

Leading Design Works

The strategic
business function
of design within
regulated industries



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This report is part of an ongoing collaboration between Service Design at the Royal College of Art & EY Seren.

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Executive summary

This report is part of an ongoing collaboration between Service Design at the Royal College of Art and EY Seren to examine the evolving role of design within regulated industries.

Over recent years, the perception of design has shifted from a primarily aesthetic exercise to an integral component of organisational transformation, increasingly recognised at the highest leadership levels. However, the journey for design leaders within these sectors is non-linear and fraught with the challenges of integrating a creative discipline into traditionally structured, regulation-bound environments.

Based on approximately 30 in-depth interviews with design leaders across the UK and Europe, this report offers insights into how these leaders have established, navigated, and leveraged design capabilities and functions within their organisations, operating within stringent regulatory frameworks. These conversations span several sectors integral to societal functioning – financial services, healthcare, government, and energy – and offer valuable insights for design leaders, executives, and practitioners to leverage design for strategic advantage in regulated environments.

This document is structured into three chapters: Context, Insights and Futures.

Context — Leading design in regulated industries

The first chapter sets the context for design leadership's role in regulated industries. In these organisations, design plays a crucial role in adapting to heightened customer expectations, driving innovation within constraints, and ensuring regulatory compliance, all while delivering customer-centricity.

Three main drivers shape the landscape:

- **Expectation inflation:** where experiences set by digitally native brands raise the bar for all service providers.
- **The pandemic shift:** which accelerated digital and virtual adoption, highlighting the importance of design in navigating crises and transforming services.
- **Regulatory transformation:** and a shift towards customer centricity, where a design approach can balance organisational, regulatory and customer needs.

For design to deliver value within this context it must break out of the aesthetic, and design leaders have sought to elevate design and position it as a strategic, cross functional capability - and one which is essential to deliver on a digital transformation agenda through human-centricity and by using design techniques of research, insight, prototyping and co-creation. The success of this approach is often determined by the way a design leader integrates design into their organisation.

Insights — Design as a strategic leadership function

The second chapter outlines six insights on how design leaders are positioning design as a strategic function within their organisations.

1 — Leading design for different and differentiating functions

Design holds multifaceted roles within organisations, yet it can offer two distinct perspectives to the business: An end-to-end view of the customer journey and direct access to customer insight and co-creation. Regardless of the role design plays in a specific organisation, design leaders see these two value drivers as a way to both accelerate and de-risk change, while using customer centricity and the customer voice to drive collaboration and reveal new opportunities to better meet the needs of the business and customers. The integration of design across various organisational functions not only enhances the user experience but also makes a significant contribution to achieving strategic business outcomes and fostering societal impact.

2 — Dealing with the changing intentions for design

The changing intentions for design within regulated industries reveal the complex interplay between regulatory compliance, consumer expectations and business objectives. To navigate this landscape successfully, design leaders must develop a resilient and adaptable design capability that can deploy design in different ways throughout the business, from strategy setting to implementation. By doing so, they can ensure that design not only meets the immediate requirements of compliance and consumer satisfaction but also contributes to the long-term goals and sustainability of the organisation.

This strategic positioning of design as a crucial function within the business highlights its potential to drive transformation and create lasting value across economic and policy cycles.

3 — Earning the organisational position

To elevate the role of design within organisations, especially in regulated industries, design leaders must demonstrate tangible impact and align their efforts with both commercial and regulatory objectives. This necessitates a dual approach of managing upwards to secure a stable position in the C-suite and managing downwards to optimise the design team's output and ensure the conditions for great design. Establishing a C-suite position, such as Chief Design Officer, is crucial for providing the design function with the necessary stability and resources to focus on growth opportunities and day-to-day operations. On the other hand, adequate staffing levels are essential for the design department to extend its reach and impact across the organisation, surpassing mere aesthetic contributions to include strategic business outcomes. Building a team of experienced designers fast-tracks the department's maturity, enhancing its credibility and enabling quicker integration and realisation of design's value. This approach not only secures the design function's position within the organisation but also ensures its long-term growth and sustainability by demonstrating the indispensable role of design in achieving broader business objectives.

