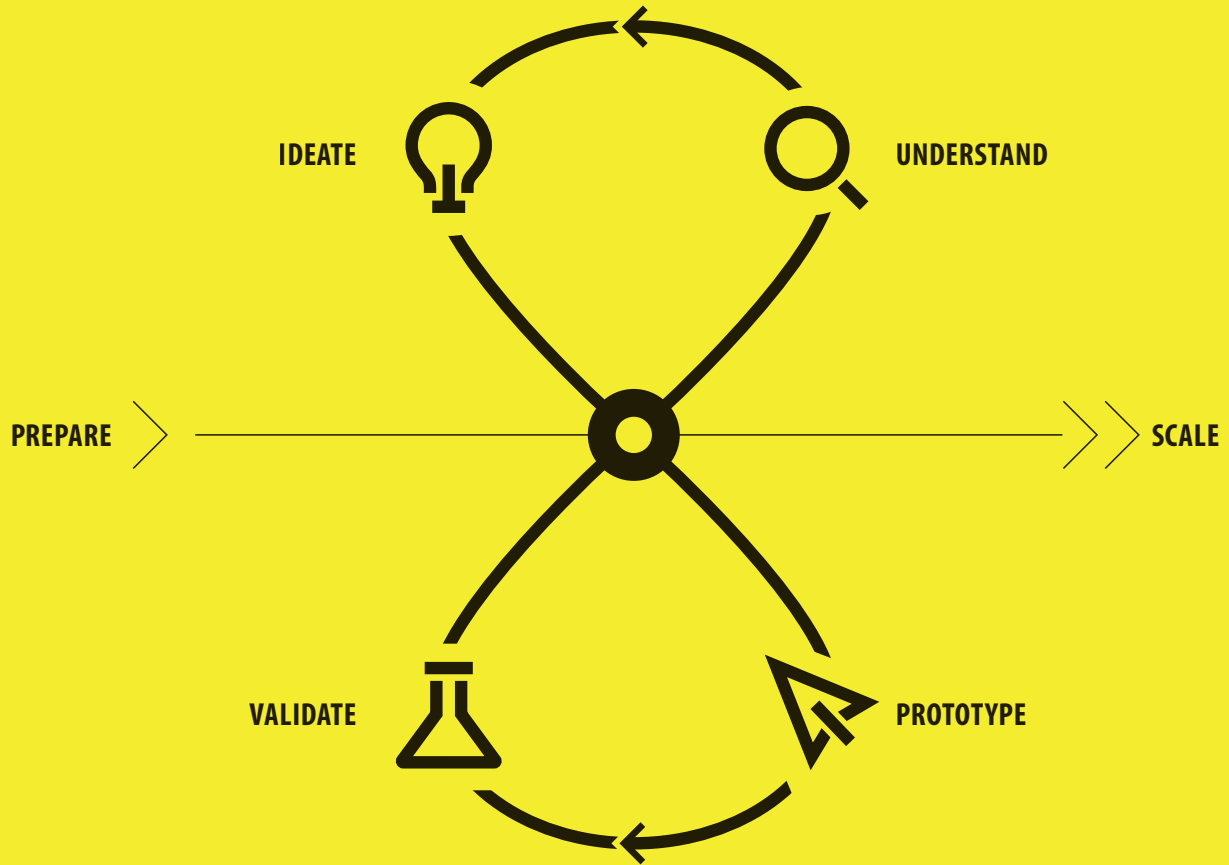
Mohammed Bilal is a captivating storyteller, producer and TV personality. As the Executive Director of the African American Art and Culture Complex, Bilal oversees a dynamic institute that focuses on empowering the community through Afro-centric artistic and cultural expression, mediums, education and programming and inspiring children and youth to serve as change agents.

WHAT'S A
WICKED PROBLEM
YOU'RE PASSIONATE
ABOUT SOLVING?

15

PREVIEW

Personal experiences from
29 design practitioners
and thought
leaders



DESIGN A BETTER BUSINESS



NEW TOOLS, SKILLS, AND MINDSET FOR STRATEGY AND INNOVATION

WWW.DESIGNABETTERBUSINESS.COM

This book is for all business leaders, aspiring entrepreneurs, corporate innovators, ambitious investors, social impact change agents, and enterprising students who want to create impact in the world, and improve their organizations while doing it.

The world around you – and your business – is filled with uncertainty. But, within that uncertainty exist limitless opportunities to design (or redesign) game-changing businesses. These opportunities are there for the taking, if you know how to look for them.

TURN UNCERTAINTY INTO OPPORTUNITY FOR YOURSELF, YOUR CLIENTS AND PROSPECTS.

FILLED WITH **PERSONAL STORIES AND EXPERIENCES** FROM **29 DESIGN PRACTITIONERS** AND THOUGHT LEADERS SUCH AS...

