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The Challenges of Adopting Design-Led Innovative Strategies in Not for Profits

The Role of Consumers, Culture and Employees

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Abstract—*Major changes to regulations, funding and consumer demand in the Australian aged care industry are driving not for profits in this sector to reshape and rethink the services they offer and the ways in which they deliver their services to consumers. Many not for profit organisations facing these new challenges are also facing organisational cultural barriers in the development and implementation of innovative strategies. This paper presents a case study where one organisation, using design led innovation, explored consumer insights and employee values to find new ways to facilitate change.*

Keywords—Design-led Innovation; not for profit; aged care; design as strategy; co-creation; cultural change.

I. INTRODUCTION

The Australian aged care industry is currently being redefined by a rapidly expanding customer base and new legislative demands [1, 2]. Due in part to the shift in ratio of elderly to working segments of the population, the Australian government is introducing major changes to the funding of aged care providers. Under this new scheme consumers will have greater transparency and control over how their funding is spent, forcing providers to diversify their revenue streams and innovate in order to remain competitively viable [1].

Many Not-for-Profit organisations (NFPs) operating in this sector are having difficulty reformulating their roles and reorienting long term staff to overcome a resistant organisational culture that is proving to be a barrier to change [3, 4]. However, organisational culture can also be an invaluable tool for developing coherent strategic choices and ignoring it comes at a high cost [3]. In an organisational context, identifying a need for change is not a sufficient driver for innovation, so a relevant framework and structured approach needs to be applied in order to facilitate the change process. Currently, little literature exists regarding the value of design as a means to facilitate change in a resilient NFP.

The first author, whilst working as a Design Innovation Catalyst embedded in a NFP aged care provider, participated in and facilitated workshops for adopting a more innovative and competitive business stance as part of an action research methodology [5]. The workshops included (i) an organisational value driven approach with employees and (ii) a design-led consumer driven approach with customers in the organisation's target demographic that were not receiving formal care services at the time. The intention of each respective workshop was to (i) identify the core values of the organisation and (ii) obtain deep customer insights. Once completed, the outputs captured in the workshops were prototyped and tested as potential levers for change in the organisation.

Hence, the research question addressed by this paper is 'what is the role of consumers, culture and employees in adopting a design-led innovative business strategy?'

The paper discusses the results surrounding the process, outcomes and actionability derived from the workshops and the contributions of design. More specifically, the paper will reflect on whether either of the approaches had the capacity to assist organisational change, what impact organisational culture had on the processes, and whether there were any implications for facilitating the two approaches concurrently.

II. LITERATURE REVIEW

A. The Change Drivers

In 2011 the first of the Baby Boomer generation turned 65 years of age. During this period, those aged 65 years and over accounted for 14% of Australia's population. This figure is predicted to increase to 20% of the population by 2030 [6]. When paired with recent amplified commercialisation, this rapid expansion of elderly consumers in the market has forced NFPs to alter the way in which they operate. These demographic changes will force NFPs to pursue innovative ways of delivering aged care to their market in order to cope

with an increase in market size along with new demands and expectations from consumers. Some organisations are responding by attempting to rely less on donations and grants and more on fees and contracts [1]. While beneficial, this approach will not be sufficient to generate acceptable solutions. NFPs need to understand how consumers make decisions in regards to choices about later living [1, 7]. Learning from the aged care industry for this purpose involves understanding the family decision making processes, dependency issues and preferences with regard to models of care in later years living [8].

The surging senior citizens market has also attracted a number of private health insurers and private sector aged care providers to the industry. Between the mix of not-for-profits, religious affiliates, government-owned organisations and the emerging private operators, these aged care organisations will need to triple their headcount from roughly 250,000 staff presently to 800,000 staff mid-century in order to cope with the influx of consumers [2]. Current infrastructure and methods of delivering aged care will not be capable of coping with this rising demand [9, 10]. This aggressive commercialised environment is forcing NFPs to pursue innovative strategies to deliver superior aged care products and services to their target markets [1].

For this target to be reached by an organisation, its culture needs to be understood. Culture affects not only the way staff operate within an organisation, but also the decisions they make about the organisation's relationships with its environment and strategy [3, 11, 12]. In particular, culture can often impede changes in strategy as it is natural to become emotionally attached to both strategies and ideas. Time spent enforcing these strategies, validating through valued mentors and success at various stages of their implementation reinforces these strategies. Because these beliefs previously acted as effective guides it is natural to remain attached to them [3].

However, at a time where a new carefully considered strategy is a necessity due to changing market conditions, staying loyal to old strategies may be detrimental. In this scenario, cultural barriers are often found to have negative connotations. The severity of these connotations depends upon how long and how well the existing culture has continued to achieve top management's financial goals. However, it is important to keep in mind that *"culture is an invaluable aid to speedy and coherent strategic choices"* [3, p. 109]. Culture describes the essence of a company's character and competence, abandoning it comes at a high cost. Thus, the challenge can be framed as maintaining respect of existing cultural values while embracing flexibility. Consciousness of these beliefs is essential to finding a balance, which is in turn critical for corporate survival [3, 4]. These tensions also suggest that NFPs seeking higher degrees of innovation must fulfil the prerequisites for higher-order learning, that is, an entrepreneurial posture in decision-making, learning from both external and internal sources, and actively questioning what has been learnt [1]. For a firm to shift to this frame of mind is no simple task. Consequently, designers are equipped with skillset that allows them to rapidly question what is known and prototype strategies for improvement [13]. This unique skillset

places designers in an ideal position to assist an organisation in making this transition.