4 — Creating transformational value

To successfully transform, organisations must commit to investing resources, such as talent, time, and training, to develop a robust design practice. This is particularly challenging in regulated industries. For design to play a strategic role and drive systemic change, it must be integrated into the organisation's transformation efforts from the outset, contributing to strategic business opportunities and decisions. Design leaders are tasked with ensuring that design is not seen as a siloed department but is embedded throughout the organisation. Moreover, for design to be effective, teams need to articulate the value of design in business terms, demonstrating how customer-centric solutions contribute to the organisation's overall success and metrics.

This requires designers to adapt their communication, aligning design outcomes with recognised business values and goals, to gain buy-in from stakeholders across the organisation.

5 — Measuring and communicating value

The ability to measure and articulate design value using existing business metrics ensures leaders are directly delivering on established business objectives, which in turn can unlock permission for design to do more and go further. To do this, design leaders must acquire the skill not only to use conventional business metrics effectively in identifying novel sources of value but also to effectively communicate this value to the executive team. This entails supplementing traditional or existing metrics with additional data that communicates the value design is generating. Such proficiency not only earns them respect among their peers but also provides insight into the trajectory of where these metrics are headed. The capacity to link these metrics to risk reduction and commercial opportunity further substantiates the value that design contributes to the organisation.

6 — Building an integrated design culture

Design culture is a vital yet intangible force that significantly enhances the application and effectiveness of design within organisations. It embodies a shared mindset and vision that not only facilitates a deeper integration of design into business practices but also aids in attracting and retaining top talent by fostering an environment where design-oriented employees feel valued and understood. Creating a robust design culture involves a dual challenge: nurturing the design ethos within design teams while ensuring design is embraced across the broader organisational landscape. This duality presents complex challenges for design leaders tasked with balancing incumbent, top-down approaches with a more bottom-up, people-centric perspective, all while advocating for design’s legitimacy and strategic value within the organisation.

