NZ State Services Commission, Institute for Governance and Policy Studies & the Australia and New Zealand School of Government present:

**Designing for the greater good:**
Design thinking and innovation in government

**Speaker**
Prof. Jeanne Liedtka
Darden School University of Virginia

**Speaker**
Lis Cowey
Principal Advisor
NZ Treasury

**Moderator**
Dr Michael Macaulay
Director
IGPS

Do you have a question for today’s speakers?
Send this through to:
+61 447 523 995*
to be answered at the end of the presentation
Design Thinking
Choosing a Mindset

Geoff’s Cycle
Growth Mindset

This confirms ...
Succeed more often in new situations
Place small bets, quickly
Manage risk through action
Detect multiple hidden growth opportunities
Create stakeholder empathy

Life is a journey of learning, therefore ...

George’s Cycle
Fixed Mindset

This confirms ...
Fail more often in new situations
Place big bets, slowly
Manage risk through analysis
Understand stakeholder data

OUTLOOK
Accept ↓ Fear

UNCERTAINTY
Seek new ↓ Avoid new

NEW EXPERIENCES
Build broad ↓ Have narrow

REPETOIRE

This confirms …
What is Design Thinking?

Design thinking is a systematic approach to problem solving. What would be different if managers thought more like designers?

**Problem solving would be driven by three core beliefs:**

Empathy – Start by establishing a deep understanding of human needs

Invention – Discover new possibilities

Iteration – Use the first solutions only as stepping stones to a better one
Design as a Problem Solving Approach

- What is?
- What if?
- What wows?
- What works?
Steps to Designing For Growth

1. Identify an Opportunity
2. Scope Your Project
3. Draft Your Design Brief
4. Make Your Plans
5. Do Your Research
6. Identify Insights
7. Establish Design Criteria
8. Brainstorm Ideas
9. Develop Concepts
10. Create Some Napkin Pitches
11. Surface Key Assumptions
12. Make Prototypes
13. Get Feedback from Stakeholders
14. Run Your Learning Launches
15. Design the On-Ramp
Immerse yourself in stakeholder data

Generate Ideas

Surface assumptions

Conduct a small experiment

Revise Ideas

Assumptions Proven

Assumptions Disproven

Generate Ideas

Immerse yourself in stakeholder data
Perspectives on design thinking

- tool kit for producing more creative ideas
- risk reduction strategy
- change management approach
- increasing the speed of innovation
- vehicle for empowering local capability building
- way to convene conversations for change across diverse stakeholders
Convening a conversation for change
Defining the Opportunity

Engaging

Convening a conversation for change
Convening a conversation for change

Defining the Opportunity

Engaging

Curating
Convening a conversation for change

Defining the Opportunity

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Curating

Aligning
Convening a conversation for change

- Defining the Opportunity
- Engaging
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- Inventing
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Measuring Design’s Impact

- Changes in “Hard” Measurable Outcomes
- Changes in Perception
- Changes in the Conversation
- Changes in How People Think
Jeanne said…
“As an innovation leader, design the experiences YOU are responsible for”

Reflections on applying design thinking to my world

Lis Cowey, Principal Analyst, The Treasury
Challenges I took away from Darden

• Different styles of leadership
• Mind-sets, not just methods
• Adapting design thinking to policy and strategy in government
• We can all be ‘designers’, but how far should we? And where best to apply it?
Different styles of leadership: the system needs both to deliver and innovate

Leading innovation: two models

The ‘hero’ leader?

“The innovation leader creates empty space for others to fill. They design conversations that invite the conflict into the room, surface it and resolve it in pursuit of higher order solutions.” (Prof Jeanne Liedtka)
Creating empty space by…

Inviting others into our analysis:

– Labour market forum workshop: ‘poster gallery’ style

– Treasury regional stakeholder consultation: starting with assumptions
Mind-sets, not just methods

- People-centric: public sector systems are just people doing stuff really!

- Moving from ‘being smart is being right’ to being inquiry-based

- Exposing mental models to connect across difference - visualisation can help
Using a different mind-set…

Helps us reveal our mental models

Novel methods can get in the way – but also give unexpected information… User feedback included: “My thoughts about this: I’m wondering how come you have the time to play around with lego.”!

Senior support needed: starting discussion further back takes time – but can create richer engagement, not just ‘buy in’

The word “experiment” can freak people out!
How can design thinking help government policy and strategy?

• Fresh starting points for analysis: further back and out there with people

• Adaptive strategy: Hypotheses, prototypes and “experiments”, c.f. framework-trial-rollout

• ‘Value chain’: understand what influences behaviours in different parts of complex adaptive human systems, not just end users
Challenges in using design thinking for policy

• Ethics, duty of care and expectations management
• Role of Ministers
• Being brave enough to expose early, messy thinking
• Practical challenge of applying approaches to large, complex systems
We can all be designers?

• Role for professional specialism c.f. democratisation: more clarity required
• Application to leadership (facilitative open style)
• Application to professional relationships, ‘services’ we offer each other at work
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Upcoming Applied Learning Seminars

Un-plan the future: futures and stories for public policy
Speaker: Dr Adrian Kuah
Wellington 28 October

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### Upcoming Executive Education Workshops

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<td>Wellington</td>
<td>16-21 October</td>
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