B. Design as a Strategy

Design has been demonstrated to be a crucial strategic business resource [14], yet traditional conventional views suggest that designers are primarily concerned with the aesthetical and technical considerations of a product or service [15]. Design is capable of, and in fact does, so much more than this. Some businesses have yet to understand that this application of design process is only a small part of a system. Designers are able to use a range of methodologies that incorporate innovation, human centred design and understanding through observations into a framework known as 'Design Thinking' [16]. The key is the application of these traditional services to the businesses as a whole by using strategies such as business model innovation [17]. When this process is utilised it creates a platform where innovation can take place within the company; allowing it to differentiate from competitors and more efficiently compete in a global marketplace [18].

Since NFPs already face the problem of balancing financial and operational objectives [1], it can be quite difficult to identify the equilibrium between the implementation of new technologies in a product or service and the effectiveness of its business model. From an economic perspective it is evident that an innovative business model can be of greater value to a company than the application of ground breaking technology [19]. Design-Led Innovation (DLI) is an emergent business innovation strategy that has the potential to fundamentally enhance a company's value proposition and in turn provide a more effective business model; leading to superior products and services. However, undertaking business transformation using design is not currently part of a traditional designer's role.

DLI has been described as *"a method which allows a company to consider and evaluate radically new propositions from multiple perspectives, typically spanning user needs, business requirements and technology demands"* [18, p. 2]. In practice, this methodology can be diffused through a Design Innovation Catalyst, where a designer takes on an embedded position within a participating organisation. The catalyst's purpose is to translate and facilitate design observation, insight, meaning, and strategy into every facet of a company. This role is defined by continuously instigating, challenging and provoking innovation both internally and externally from within the company whilst maintaining a link to the strategy of the business by re-aligning and mapping these activities [20]. Through this process the design outcome (or the result of the design) is not manifested as standalone artefact, but as an integrated product and service concept. The final design solution is created with the intention of being able to anticipate future user needs, build future proposals and encourage feedback [18].

Cross [13, p. 221] explains that the central concern of design is *"the conception and realization of new things"*. Designers have much to offer in an industry where innovation is being pressured by several dominant drivers. Furthermore, by using the DLI framework a designer's knowledge and their

methodologies for the application of design can be disseminated throughout the employees of a participating NFP. This diffusion of ideas involves a shift in the role of the designer to design integration rather than a focus on the traditional duties of design. In fact, Martin [21, p. 1] argues that *"business people don't just need to understand designers better -- they need to become designers"*.

Design is a key element which should be core to a company's vision, strategy, culture, leadership and development processes [18]. Design also has the capacity to form a framework that can facilitate change in a company by capturing relevant insights with consumers and leveraging them into drivers for change. However, the goal is not to drive the change but to instill the capabilities an organisation requires to internally drive the change. It is important to be mindful that while the change is occurring, a company's culture can greatly impact how the change will be perceived. Innovative insights regarding how things should be done are important, as is being attentive of the dictum; when entering a market and coming to terms with its current environment and context, the answer is not to simply build a competing service, but to understand how the existing services came to be [22]. In an industry that is reinventing itself to remain relevant, being aware of this background is not sufficient. Strategies need to be mindful of a company's culture, and the drivers for change need to be clearly articulated and disseminated throughout the organisation [3].

III. METHODOLOGY

Due to the embedded nature of the researcher an action research approach was utilised. Action research is a *"scientific social research which is participatory and practice-oriented, which aims to find solutions to social problems and to emancipate individuals and groups confronted with such problems"* [23, p. 419]. Additionally, the methodologies and processes which are incorporated in action research have proven to be suitable drivers for innovation, (re)creating change, leadership and learning (in all senses of the word); this is due to their enduring and sustainable nature comparatively to traditional ways of learning, training and research [5, 24]. Boog et al [23] also claim that for any useful data to be generated the researcher must become a participant or collaborator in the project. Although both action research and traditional research include active learning, searching, problem solving and systematic inquiry; the main point of difference is that action research is rigorous, open to scrutiny, verifiable, and is made public through publications, oral or written reports [5].

Through the use of this approach the researcher was able to gain greater exposure and understanding of the workshops and their outcomes. It is important to note that the two workshops were driven simultaneously by two separate internal departments and the findings on the approaches are only indicative as the workshops in discussion are not symbolic of the broader process but rather selective examples. Hence, the objective of the paper is to distinguish and compare the values of the workshop typologies. This will clarify how the underlying drivers of each workshop were or could be of benefit to an organisation. In addition, the paper will seek to understand some aspects of organisational behaviour that are required to conduct change and what is required to formulate a strategy that will drive it.