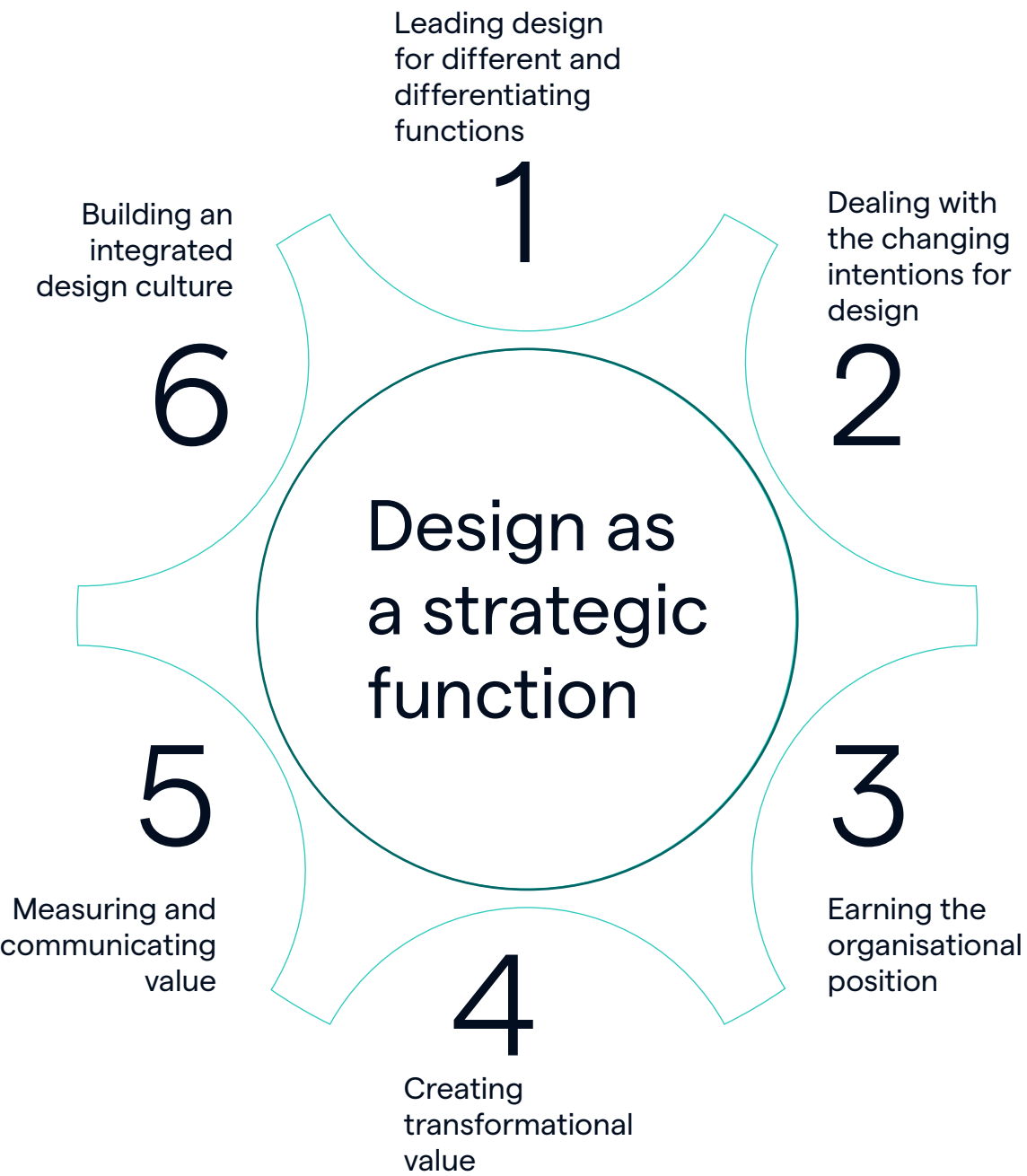


Diagram 1: Six drivers model

Futures — What's next for design leadership in regulated industries?

The third and final chapter looks at three agendas to give a rounded point of view on what design leaders told us they expect to be the main streams of change to be addressed inside and outside these organisations.

Human-centred design is changing organisational perspectives toward regulation: The design leaders we spoke to consistently saw an opportunity for human-centred design not only to be more closely embedded in their organisation's response to regulation but also to play a more active role in collaboration with regulators, to help shape the future of regulation and ensure customers reach their goals in the safest way possible.

New technologies are forcing design teams to ask different questions and take on new responsibilities: Artificial Intelligence (AI) is changing the materials of design; ensuring a robust design unit is the best way to take advantage of the opportunities AI provides while mitigating the inevitable challenges.

Customer experience ethics will become the great differentiator: The rapid, global interest in GenAI has accelerated a discussion on ethics across markets globally. As advanced AI technologies begin to play a more central role in how services are designed, extended and delivered, embedding ethical principles and practices within accountable service standards will become a competitive advantage in the eyes of both consumers and regulators. Human-centred design teams and functions are well placed to accelerate and scale purpose transversely across the organisation.

