Faculty of Design

2014

Strategy is the solution – but what is the problem?

Wildhagen, Benedicte

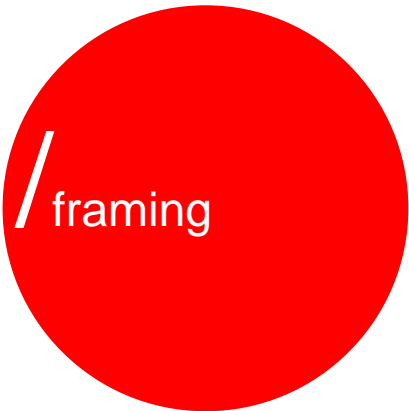# Strategy is the solution - but what is the problem?

Benedicte Wildhagen
Adviser, Norwegian Centre for Design and Architecture

/framing   /design+strategy   /evidencing   /summary

ANSVARLIG OG LØNNSOM

Strategier for ansvarlige forretningsmodeller

Sveinung Jørgensen
Lars Jacob Tynes Pedersen

RICHARD RUMELT

"A giant in the field of strategy"—McKinsey Quarterly

GOOD STRATEGY

BAD STRATEGY

The Difference
and Why it Matters

IN THE BUBBLE

DESIGNING IN A COMPLEX WORLD

JOHN THACKARA

"I eagerly devoured every last page of John Thackara's lofty, captivating book."
—Bruce Sterling, author of The Hacker Crackdown and Tomorrow Now: Envisioning the Next Fifty Years

WHAT MATTERS NOW

How to Win in a World of Relentless Change,
Ferocious Competition, and Unstoppable Innovation

GARY HAMEL

Ranked #1 most influential business thinker by the Wall Street Journal

"Goals are not strategy. Goals are wishes. Strategies are how one goes about achieving goals."

- R. Rumelt, Good Strategy Bad Strategy
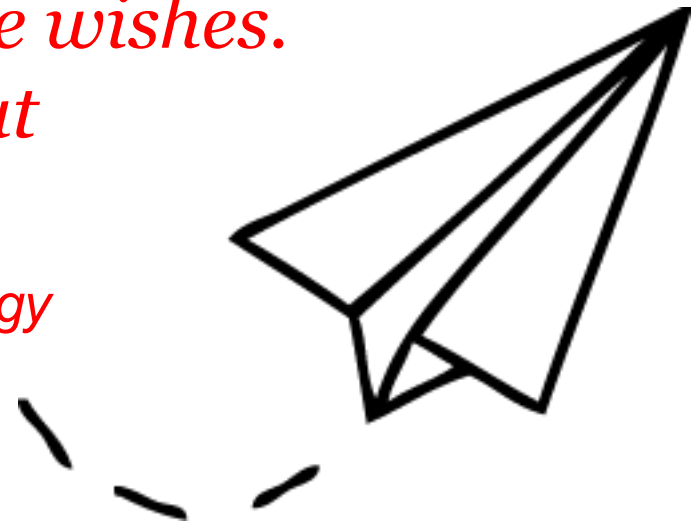
Its a challenge to identify the core of a problem.
SOD is a tool for undestanding complexity, as well as for acting.