A. Employee Driven Approach

The first approach revolved around the vision and values of colleagues. The instrument used was based on Barrett's seven levels of consciousness model, an adaptation of Maslow's hierarchy of needs [25]. The primary difference between these models is the shift from a focus on needs to a focus on consciousness [26].

According to Barrett [26] the growth and development of consciousness in all human group structures occurs in seven defined stages. Each of the stages focuses on a specific existential need that is common to the human condition; these needs serve as principal motivators in all human affairs. The growth and development of consciousness in a NFP is dependant of its leader's ability to generate and maintain a culture that permits the organisation to satisfy the needs of all of its stakeholders, whether they are employees, citizens, or society. The seven levels in the progression of consciousness can be seen in Fig. 1.

Barrett [27] also claims that for a NFP organisation to attain full spectrum consciousness it needs to master the four stages of human needs. (i) Physical consciousness is mastered by focusing on financial stability, and the health and safety of employees. (ii) Emotional consciousness is mastered by concentrating on open communication, employee recognition, performance, results, quality, and excellence. (iii) Mental consciousness requires an emphasis on adaptability, innovation, employee empowerment, participation, and continuous learning. And finally, mastering (iv) spiritual consciousness requires creating a culture that is based on a shared vision and values, which engenders an organisation-wide temperament of trust. Additionally, strategic alliances and partnerships with other NFPs need to be formed, and the organisation needs to develop mentoring, coaching and leadership programs. The organisation's focus should shift to future generations, sustainability, social justice, and human rights by embracing compassion, humility and forgiveness.

The Seven Levels of Human Consciousness model thus acted as the underlying driver for the workshop, with the focus

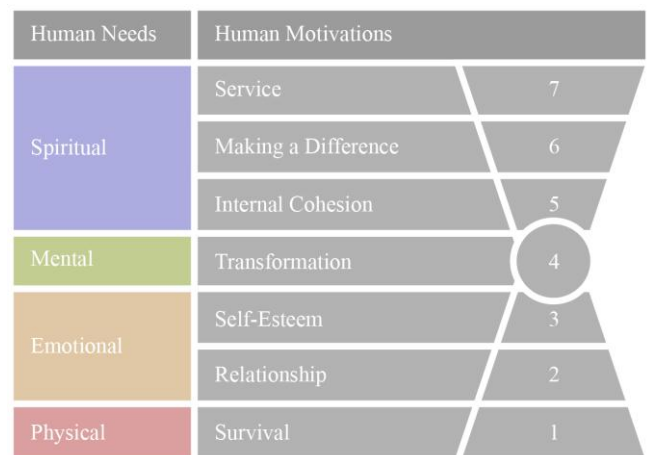| Human Needs	Human Motivations	
Spiritual	Service	7
	Making a Difference	6
	Internal Cohesion	5
Mental	Transformation	4
Emotional	Self-Esteem	3
	Relationship	2
Physical	Survival	1

Fig. 1. *Adapted from the Seven Levels of Human Consciousness [20]*

centred on capturing the values of participants and crafting a 'vision'. The workshop identified that due to the nature of changes in the aged care industry there is an opportunity to set a new direction. However, building on the past while creating something original, current, topical and that would see the organisation's legacy survive during and after the next seventy five years is a major challenge. Staff discussed that the organisation's aspiration is to set the bar that others would aspire to reach; to go beyond previous practices or doing things the way they have always been done, and their need to discover new and innovative ways.

Participants engaged in a series of semi-structured activities, discussions and open-ended questions during the workshops. Such questions were structured to provide a collaborative framework to allow the facilitator to quickly identify any exemplary values and then share and build upon them with all participants by working collaboratively in segmented groups; each member was able to contribute their ideals towards a vision statement for the organisation. Having a group setting provided a sort of gateway for the individuals; they were forced to validate their ideals and persuade others that these ideals had substance and meaning. Following the workshops the data were analysed using content analysis [28]. Categories were formed and the content tabulated for each time that content relating to a category was mentioned. Keywords and themes that aligned with the organisation's beliefs were then utilised to create a series of vision statements which were presented back to colleagues and reflected upon. Through several iterations these were developed into an organisational vision statement labelled as the 'five flags' that the organisation could potentially stand behind.

B. Consumer Driven Approach

The second workshop was run as part of the DLI framework; its emphasis was on co-creating with consumers through the use of a narrative. Unlike Barrett's model, DLI *"facilitates business model innovation by engaging with customers and stakeholders and conceiving future value co-creation options"* [29, p. 14] rather than engaging with employees to identify their values. Given that the definition of value and the process in which it's created is rapidly shifting from a product and firm-centric view to a personalised and customer-centric view, it was vital that the consumer became the locus of value creation and extraction [30, 31].

Narratives begin by capturing the smallest of insights, glimpses of an unrelated detail that gradually grows into a more comprehensive appreciation and understanding. The deepest of these insights arise from judgemental questions that elicit personal responses [22]. Interacting with firms in this manner allows consumers to co-create with organisations, redefining the meaning of value and the process in which it's created [30, 32]. Dialogue can then flow in both directions, from consumer to provider and from provider to consumer. A narrative not only teaches participants how to bring their lives into the narrative, but also to bring the narrative into their lives [22].