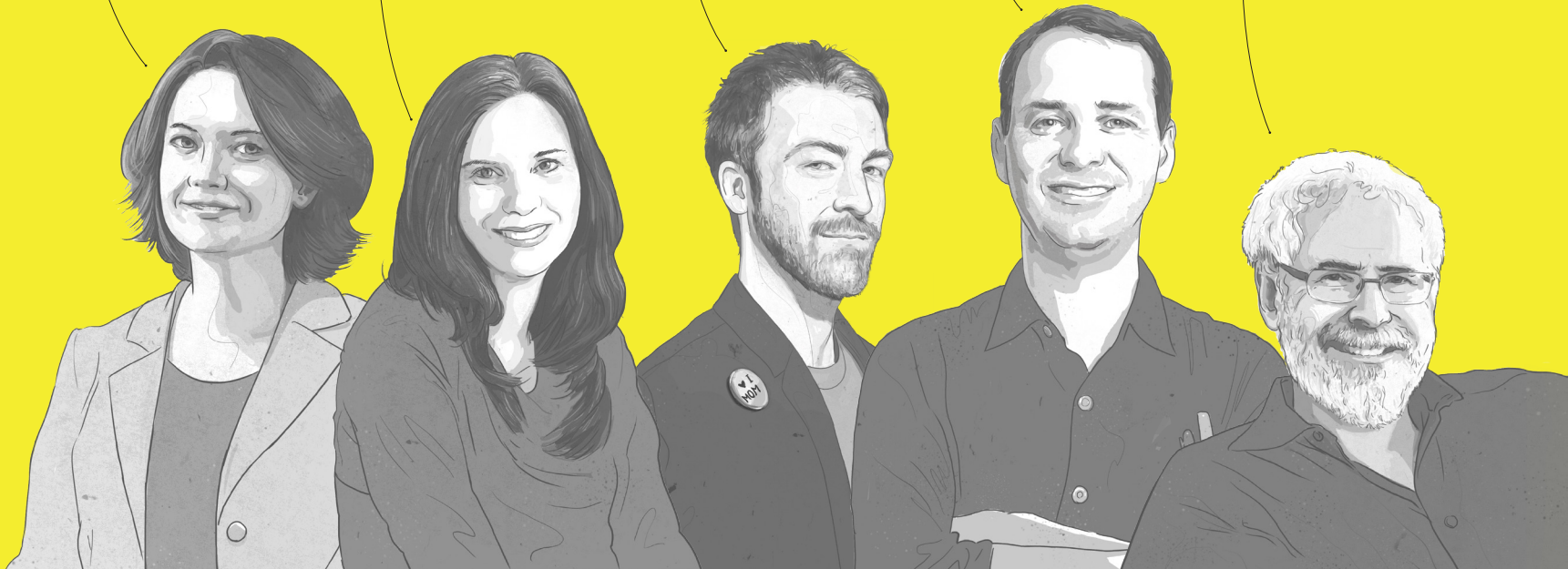
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NANCY DUARTE
AUTHOR, PRINCIPAL AT
DUARTE, INC.

ROB FITZPATRICK
AUTHOR, THE MOM TEST

DAN ROAM
AUTHOR, THE BACK OF
THE NAPKIN

STEVE BLANK
SERIAL ENTREPRENEUR,
AUTHOR, LECTURER



JOIN THE CONVERSATION NOW!

WWW.DESIGNABETTERBUSINESS.COM

DESIGN AS A DISCIPLINE

These days successful companies don't just manage their businesses, they design them. Design is fundamentally about enhancing the way you look at the world. It's a disciplined and iterative approach that marries creative thinking and analytical rigor focused on creating relevant, intentional, unique value for real people with real needs. When done right, it not only informs what the value is, but how it gets delivered in a repeatable and viable way.

VISUAL PLAYBOOK

Design A Better Business is a visual playbook about how to bring the accessible practices of innovation and entrepreneurial growth into any organization. This practical guide contains the full suite of road-tested business tools that support your teams from the earliest inception of an idea to a validated road map.

CASE STUDIES AND PERSONAL INSIGHTS

Detailing over 50 case studies and real life examples from large corporations such as ING

Bank, Audi, Autodesk, and Toyota Financial Services, to small startups, incubators, and social impact organizations, Design A Better Business provides a behind the scenes look at the best practices and pitfalls to avoid. Also included are insights from thought leaders such as Steve Blank on innovation, Alex Osterwalder on business models, Nancy Duarte on storytelling, and Rob Fitzpatrick on questioning.

What are you waiting for?