EXPLORATION OF COMPLEXITY   DIAGNOSIS   DESIGN OF ACTIONS
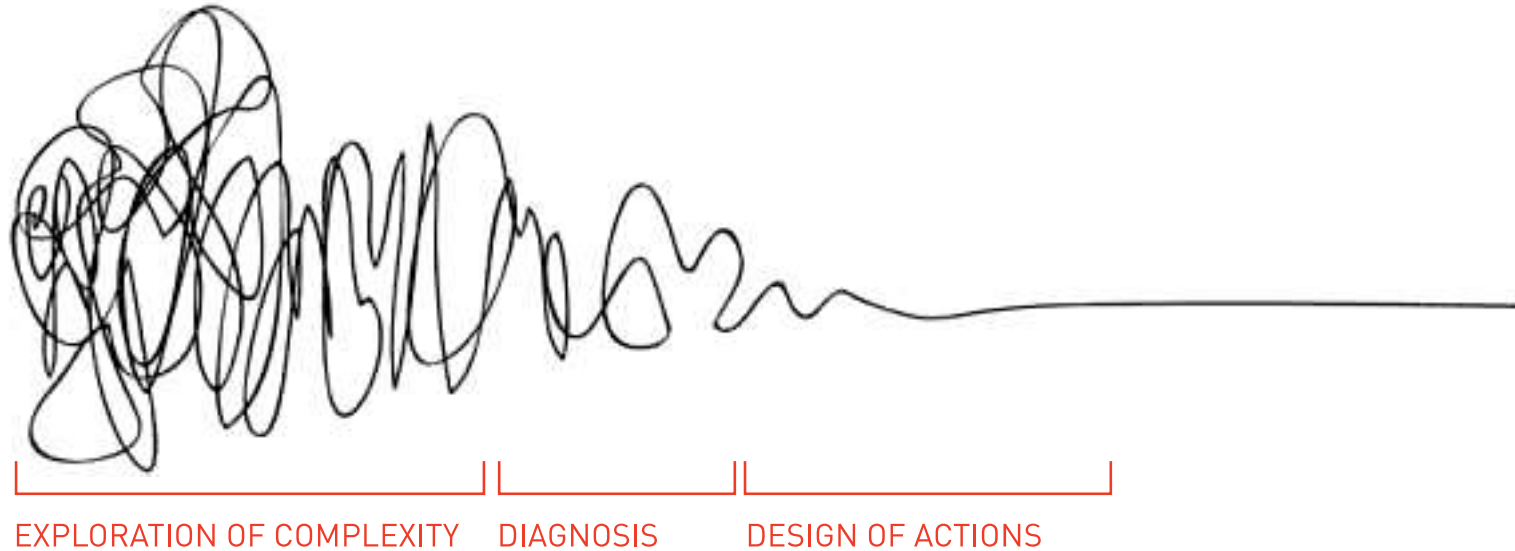
Strategy process / Design process...

"Strategic decision makers should be more problem-oriented and less solution focused."

Jørgensen & Pedersen, 2013

In complex systems the cause and effect are not easily understood

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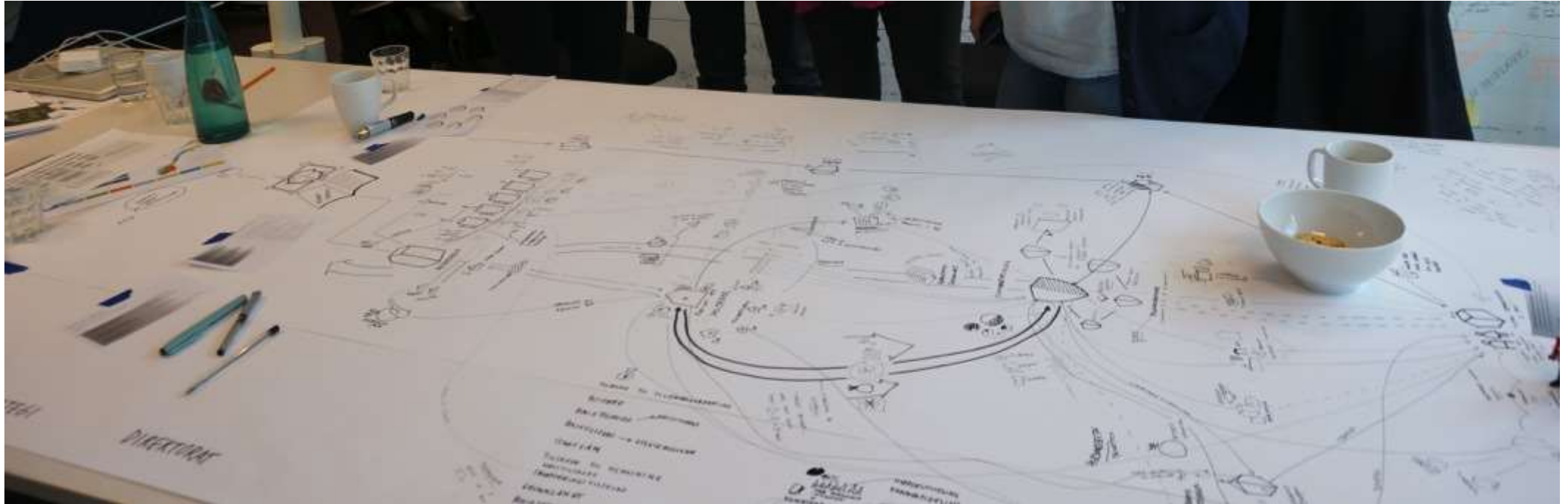
Challenging assumtions is not easy, since they are often implicit and not explicitly mentioned or written.