Fig. 2 illustrates how the narrative cycle was structured, utilised to unpack customer insights, and how these insights were then leveraged into business models through iteratively learning and questioning the underlying values of the insights. Initial stages of the process involved using the 'Value Proposition Canvas' [31] to hypothesize unmet customer needs and to prototype a service around these needs. In order to test the service, the first author constructed a narrative which was then taken to consumers in the organisation's target demographic that were not receiving formal care services at the time. The narrative was structured so that participants would be able to collaboratively build on the story and the solutions it depicted with the facilitator. Unlike reading a story in which events unfold, this allowed for the discussion surrounding the narrative to be open ended in nature.

Following the narrative sessions, the insights were layered onto the original Value Proposition Canvas to test how accurate the hypothesised needs were. Competitors were then analysed, identifying whether the conceptual service or the value proposition which drove it was similar to any existing services. Data from the narratives were thematically analysed and inductively coded [28], the insights were reframed, compared to the initial set, placed into a 'Business Model Canvas' [31], and compared to the existing business model in terms of financial and cultural capability to deliver the service.

The next step of the process is to engage with employees to test for resonance with the concept. Engaging with the organisation is crucial as it creates an atmosphere in which the employees have a role and stake in the change process. Through this framework, staff are more likely to adopt future outcomes and persuade colleagues of the soundness of the methodology. The financial and cultural capabilities the organisation requires to deliver the service are then mapped and a prototype is created. Finally, the solution needs to be defined in terms of actions surrounding the 'Three Horizons Model' [33]. The first horizon focuses on immediate actions to defend and extend the core business, the second horizon is short term actions that will build the emerging business, and the third horizon is about long term action to create future business options [33].

IV. DATA COLLECTION AND ANALYSIS

Methodological triangulation of data collection was used to increase the accuracy and validity of the collected data and findings [34]. Three methods of data collection were utilised by the researcher; semi-structured interviews, reflective journal entries and participant observation.

The first method of data collection was a set of eight semi-structured interviews ranging between thirty to seventy minutes. These were conducted in order to evaluate the internal stakeholders' perceptions and understanding of both the employee and consumer driven workshops.

A reflective journal was kept by the first author as the second method of collecting data. Writing down ideas and reflections is not simply a means of capturing them; the act in itself stimulates further thought and is a means for keeping a study on a researcher's mind [35]. Through the use of a reflective journal, researchers are able to engage in ongoing dialogue with themselves in order to better determine what they know and more specifically how they believe they came to know it [35]. This allowed for critical reflection of the
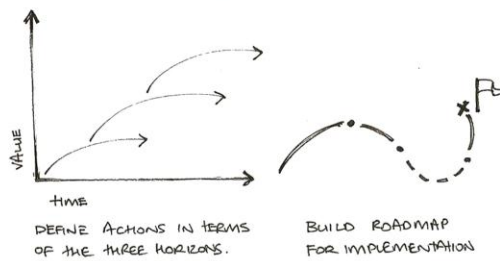
CUSTOMER INSIGHT
DRIVEN NARRATIVE

VALUE PROPOSITION CANVAS

HYPOTHESIZED CONSUMER NEEDS

CREATE NARRATIVE

PROVIDE OPPORTUNITY FOR PARTICIPANTS TO CO-CREATE SOLUTION

ALLOW COLLABORATORS TO BUILD THE SCENARIO WITH FACILITATOR

BUILD AND EXPAND ON CUSTOMER INSIGHT USING THE VALUE PROPOSITION CANVAS

CUSTOMER INSIGHTS.

