Studying the Effect of Design Management in the Performance Improvement of the Organizations

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ABSTRACT

Design management in a company is the planed implementation of designing for assisting in its achievements. Since design management is, a new concept in our country in this paper it has been addressed the introduction of design management and its impact on improving organizational performance. The quality of design has a positive effect on national competition and increasing the rate of export as well as on the macroeconomic issues like the level of innovations, consume and welfare. Design is the valuable asset for business performance. Design and management are mutually beneficial.
Research has largely reflects the positive impact of design management in their organization structure. So in this research it has been dealt with these statements through evaluating the results of the design management process in the improvement of the status of organizations which have applied it. This research has been done through review method and the data relating to the library method and review one have been compiled.
KEYWORDS: Management, Design, Organizational performance

INTRODUCTION

"Everything we do is design because design is the foundation of all human activities." This quote from Victor Papank indicates the generality of design thinking. In fact design profession is a family of professions. Design is a process that controls, regulates and encourages the creativity in the organization. Design process is an identity process that describes the company for itself, its clients and its investors and distinguishes it from its rivals and it is the center of its success. Design enters the organization through different performance such as; executive management, organizational communications, research and development of production and marketing. It is a creative and managerial process. In this way, design proves its role in serious trade competitions. (Bourgeois, 2009)

Cooper and Peres in their research "Guidelines on successful design management 1995 " evaluated the effects of design management positively and provided some points for achieving successful design management. Cooper and Bruce in their research" Marketing and design management 1997" have discussed about the positive effects of design management in organizations marketing. Olson and Slater in "design strategy" implicitly confirmed the role of strategy in design management. Ballard in" A research in design management" also believed that the role of design management in improving company performance is undeniable. In Iran Nedaeifard in" Design management in product designing" has focused on design management in product designing and has enumerated the positive effects of it on organizations. Lahiji in" Introduction to design management and its role in productivity" has discussed about the positive effects of design management in organization. Ardabily in a case study has discussed about the benefits of architectural design management. The reviewed studies largely reflect the positive impact design management in the structure of organization. Because of the little familiarity with this topic in Iran and the lack of using this knowledge in organizations, the introduction and description of this topic can be helpful in many ways. So in this study the related researches will be addressed. In this study, we first define the basic concepts of design and provide a brief description of design management history and then we will address the interactions between the design and business and finally we define design management and its different concepts. Especially it will be surveyed the points which will be used in design management for improving the company performance.

Design

Design is a political activity. Whenever we design a product we affect on global trend. On the other word, design is an activity which shapes the planning of life. Design can be attributed to both an activity and its result. Design is a creative activity that its goal is to create multi-faceted qualities for objects, processes, services and systems relating their life cycles. So design is the main contributor for innovative humanizing of technologies

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and it is an important factor in the cultural and economical interactions. Design is the answer for industrial and organizational difficulties. (Cooper and Peres 1995)

Design is an activity which includes a wide variety of specialties such asproducts, services, graphic, interior spaces and architecture. Design arena is a solution finder activity which follows fromSystemic, logical and regulated process. So it is similar to management. Designer is a member of a multispecialty team and creates job for others. Designer acts as a coordinator and consider all elements of the project. Thus design plays a role in innovation management and conflict management. Design is a valuable tool especially in marketing and problem solving. (Cooper and Peres 1997)

Design reflects the needs and aspirations of the human as well as the dominant ideas and perceptions of art in his time. Designer should adapt himself/herself to the economic constraints, aesthetics, technology and commerce and attain a synthesis.There are four types of designs: Environmental design, product design, packaging design, and graphic design. (Bourgeois, 88: 14)

Design has proved its effects on organization and national economy. Design process is an identity process which defines the company for itself, its clients and its investors and differentiates itfrom its competitors and it is the center of its success. Design process begins with a question that indicates the nature of that question and it should be solved. In reply to this question the design process will be concluded. – A product, packaging or a kind of service that will be assessed by the company. Thus the inventive processes are highly similar to processes that benefits from the management in new product development and innovation process.(Bourgeois, 2002)

Design can improve the level of creativity and innovation. Thus, design inventive process has multispecialty and repeatable personality. This inventive process goes beyond the production of mere visual results because design is involved in many areas of managerial decision- making. Hence, design is an internal managerial activity that includes market research, marketing strategy, brand development, engineering, new product development, production planning, distribution and communications policies. Peter Grub believes that design is not an inventive activity even though it includes inventive people. Design is a tool for adjusting the innovation. It is an activity which controls, regulates and encourages the creativity in the company. The designer specialty is similar to the entrepreneur. (Bourgeois, 2006).