[Let's Design a Better Business!](#)

TEAM OF AUTHORS



PATRICK VAN DER PIJL:

Patrick van der Pijl is CEO of Business Models Inc. and producer of the global bestseller Business Model Generation. Patrick helps Board of Directors, Top Leaders and Innovation Teams to innovate their business model and design a future strategy. Patrick is a demanded international speaker and pioneer in the practice of business visualization.



JUSTIN LOKITZ:

Justin Lokitz is an experienced strategy designer and managing director of the Business Models Inc. San Francisco office. 20 years of experience managing business model strategies, and always thirsty to learn (and do) more. He leverages his experience across a wide range of industry sectors to help companies design innovative, sustainable business models and strategies for the future.



LISA KAY SOLOMON:

Lisa Kay Solomon helps leaders design better futures. A passionate design strategist and executive educator, Lisa creates transformational leadership experiences at the MBA in Design Strategy at the California College of Arts and Singularity University. She is the coauthor of the bestseller Moments of Impact: How to Design Strategic Conversations that Accelerate Change (Simon and Schuster).



& DESIGNERS



ERIK VAN DER PLUIJM:

Erik is founder and creative director at Thirty-X. He is passionate about visual thinking and making complex things simple. His background is in artificial intelligence, computer games, and the startup scene.



MAARTEN VAN LIESHOUT:

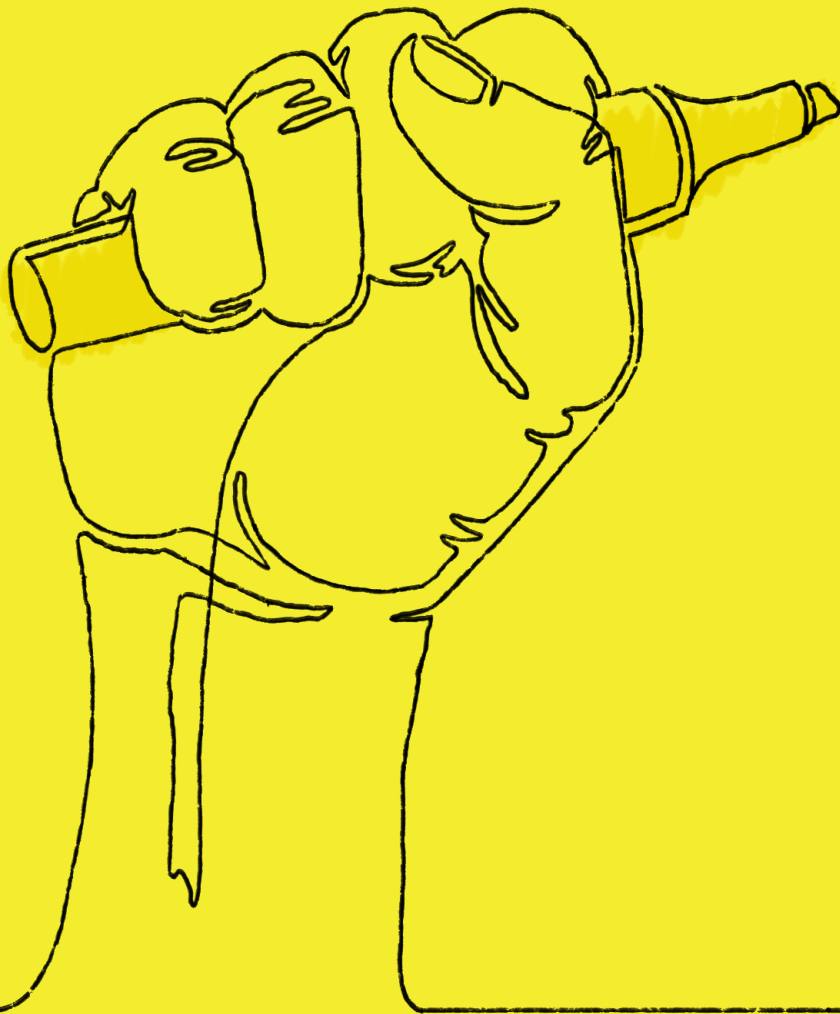
Maarten van Lieshout is creative director and partner at Thirty-X. He has applied visual thinking at an early stage for a Dutch Idea factory making ideas visual and tangible. He always brings a new perspective to the table – and stimulates others to get involved.



JONAS LOUISSE:

Jonas, a visual thinker at heart, started as an entrepreneur and designer straight after receiving his MSc in Neuropsychology. He loves to use his design and psychology skills to get his head around complex stuff and to get people on the same page.





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DESIGN A BETTER BUSINESS



8
AVAILABLE IN
STORES
SEPTEMBER
19TH

DESIGN A BETTER BUSINESS **MARKETING & COMMUNICATION**

Marije Sluis: marije.sluis@businessmodelsinc.com