ANALYSE AND MAP COMPETITORS

BUILD POTENTIAL BUSINESS MODEL

COMPARE TO EXISTING BMC

CO-CREATE INTERNALLY

MAPPING CAPABILITIES & VALIDATING FINANCIALLY

PROTOTYPE

VALUE

TIME

DEFINE ACTIONS IN TERMS OF THE THREE HORIZONS.
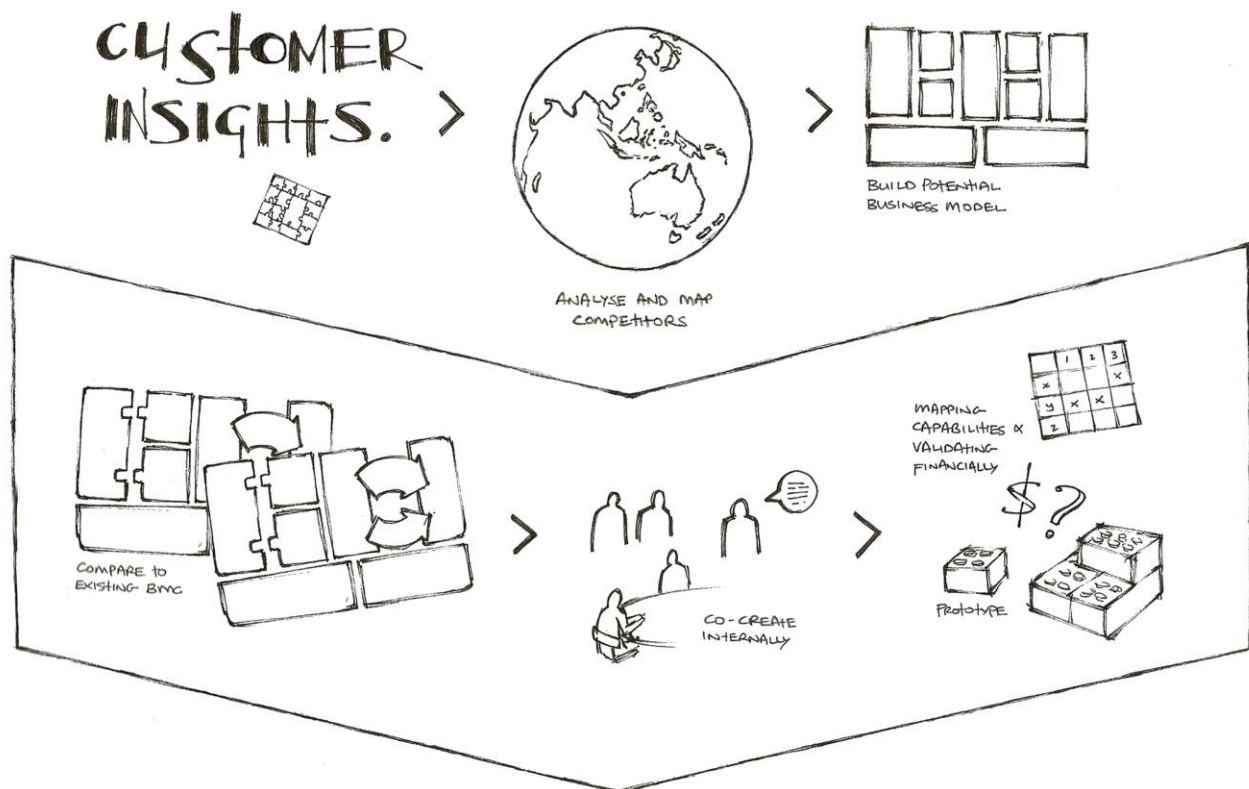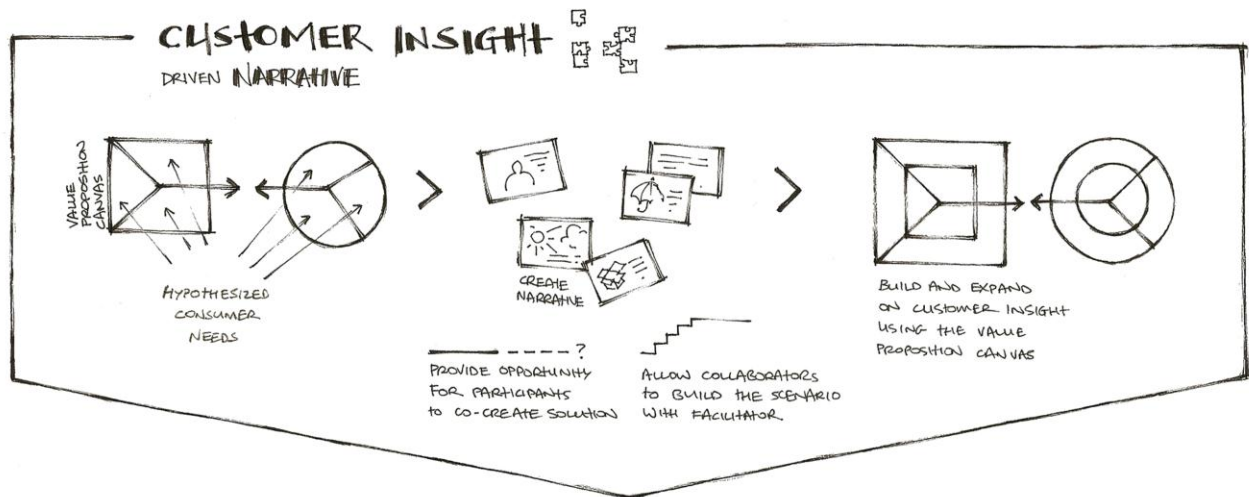
BUILD ROADMAP FOR IMPLEMENTATION

Fig. 2. *Customer Insight Map*

workshops' results and also captured a deeper understanding of the stakeholders' perceptions of them.

Participant observation was used as the third mode of data collection. The aim of observing in this manner was to try to gain an understanding of the cultural perspective of those who were observed [36]. This interpretive method was mindful of the fact that the researcher's comprehension of what is being observed was influenced by their own perspective and activities [36]. Primarily, this method was used to identify whether participants were engaged during the discussion and contribution stages of the workshops and to scope how willing participants were to collaborate and contribute. The data collected through observation was intangible, it was used to craft theories which overarch the other two modes of data and tie them together.

Once collected the data was thematically analysed and coded for categorisation; segments of text were labelled in accordance to the categories they fell into, this allowed for retrieval and analysis of the data at a later stage [28]. The codes were chosen to underpin the research and answer the research question. Since the researcher had already formed theoretical ideas in regards to the data, it was deductively coded [28]. Using theoretically derived themes allowed the researcher to replicate, extend or refute prior discoveries [37]. Emerging patterns in the data then provided clarity to the accuracy of the hypothesised themes and allowed for distinctions to be made between different aspects of the content.