Historical Survey of Design Management

The origin of design management backs to Philips Company in 1920s and Olivetti Company in 1940s. In 1940s the design was more a performance for producing than a strategic factor and the designers was concerned about comparing their values to the commerce. For this reason, it was put a high value on improving of designing in industrial production by using all scientific instruments. In 1950s some conferences were held to make closer the design to the commerce.

In the 1960s, the focus was on business performance place management in designing. In the early seventies, the focus was on notifying of the designers and people who had a hand in the business world. In 1975, the design management institute was founded in the United States of America. Its goal was increasing the awareness with regard to accept the design as an inseparable part of business strategy. Before the 80s, many people still viewed the design as a transient phenomenon. But by passing the time this attitude vanished and design management gain value in the changes of costs policies, quality management and in the form of supply management coordination. The design management was able to organize issues.

Design and Business

Design profession is actively involved in the national economy. In the late nineties, institutes by benefiting from restructuring of the customers and by utilizing the international strategies recover their growth rate. The prospects of professional development of design are good because consumers are looking for differences and products which reflect the expression of intimate relationship with others. (Bourgeois, 88: 80)

Design not only has an indirect influence on the international competition indicators such as technology, research and development and commercial balance of business but also on social balance and public health and welfare. Design raises the share of institute market and develops a demand for immediate purchasing motivation and replaces the products that stimulate the consumption at the national level. Design is a tool for promoting globalization. (Lahiji, 2001)

The social of design is a part of ethics. The social value specifically arises in the macroeconomic issues, public health and welfare of a country. Designers invent the solutions for collective housing, schools, hospitals and urban facilities. Design plays a collective and social role by shaping the human aspiration and reflects and reinforces the social values and can participate in correcting the bias in human relations.

Design can be an offensive weapon in the international market. Design is a talent for expressing the skills and creating the brand value through an international product strategy, packaging and brand communications. The firms focus on participating product designing in their analysis of the relationship between design and performance of the business. Design provides the possibility of penetrating to the new market by increasing the

current market share. Manufacturing and service organizations apply the professional design skills and invest on design effectively and benefit it for their success. (Bruce, 1999: 237)

Finally we can say that the quality of the design has an impact on the rate of national competitive and specifically on the rate of export. Design is also involved in the macro-economic issues such as the level of innovation, consumption or welfare of a nation and it is a valuable asset for business performance.

There are different models of design management which offer different routes for creating the different values. (Kasoto1990: 136).

Design Management

The root of design management in shifting from managerial model to the flat organizational and flexible model is based on Taylor hierarchy that is an incentive for initiative and autonomy and individual risk. Designers take comfort from this new and the more informal managerial model. The new model is based on the concepts such as customer-based management, project-based management and Comprehensive quality management that all of them are concerned with the design. This change in the management approach creates a demand for intra-organizational design management. (Bourgeois, 88: 101)

Design management emerged in the 1960s in Great Britain. At that time, this term was attributed to the relationship management between a design agency and its clients. In 1966, Michael detects the emergence phase of new functions: design manager whose mission was to ensure the smooth implementation of projects and to provide communications between the design agency and its clients. According to him this role could be played by design agency or a manager from the client's company because the main objective was continuing the communication. (Bourgeois, 88: 103)

According to the description of design management by Peter Gurb(1990), design management is an effective use of available design resources in a company through its production managers. Thus, design management is directly associated with the position of design within an organization, recognition of special systems of design and training of the senior managers for effective use of design that is appropriate for resolving the key managerial issues.(Bourgeois, 88: 105)

Design management is the implementation of design that is the official program of activities within a company through telling the relationship between the design and long-term goals and synchronizing design resources at all levels of organizational activity in order to achieve the goals of that company.