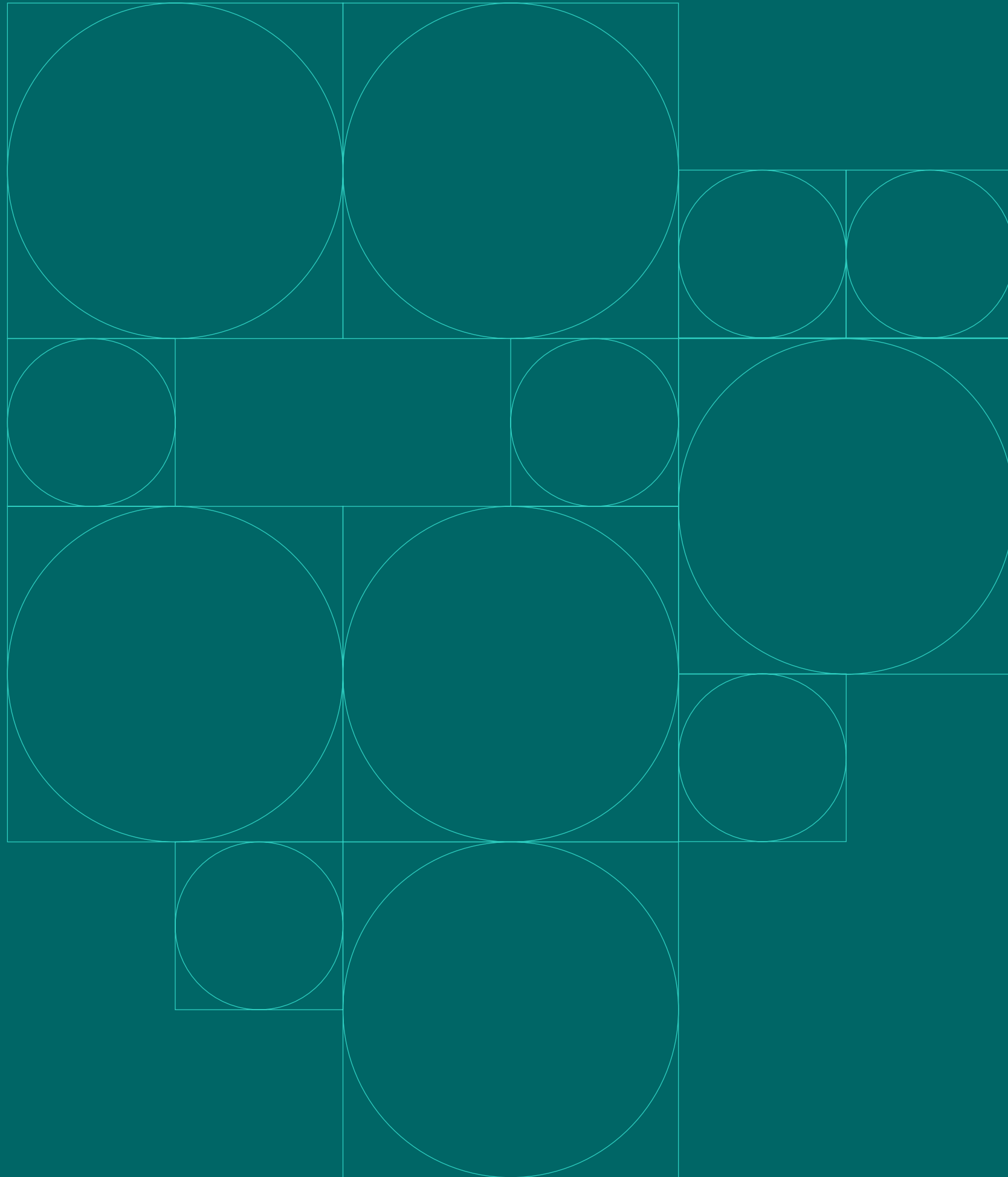
Join the conversation

This report offers insights for design leaders and C-suite executives who are attempting to better understand design's potential within their organisations, and it outlines ways in which they can support and leverage design capabilities to maximise their impact. Additionally, it addresses communication challenges between various organisational functions, aiming to bridge the gap, facilitate collaboration and highlight potential pitfalls.

This report is tailored for individuals seeking strategic guidance on how to harness the power of design to enhance their roles as existing design leaders, leverage design to bolster organisational resilience, or understand what future design leaders must consider on their journey.

We offer this report as a starting point.
Join the conversation at: www.leadingdesign.works





Context

Leading Design In Regulated Industries

“The purpose of design is to unlock the creative potential of the organisation.”

— Design Director, Financial Services

Researching how design works

How do incumbent brands in highly regulated sectors like financial services, healthcare, government and energy put design to work to achieve their most strategic objectives? This is the question at the heart of this study.

Investigating how design works in regulated sectors has informed the collaboration between the RCA Service Design and EY Seren over the last three years. It is at the heart of the design and innovation practice we have developed together during that time. And it informs our mission to support designers and design leaders in building a better working world.

To enhance our understanding of design in highly regulated sectors we reached out to those responsible for leading design in incumbent, established brands. We conducted around 30 in-depth interviews with design leaders across the UK and Europe to understand how they have established design capabilities and functions. We wanted to understand the challenges they have navigated in order to ensure design is adding value today, driving the future of their organisations - and, of course, to learn what lessons we could apply to leading design tomorrow.