V. RESULTS AND DISCUSSION

Initial theories proposed that while customers were required to act as the central focus for change, engaging staff and generating buy-in would be a critical element to successful implementation of new strategies and business model. For this engagement to occur, the organisation's resistant culture would need to be unpacked and recreated. The findings surrounding this can be presented as four broader themes; (A) culture and engagement, (B) employee values, (C) customers and co-creating, and (D) design and strategy.

A. Culture and Engagement

All eight participants of the semi-structured interviews unanimously agreed that for long-lasting change in the organisation's culture, staff need to be engaged during the process. In an organisation with such a diverse and long-standing culture it is important to bring all cultural segments together onto the same page. One participant noted that:

"You'll have these multiple cultures happening where you've got long term employees that have been inducted into the old culture and still know it, you've got the new people that actually haven't been inducted into anything at all saying well, what is it?, and you've got this process to develop something new. So you've sort of got these: I know the old, I don't know anything and I'm engaged in the new".

With the coexistence of these multiples cultures it becomes critical to not just engage with the newer facets of the organisation but to create and maintain a link to the old culture. During a semi-structured interview it was said that *"when you have an organisation with history and rigidity like ours, you get a lot of it's just the way that we did it, oh we've always done it that way, you know? Ok well, why did you do it that way?",* so it becomes important to not simply discard the old values and traditions but to try and understand them before implementing a change. Being aware of each cultural group's distinctive values is also critical as without understanding what drives these groups it is difficult to unite them, and in turn get the separate cultural dynamics on-board.

"There are still people feeling secure about their job, their self-esteem, and their contribution. If we don't value that, we won't have people who will be able to, and also be prepared to, embrace the change as well".

A major part of any business change requires a shift in culture. As such it is necessary to understand how to engage employees as part of this process. An interviewee stated that:

"I think that if you believe that most people would rather be engaged and aren't then there's opportunity and there's some reason why they aren't and for me that's about identifying what makes people tick and how you might leverage those interests to help move the corporation along for innovation. Most people have some creative ability and certainly they're intelligent, they have to meet certain standards to be hired. So, if they aren't engaged then it's as managers we're probably not doing our jobs".

Since change is predominately facilitated with a top-down approach, higher management needs to understand the reasons behind why their staff do what they do. Neglecting to acknowledge this diversity makes it difficult to relate to and engage with staff in a manner which allows them to participate in the change process, and feel that they are part of the journey and its potential success.

B. Employee Values

One participant claimed it was essential that *"you bring your team along with you, since that's where that cultural thing is, it's a parallel change which is very exciting because we are really going to need be asking people to step up to be part of this change".* Theme (A) identified that it was widely agreed that employees need to participate in the change process. However, it's important to make the distinction that employees shouldn't drive the values that underlie the change.

"Change needs to be consumer-driven, bottom line. Because it's again from a funding perspective either we're going to have units that we cannot sell or we're going to have homecare people that don't want to buy our service so that does need to be consumer led".

The primary purpose of the data from the employee value approach was to build a mission statement around the ideals and inspirations of colleagues. This mission statement was described as 'incredibly powerful' and it was also appreciated that *"there's been a lot of work put around how the language is being is used has to be very inclusive so that everyone can relate to that".* For any proposed change to be accepted it is important that there is an internal focus on unifying the culture. If an organisation doesn't push change internally and change is forced upon it by external entities it is liable to face certain issues. As described by an interviewee:

"Whenever you've got a heavily regulated industry they are typically attuned to change because of the change in regulation, but it's because of the change in regulation. So it tends not to be self-directed change. Someone is telling you you've got to change, so the aged care industry is probably used to change being a heavily regulated industry but its regulatory led change not a consumer or organisational chosen change".

Having a forced mentality to change is not constructive. Change has a far more positive result if the organisation is able to articulate an unmet customer need and build internal values around the capabilities that would be required to deliver a solution to that need. It was said that *"we are having to be very focused on change because of Consumer Directed Care. But change has always been very latent, and like most times you really don't actually start making the pro-active change until you're forced to or you see that there is a need to".* Being 'forced' to change doesn't bring about an understanding culture that is able to appreciate and embrace organisational development. While the underlying reason for change needs to be driven by consumers, employee values still maintain a large role. When discussing the output of the employee value approach, a participant said that:

"If you asked me to give you the five six whatever the hell they are, five flags? Forget it, haven't a clue. I think there are five flags flying around here somewhere or stars, whatever the hell it is. I have no clue, it wasn't part of the first day indoctrination".

So while there was certainly awareness surrounding the results of the employee value approach, the results either didn't resonate internally or failed to create a clear link to customers' needs. Furthermore, the employee value approach also failed to put participants outside of a current state scenario.

"We have the cultural piece that we're doing at the moment. We had a session that was based around putting yourself in a future environment and thinking about what that would look like. However, the way that the session was run was if you were in a residential aged care environment... and that's where everyone went. I considered a homecare environment but when you looked at the results, 80% had a residential aged care environment. I don't think there was an explicit you must think of residential aged care, but there certainly wasn't an explicit 'don't just contain your thoughts to the existing'. So in that example everyone was thinking of these future design states based on our current business strategy".