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"The biggest barriers to strategic renewal are almost always top management's unexamined beliefs."

Gary Hamel, 2012

Cases

**National school nurse services:
mapping a complex guiding-policy**

Challenge – shared understanding of the
bureaucratic process to develop a guiding
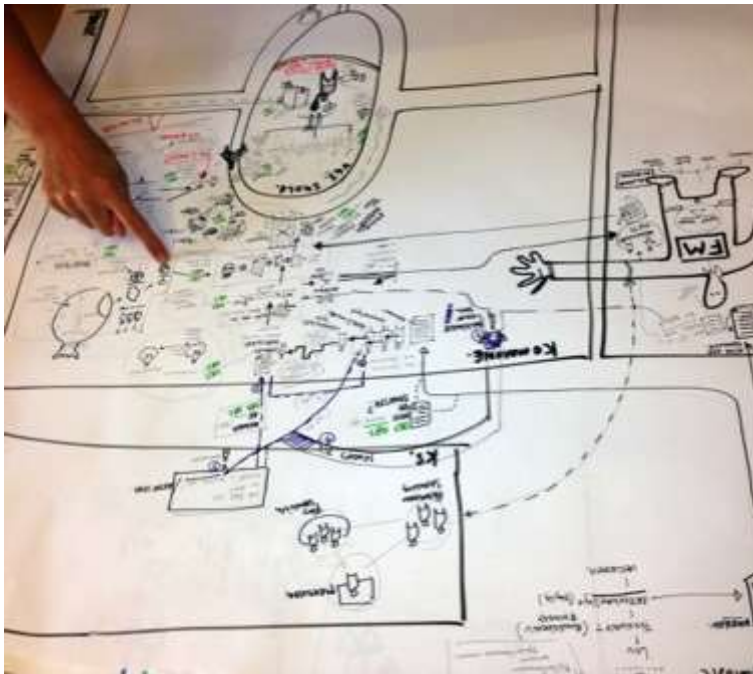policy.

Client: The Norwegian Directorate of
Health
Initiator: Norwegian Centre for Design and
Architecture (Norsk Form)
Designers: Ted Matthews & Adrian Paulsen
Project time: 2 months, fall 2013

