

The ROI of Design

New SME advisory service targets innovation RODI



by Arlene Gould and Tim Poupore

According to a recent US study called “The Innovation Imperative in Manufacturing”, Canada ranks 14th on an index of 110 countries measuring the inputs relative to the outputs in the innovation process. That ranking is respectable, but not competitive. What is more interesting is the fact that Canada is a big spender on inputs (R&D funding, tax credits, education, innovation policies) but doesn’t get as high a score on innovation impacts or outputs (IP generation, commercialization and export success, economic growth) as countries such as US, Japan, North Korea or even Luxembourg.

One reason we are not seeing that impact in our commercialization results is our failure to use strategic design and to involve designers in every stage of the innovation process. Ontario is Canada’s manufacturing base and also a leading design hub with the third largest number of designers in the workforce of any city in North America. Harnessing this creative problem-solving ability to meet triple bottom line (economic, social, environmental) objectives is the focus of the work of Ontario’s Design Industry Advisory Committee (DIAC), a cross-disciplinary think tank and design research group established by the City of Toronto in 2001.

Now, DIAC is launching the Design Advisory Service, a design support program to help manufacturers and other growth-oriented SMEs improve their innovation outcomes.

The objectives of this program are twofold. The first is to expand the use of strategic design in every stage of the product development process. The second is to maximize the value of that investment and deliver breakthrough results.

In other words, the aim is to increase the Return on Design Investment or RODI for participating companies. The Design Advisory Service is being supported by the National Research Council’s Industrial Research Assistance Program (IRAP).

Here’s how the service works. In its pilot year, the Design Industry Advisory Service will focus on SMEs in the Greater Toronto Area and will draw potential participants from existing SME clients of the IRAP program. Other SMEs who meet the project criteria will also be considered. There are six steps in the program:

1. Design Seminar. DIAC is delivering a series of design seminars to introduce the IRAP Industrial Technical Advisors and potential SME client participants to the value of integrating design with business strategy and adopting an Integrated Design Process in product development and commercialization.

2. Company Selection. Companies will be selected to participate in the first year of the program based on their potential to upgrade the use of design in their innovation process and on their geographic location.

3. Design Audit. For each company selected, the DIAC program team will conduct a one-day Design Audit – this is essentially a snapshot of current business activities and identification of areas in which the use of design (in development of products, environments, and communications) can address specific strategic goals and improve commercialization success. The client company will receive a report detailing the opportunities and a preliminary design brief for a demonstration project.

4. Design Project. DIAC will then match the SME clients with a design team to conduct a one-week project based on the brief and on the recommendations from the Design Audit. It is not expected that a full design project can be completed in this time frame. Rather, the one-week service is intended to introduce the company to the strategic design process and establish a conceptual direction to capture the design opportunity. Projects will be determined based on observed need and each SME’s objectives.

5. Evaluation and Design Strategy Recommendations. The DIAC team will assess the results of the project and follow up with design strategy recommendations to help the SME Client leverage the value of the experience and integrate design with ongoing business strategy.

6. Design Case Study. The DIAC team will write a case study focusing on the business impact of the design intervention for each project completed. Case Studies will be posted on the DIAC web site (diac.on.ca) to serve as benchmarks and reference material for SMEs across Canada.

DIAC is also planning to develop an online Design Toolkit to take the Design Advisory Service to a wider target audience across the country.

For further information on DIAC’s new Design Advisory Service, please contact: Arlene Gould, Strategic Director, DIAC. (strategy@diac.on.ca).

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