In terms of implications, this kind of activity is only capable of capturing current state values; it isn't capable of recognising future customers' needs or new possibilities. However, this workshop did succeed in reaffirming one of the two major drivers for change in the aged care industry, the differing needs of the forthcoming segment. Unfortunately, consumer segments are not permanent and needs change as consumers change. A single solution cannot remain relevant long term, so understanding that while this consumer segment is different from the current, the segment that follows will also be distinct, along with needs that may not necessarily be aligned to the needs of those who came before them.

"We've been around 75 years so if you turn around and say well we want to be around another 75 years well you actually pass the baby boomers. But I don't know if it's understood then, that there isn't one change, one answer. So I think you end up with this situation and you say, oh well the stock we've got now and the model we've got now were built in the 50s or 60s and based on the people that had a need in the 50s and 60s. Now if we do the same again, in 20 to 30 years' time we will be in the same situation as we are now unless we are actually starting to instill that capability to change. Look at the current demographic, I mean you look at my mum and dad, no dramas that pegs them, but what about me? I don't think I'll actually want that".

C. Consumers and Co-creating

Contrary to the first author's initial theories, a significant portion of staff already believed that for any change to occur, it needs to be driven by the unmet need of customers. When asked what needed to be the primary driver for change one participant responded *"well I think that fundamentally it's customer insights. If you're not listening to your customer you're pretty quickly going to get lost, like blackberry",* while another insisted that *"yes, it needs to be a consumer led change because that's the way the industry and the market will go".*

The first author's reflective journal also captured a piece of conversation in which a colleague questioned why the organisation spends millions of dollars on advertising when all it needs to do is 'simply listen to its customers'. This further reinforces the organisational understanding that the customer needs to be at the centre of everything. To further enforce this customer focus, while explaining the consumer insight driven approach in reference to Fig. 2, an individual mentioned that they loved that we're starting where we need to, with the customer insight. They said that it's where the intent needs to be, around customer-centricity. It was also said that it's fantastic that the insights then act as the foundation for the business model.

However, while all staff expressed agreement with the philosophy surrounding the consumer insight approach, some concerns were raised in regards to feedback after implementation. Firstly it was said that *"it's going to be very interesting, the only way to do that is to see whether we actually get some uptake on the products and services we're putting out to market and it's always good to have that feedback and to come back in and then have the opportunity to redefine that or to reconfigure it in some way".* Another participant mentioned that *"being able to do the co-creation as an ongoing living breathing thing rather than once it's all been done, ok well, that's all done. That's part of that feedback process and I think that's a really good customer service companies where you do have that constant feedback".*

This discussion takes us back to an earlier point raised in theme (A) which reaffirms the fact that it's not about the change itself but rather about dissemination the capability to change throughout the organisation, and being vigilant in looking for a change of needs in the market. What this comes down to is listening to any form of feedback from consumers and being capable of breaking down so it can be leveraged into positive change.

"You need to look at the intent behind a complaint and see how it can mean business improvement, that's another way of looking at it. I think that's part of co-creation where you've got an opportunity to listen to our customer and make the changes that are going to make it relevant to them, but not only to them also to new customers".

Additionally, during an interview it was stated that *"from a value proposition perspective, what value are you going to provide if you're not co-creating? It's very difficult. You're providing value to yourself but not necessarily to your customer. Again from a professional services background that was always that, well, then how are you adding value if I'm not there working with you to create something? If I'm there just for taking money off you my service dwindles quite quickly".*

To summarise, two primary elements were depicted up to this point. Firstly, in order to create meaningful value for consumers it needs to be co-created. Secondly, in order for an organisation to deliver on that value, its staff needs to be engaged during the identification of that value and during the implementation of the business model that delivers it.

D. Design and Strategy

Creating a business model isn't simple. Especially in an organisation and industry that tends to focus on tradition. According to an interviewee:

"We've used structure ahead of strategy to consider that design state or that future value because people have been structured by, oh we're residential aged care now so what would my residential aged care unit look like in five years? Oh new paint, that would be nice, lovely. Rather than okay our strategy is to provide people with independent living or independency in life for as long as possible so with that in mind, any type of environment, what do you think that might look like?".

Understanding the drivers for change and the need for change, won't necessarily ensure that change occurs. A framework or methodology needs to be adopted so that a fitting strategy can be created. One participant's *"view is that structure follows strategy and so you've got to have design somewhere in there. How do you come up with a strategy? Well, you need to design it".* While another participant claimed that *"I think design should be in anything, product design or service design. That's been a bit of the issue here".* This implies that the organisation has an understanding of design beyond its traditional context. Although this aspect exists, there is still a tendency to get stuck in solutions mode and failing to look at the bigger picture.

"You get stuck in a lot of solution mode all over the place. So there's lots of it and the amount of stuff that's just going on everywhere here is just... I mean I've been in professional services for dozens of years and I never knew that so many consultants existed until I came here. They're all over the place. Everyone is doing so much similar stuff and it's all in isolation, its why it's invalid, but where are we stepping back and asking the bigger question? What should we be doing and why and then how do we go about deploying that?"