Foto: Norsk Form

Exploration > diagnosing

Identifying

Diagnosing

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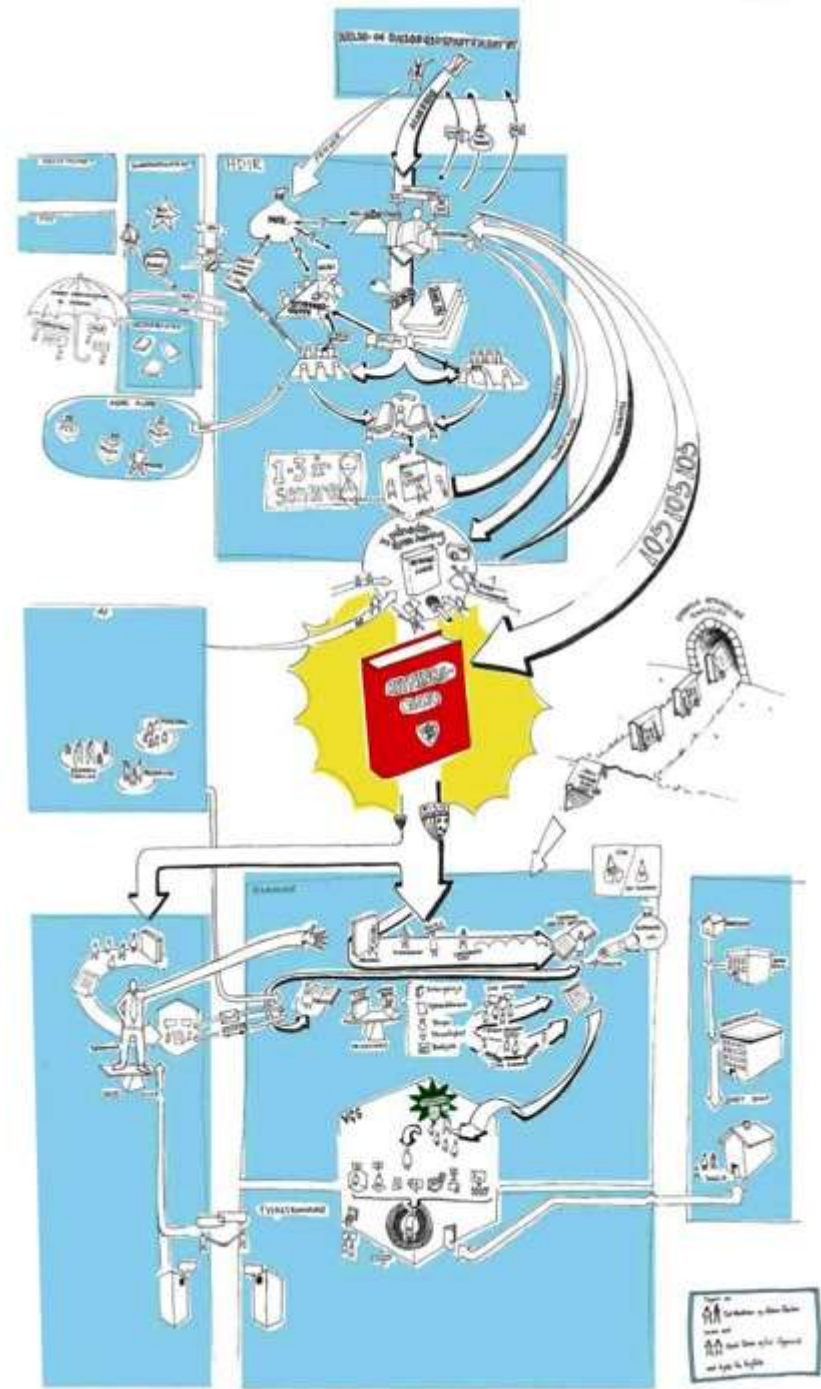
Diagnosing
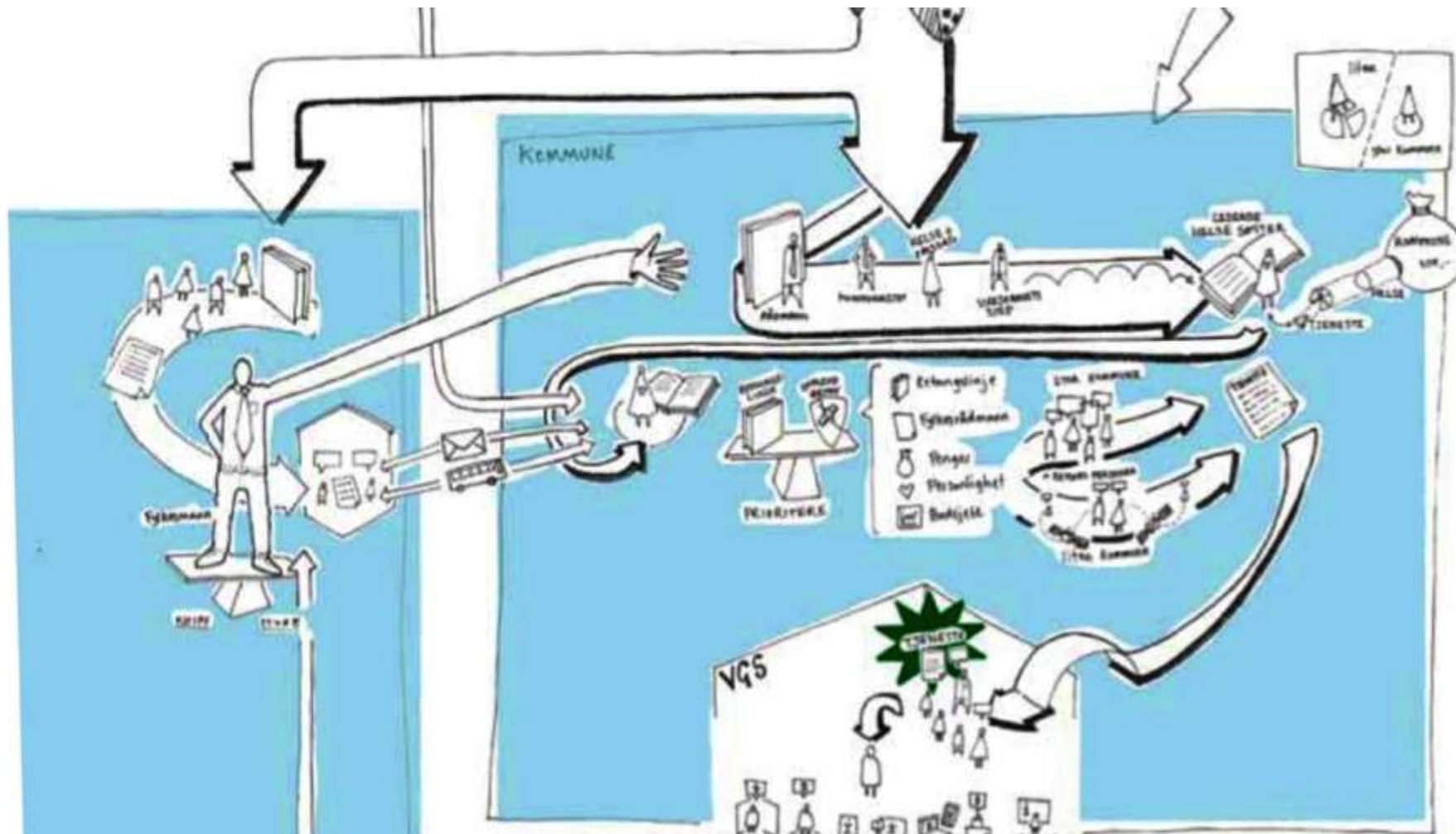
Result:

- Created a shared understanding of context, relationships and consequences, thus providing a better understanding of how the bureaucratic process developing a guiding policy.
- The look of the visualizing managed to create discussions about sensitive assumptions, and to challenge them.
- Mapping of patterns of weakness created a shared understanding of the need to includ end-user focus in the early stages of future policy making.

"Modern organizations need to learn quickly about changes in their core technology and also about shifts in their environment. Fast perception - being quick in the uptake - is vital. But when it comes to action, different tempos can apply."

- John Thakara, *In the Bubble*

High-tech company start-up:
Celerway

Challenge – which direction to develop the "product" & framing the potentially global marketplace they could enter.

Client: Simula Research Laboratory
Initiator: Norwegian Centre for Design and Architecture
Funding: The Norwegian Research Council
Agency: Adrian Paulsen Design & Baard Røsvik
Project time: 3 months, fall 2012

Video

-and irrespective of the sort of technology employed.

02:04

Celerway ENG
from **per tomas govertsen** PLUS 7 months ago   NOT YET RATED

Video – link Vimeo

Understanding

GUI

Sessions

Data transport

Network

Link

Components (HW)

Applications

Sessions

Transport

Network

Link

Physical layer

Package optimisation
- optimised package
- data compression

Routing optimisation
- (Dynamic correction)
- intelligent routing

Network optimisation
multi sim
virtual operator
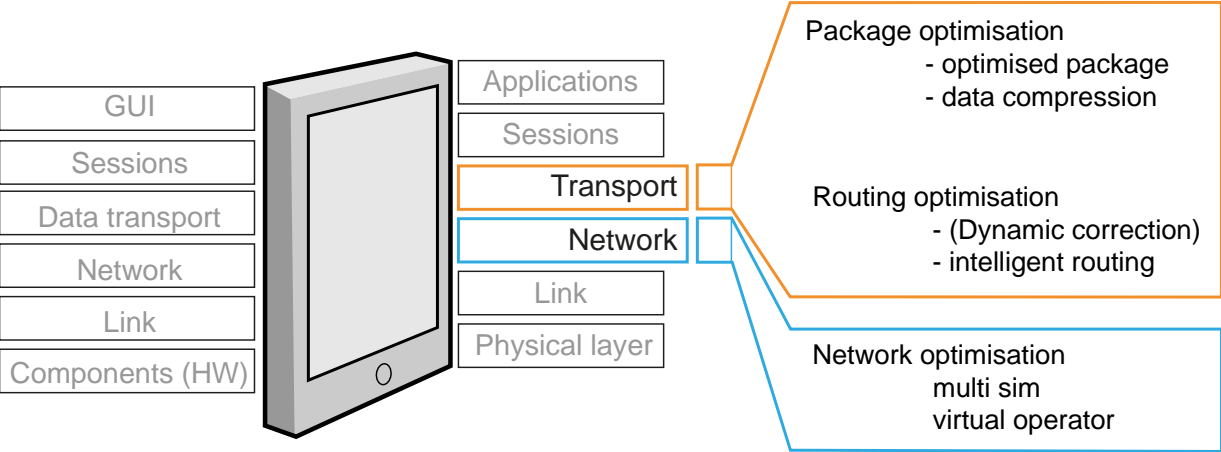
Exploration
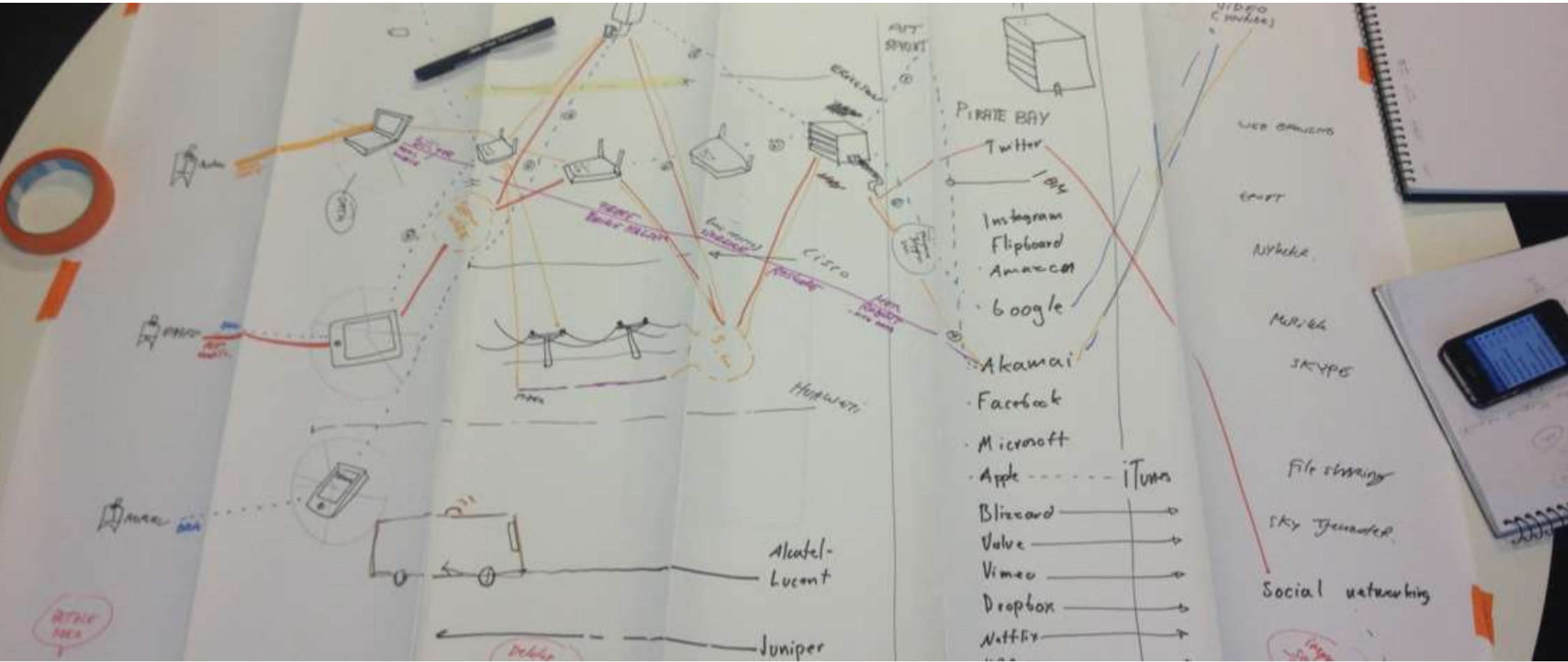
Foto: Adrian Paulsen

Diagnosing

Cable situation cause 3G boom

65% mobile penetration (incl WAP)

average business has several connections

#1 mobile internett user in Africa
95% prepaid users
mobile operators 30% = non voice income
over 50% surf the web on the mobile
95 mb monthly use
735 million mobile subscriptions by end of 2012.
Mobile is a game changer
Fastest growing mobile market in the world

South Africa

Mobile teaching plattforms

10.000 newly registered m-pesa users every day
10.000 newly registrated m-pesa users every day
Arrival of cheap smartphones (from Ethiopia)
20% smartphone users
2x mobile 3G than 3G USB modems
Significantly more 3G mobile broadbands than DSL subscribers
3G mobile network launched in over half of all african contries
More oceanic fiber cables support mobile broadband growth