The role of design management is also to foster an understanding of the relationship between design and realization of long-term goals of the company and to synchronize of design at all levels of the company. Design management includes the following activities:

-Contributing to the strategic goals of the organization through the development and audit policy

Design is the explicit expression of policies in parallel with identity and organizational strategy and using the design to identify the necessities

-Design resource management

-Creating a network of information and ideas (A network of specialized information resources and design)

Design management is particular for design activity. Only the manager or senior design manager would be able to clarify the design problems for the staff through his or her everyday interpretation of design policies. The existing differences in designers and managers conceptual approaches are often due to the assumption that design integration would be difficult. However, an analysis of the characteristics and the basic concepts of these two systems reveal more similarities than indicate the differences. Conceptual differences between design and management are rooted in directors and creative team mutual mistrust. Since design is searching for authenticity, freshness, creativity and innovation it is risky to conflict with the classic style of management and conservative views that are resistant to organizational changes.

From the law point of view, rational management model is more based on control and planning than creativity. Taylor model which is lacking in Gestalt according to some executive managers make it difficult to compromise with holistic design activities but can accept the design as a troubleshooting activity that its goal is to promote the growth of company and to create the competitive advantage through the differentiation. More recent management models accept the importance of inspiration and intuition in the formulation of strategy and provide a framework for managers with the artistic characteristics. (Mintzberg, 1994)

Table1: A Comparative approach for the concept of design and management

Management Concepts	Design Concepts
Troubleshooting process	Design is the troubleshooting activity
Ideas Management, Innovation	Design is a creative activity
Business Systems, Information	Design is a holistic activity
Communication, Structure	Design is a synchronizing activity
Customer priorities, organizational culture, identity	Design is the cultural and artistic activity

From the point of informal management model, design and management both represent the query and the empirical decision-making systems with the potential and convergent conceptual structures.

There are different methods and models for design management. Conceptual models and patterns for the design and management can be the starting point for building a convergent model of design management based on two perspectives: response-oriented (managerial) and initiative-oriented (Strategic)(Girard and Rubin, 2006: 817)

Promoting of design is done through matching the administrative and managerial concepts. To select ideas and techniques that will make the organizational design more effective all managerial patterns will be investigated. Through correlating the design with the key design concepts of product management, brand, identity and innovation the result will be achieved. This view is looking for implementing the different administrative, scientific, behavioral, situational, decision-making and systematic theories and a query about their relationship in terms of concept and performance for enriching the design management methods.

Strategic approach includes a review of design in place of a new model for the ideas and methods which can be used for increasing the efficiency of management in general and the design management in specific. This issue is necessary for promoting the managerial concepts to the perception of ways in which design understand the truth as well as for investigating its various methods such as shape, color, aesthetics and objects sociology.

Achieving quality requires continuous inspection procedures and the defects. The design process tends to challenge the ordinary course of affairs because of its nature. Design is a performance which is capable to create an agreement about quality and induces a new perspective. This process culminates through entering quality managers to the design units.

Table 2: Convergent model for the design and management

Applying the Design management in quality management	The Purpose of Design Management	Design management approach
-Participation of quality experts with designers and design managers -Information about impact of design on the lack of defects -Perceived quality test	-Promoting the design through traditional approaches -Design and organizational -Design / Brand, Identity, Strategy -General management and design management methods	Design management managerial approach
-participation of designers with quality experts -The review of processes -Common perspective and optimizing	-Optimizing the management through design knowledge -Theory of Forms: The basics of design -Creativity and idea management	Design management Strategic approach

Conclusion

Design management is an integrated activity which gives unity to the company and conveys clear message to the people inside and outside the company. Design management requires a delicate balance between art and commerce. The importance of design management is increasing. For this reason, recognizing the various aspects of design and planning management in order to adapt an appropriate performance in the organization seems to be necessary. Design management should be continuously existed in the process of design and production as an essential and integral part of the design and production process and should establish a proper connection and coordination between different parts of the research, design and production. It should facilitate the production process and should accelerate it and should utilize the existing organization capabilities for producing a new production. Since this science is a new concept in our country and also due to its advantages it is necessary to learn much more about this knowledge and it is necessary to apply it in the organizations.

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