What this questions is whether the employee value approach and the customer insight approach should have been run concurrently. As running the two approaches under a single banner rather than two separate activities by two separate groups could have sent a stronger, united message. The way that business was previously conducted was that each residential aged care site could run under its own philosophy, which could be tailored to the site. However, with changes in management and the comprehension of necessary future change, sites will need to provide a consistent level of experience. For this to occur, instead of managing operations locally, many of the existing operations are being redeveloped to be managed from a single point.

"Because I think we're in the situation now where I think we're going to limit whatever horizon three might look like because we're investing all this time and money into systems and process and thinking now which is then not going to be scalable, not going to be flexible, not going to be agile, and or people are just invested so much in it that they're not going to want to change".

What this is describing is the organisation's tendency to get stuck in the present, looking mostly at short term solutions to problems. Again the issue is reiterated: *"the way we look at it is just, well look at the here and now and how do I get more out of that? Either through efficiency or some growth but yeah what's the bigger stuff and I might be needing to put thought leadership out now to get that way of thinking so that when we get there we can sell something. The horizon one and two part is probably okay, but yeah it's that third horizon that's a bit lacking".* Here it becomes evident that while a general direction has been set, the factors that have steered this movement have also initiated a range of individual movements that are trying to navigate the organisation in similar directions using potentially conflicting strategies.

VI. LIMITATIONS

One limitation of this exploratory research is that these employee and customer insight workshops have been carried out in one organisation so the findings are limited to one case. In addition, this process of investigation is ongoing and it may be too early to see what outcomes have resulted from these interventions. In the employee driven approach, the author was engaged as a participant at first, with his role shifting to observation and finally involvement in the data analysis and conclusion drawing stages of the process. Naturally, since the first author held more stakes in the consumer insight approach he was more aligned towards it. However, operating in this environment and having consistent direct exposure to both of the workshops and the staff associated with them allowed the first author to discern how staff interacted in these spaces, whether they were engaged, and assisted in identifying which facets of each approach resonated with participants.

Another limitation is that the two workshop typologies are not representative of the entire approach as they are only fragments of the frameworks that are being utilised. Due to confidentiality and participant privacy, the paper does not disclose the entire framework, the findings of the two workshops or the data collected through participant observation. Furthermore, the small sample number of semi-

structured interviews may not necessarily capture the entire organisations perspective of the two approaches.

Finally, as the author is currently embedded in a design led innovation project in this organisation he has been influenced by some of his affiliations more than others, which may have caused the creation of pre-emptively formed theories about each approach and the individuals driving it. In contrast, working closely with the staff provided the author with several insights about the organisation's culture and enabled the discussion of theories and understandings of the findings.

VII. IMPLICATIONS AND CONCLUSION

Change for the sake of change is not productive in a company's journey to finding a sustainable competitive advantage [18]. For change to truly be positive and long-lasting, it needs to be meaningful; its foundations need to be relevant and it needs to possess clear links to the architecture that encompasses it. Staff in the organisation have already identified that there is a need for change. They understand that for that change to occur it needs a solid foundation, it needs to be co-created with consumers and driven by their needs. They also understand that for the overarching scheme to be sound, employees need to be engaged during its creation; so when the time comes the result it not sprung upon them as they have helped to build the solution.

This co-creation is especially true for organisations with a complex and resistant culture. Both approaches engaged with staff at certain stages. The strength of the employee value approach was that the staff were included in the construction of the organisation's guiding values, allowing them to form a connection with the strategy. What it lacked was a connection to the consumer. Even if the values that were chosen to go forward were exemplary and reflective of the business, they may not be the values that consumers are seeking unless the consumers are engaged in the process. The selection of a limited number of staff to be engaged in the process, while a good start, may not be sufficient to disseminate the values throughout the entire organisation.

On the other hand, the consumer insight approach began by focusing on the consumer, ensuring that the new offering will address the unmet consumer needs. However, while this approach co-created and engaged with staff it failed to do so in the conceptual stages. Potentially, this gap could prevent the culture from adopting any change that is proposed later in the journey. While it is critical that the solution is built through co-creation, the co-creation needs to be both external and internal from the birth of the concept until its implementation.

While the journey can be completed without appealing to the company's culture, the outcome produced may only be a single solution. Solutions are not permanent, the market is not a static place. It changes through new consumer segments, technological innovations, government regulations and emerging competitors with differentiated business models. Adapting to the market once will not ensure that the business will remain relevant and maintain its competitive advantage. The real solution is not the outcome, but the journey itself. The ongoing adaptation and dissemination of the capabilities that an organisation requires to internally drive change using design strategies in response to deviations and changes in the industry. In a NFP the key to adopting this mindset is a shift in culture, often inspired by a vision of the company, its directions, and by the actions and ideas of individuals and teams. As new staff join the organisation they can be inducted and immersed into the existing culture, ensuring that the values and philosophies that underlie it will be integrated into the organisation long term, bringing in new ideas and providing the organisation with the capability and mechanisms to rapidly adapt.

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