Drivers: handset price, language and education
(missunderstanding of services)

"Comfort, convinience and fun"

Brand driven development (commercial activity)
165% smartphone increase year-by-year
mobile web means increased inclusion
Want deals, not annoyances
78 mill online population
93% of smatphoneowners shop with them
Android #1

Brazil

Not security focused (yet)
80% Prepaid subscription
78% say: "next will be web enabled"
2011: 4 mill subscriptions
12% with regular 3G use
26.6 mill mobile web access
26.6 mill mobile web access
Not at tipping point yet
Due to instability, unofficial web actors
Smartphones becoming less of a luxury item
2015: 100 miill mobile web connections

2013: Mobile commercereach 2 billion $

3 $ (ARPU)
1.2 Billion people
600 mill under age 25
9th largest economy in the world
22 languages
30 mill pc`s
50 mill mobile data subscriptions
5 mill mobile only web citizens

Rural web Growth

WAP dominated, but changing
Online revolution, not evolution
Web 1.0 & 2.0 at the same time
Government funded Wi.Fi roll-out
100 mill mobile internett user mark in 1 year
41% preffer mobile internett access
250 mill consumer class
75% Entertainment (video, music & games)
50% Communication
2015: 300-400 mill internett users
2011: 600 mill unique mobile subscriptions (900 mill total)
Mobile First

India

**Media hungry
(4.5 hours daily)**

Ill: Adrian Paulsen

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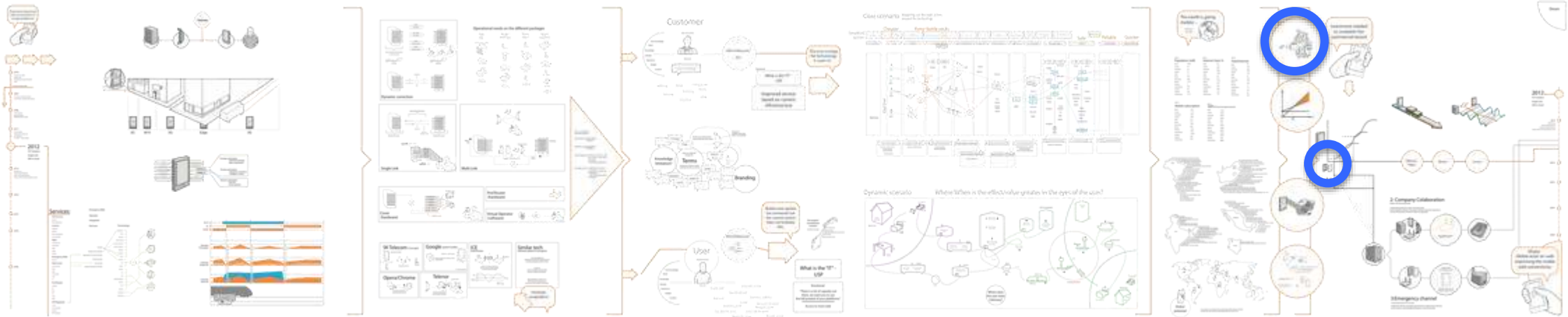
Actions

Result:

" - Visual sensemaking sessions ensured shared understanding of the technology and the ecosystem it could operated in. It shifted our initial focus and resulted in a guiding policy and design of actions for strategic impact. Celerway is still exploring and advancing based on this."

Audun Fosselie Hansen, CEO, Celerway
October, 2014

"Today, human beings confront a daunting array of problems that demand radical new solutions... Meeting these challenges will require us to invent new innovatio systems. We have to learn how to solve problems that are multidimensional and multi-jurisdictional."

- Gary Hamel, , What Matters Now

Summary:

For a strategy to to be a solution it needs to understand the challenge.

- SOD enrich strategy development – by shifting the conversation towards exploration of complexity, by improving the diagnosis and by enhancing coherent design of actions for strategic impact.
- **SOD methodology provides tools to understand the problem.**
- Giga-mapping makes it managable to discuss implicit assumptions and conflicting opinions.
- SOD creates a relevant _part to play_ for designers in the hard work of strategy development.

Einstein was once asked:
"- If you have one hour to to save the world, how would you spend that hour?"

Reply:
"I would spend 55 minutes defining the problem and then 5 minutes solving it".

Thank you!