EY Seren complemented this immersion with their own insight generated over the last two decades working with design leaders across regulated sectors such as financial services, healthcare, government and energy.

We wanted to know the following:

- What are the conditions required for design to work?
- What does it take to create, embed and scale design?
- What does it take to make design an essential capability?
- What does it take to be a successful design leader today?

The incumbent brands these design leaders work for are at the centre of our daily lives. They help us achieve financial well-being, stay healthy, access the public services we need and become more sustainable in our daily actions. They are critical. Well-designed products and services in these sectors help us make better decisions about our lives and care for the people who matter most to us every day. When they work better, so do the markets, people and communities they serve.

For design leaders, these organisations are great places to build careers and have positive social impact. Design leaders (along with their design teams) can positively change the lives of millions of people when they work effectively. But in many instances, these organisations can prove challenging to navigate for designers and design leaders alike, exacerbated by the fact design capabilities and functions are relatively new to their organisational structure and culture and are finding their feet and getting established, while needing to demonstrate value.

Over the last decade, these organisations have been on a journey to make design work, achieving ever-evolving states of maturity. In each case, these organisations will have grown their own in-house design capabilities. They may have promoted designers recruited from internal design teams into business leadership roles. In other instances, they will have looked to other functions outside of design where trusted operators are tasked to lead and mature the capability even further. Design may sit in a marketing, customer-focussed or technology function. Over time, in some organisations, it may have been in all three. In order to extend the impact of design across the organisation, design leaders will need the backing of the executive committee.

Therefore, design leaders seek to raise the level of design such that there is parity with their key business functions such as finance, technology/IT and marketing. In some other cases and at specific times, organisations will have looked externally, to bring in charismatic design leaders to act as design activists, operating to promote and accelerate design impact and maturity in the organisation for what is often a very limited period.

In every organisation we spoke to, at any given moment, they are making continued, multiple attempts to consolidate design practices across the organisation to find the right balance between creative potential and commercial impact – to find what will work for them, in their context, within their unique legacy cultural, commercial, regulatory and technology constraints. Working within these constraints effectively is a critical factor for success. Design must find a way to lead within these constraints and, in some cases, be the catalyst to helping the organisation overcome them.

For many incumbent brands in regulated sectors, design will still be a relatively new capability in their organisation, potentially poorly understood and struggling to work at a strategic level in the organisation. Design has its own legacy constraints within these organisations, having been primarily perceived as an aesthetic function for creating attractive and highly usable digital interfaces, as well as the design systems that can be employed to ensure greater consistency across channels and markets.

Unlike the ‘challenger brands’ and ‘digital incumbents’ they might compare themselves to, these brands are not digitally native, and their customers have complex service needs that go beyond a highly efficient and usable digital transaction. Even as these brands embrace the opportunity provided by digital channels, both human-to-human and physical branch channel interactions still play a meaningful role in their services and are in some cases required by regulatory standards.

Regulated industries need design

Design in regulated industries is pivotal for adapting to customer expectations and competitive pressures, driving innovation within constraints. It plays a key role in pandemic response, digital transformation and regulatory compliance, enhancing customer-centricity.

Often, it is not an internal epiphany or innovative vision that prompts the adoption of design. Instead, external competitive pressure and changing customer behaviour force organisations to rethink how they serve customers and their own ways of working. This has driven the radical adoption of ‘customer-centricity’ as digital services generate new data and insight into customer behaviour, and design capabilities bring customer insight into the organisational transformation process. We identified three main themes that have made a profound impact on how organisations in regulated industries are shaping their relationship with design:

Expectation inflation

For incumbent brands in regulated sectors, customers’ expectations of the digital services they provide are being set by the experiences those customers have of services provided by digitally native brands – brands that are unencumbered by legacy technology and regulatory constraints. Furthermore, customers bring an added level of service expectation and anxiety when they access financial, healthcare and government services. The stakes can be much higher.

The continued radical shift to customer-centricity to address changes in customer expectation for digital and mobile services is the drive behind what has been a booming design industry. Can design, through its ability to bring empathy into organisational product and service development, help meet – or, indeed, set – these rising expectations?

Pandemic shift

The COVID-19 pandemic's rolling lockdowns brought about the near-wholesale adoption, to high levels of high maturity, of digital and virtual channels for very complex services and ways of working. This broad consumer adoption of digital and virtual channels to solve some of their most important needs has upended many of the traditional models of digital adoption and segmentation. Can design keep pace with this accelerated change in customer behaviour and capitalise on the opportunities it presents to engage new audiences in interesting ways while driving top line growth, controlling bottom line costs, and enhancing customer experience?

Regulatory transformation

The strategic ambition for brands to transform their organisations to become more cost-effective, customer-centred and digital continues to prove challenging. Transformation must take place within the context of a local, regional and global regulatory landscape that is also evolving. Can design unlock the creative potential inherent in the organisation and power up transformation? Can the continued evolution of the regulatory agenda direct incumbent institutions to deliver more human-centred outcomes for their customers?

Expectation inflation

Expectation inflation has raised the bar for consumer experiences. For an organisation, simply comparing its brand to its direct competitors is no longer enough, - expectations are shifting beyond customer experience to the values of the organisation itself.

“The general expectation of everybody, for the most part, especially in large corporations around design, has evolved because of the exposure to well-designed things.”

— Global Head of Design, Financial Services

The association of most consumer experiences with the ‘black rectangles’ (smartphones, laptops) we use to navigate our daily lives has created a new service convenience benchmark which customers use to evaluate all of the consumer experiences they have. Faced with an array of digital services, a consumer will compare their experience of each, regardless of how central a role design plays within each service provider's value chain or the underlying complexity of the service itself.

“Look at consumers’ expectation inflation, particularly in the new area of our business, which is around devices and electronics and a much more connected experience. You know, you’re wearing an Apple watch, those guys have set the bar. Dyson has set the bar. Your expectations are set by those organisations. [...] And a company that’s coming from [regulated industry] has an awful lot to learn in order to deliver superior experiences within that area.”

— Global Head of Brand & Experience Design, FMCG

The transactional nature of buying a product online, or hiring a car, lends itself to heightened digital efficiency, whereas managing a critical health issue or planning for retirement are more complex journeys with a variety of compounding needs and service channel complexities that will change over time. Banks are no longer just competing with other banks for branch availability and call centre experiences; they are being compared to best-in-class digital experiences across multiple industries.

To win, players in regulated sectors need to compete and innovate to meet the new bar which has been set by experiences from other, less complex organisations with fewer legacy constraints. This has become increasingly difficult as consumer needs have moved from transactional tasks to more complex interactions aimed for better outcomes. This consumer confidence (and increased appetite for) digital services opens up the scope to become deeper, more complex and more holistic.

This requires significant reach across an organisation, and a commitment to re-imagining the technologies, back-office processes and the people structures that support and deliver the service.

“In general, consumer expectations are rising. One of the main ways by which you can improve experiences is through design.”

— Head of Innovation Design, Financial Services

In this context, design shifts from an aesthetic practice creating consistent brand messaging to a business capability shaping engagement, experience and value for customers and broader networks of service relationships. The traditional notion of the ‘front office’ continues to be transformed, and design is building a position as one of the critical disciplines required to stride the surface tension of the organisation, from the end-to-end experience needs, to the depth of front-, middle- and back-office coordination and efficiency.

At the same time, design is bringing the customer into the heart of the organisational conversation and identifying ways to go beyond meeting basic customer needs. This means that there is a shift from, for example, simply selling someone a mortgage, to helping that person buy a home, to ultimately helping them be a better homeowner.

For the regulated sectors we reviewed, design has a critical role in tracking and keeping up with experience inflation across the customer segments that matter most to an organisation. By bringing real customer insights, based on research evidence, and using co-creation, analytics and the voice of the customer, design is uniquely positioned to help ensure we not only meet these expectations through our service coordination and refinement, but indeed set them.

The expectation inflation of younger generations

Across the board, consumers increasingly want high quality experiences.

When consumers were asked what product features they would pay more for, there were clear differences between generations. Trust, sustainability, wellness and convenience all play a bigger role in younger consumer’s decision making when compared to baby boomers.

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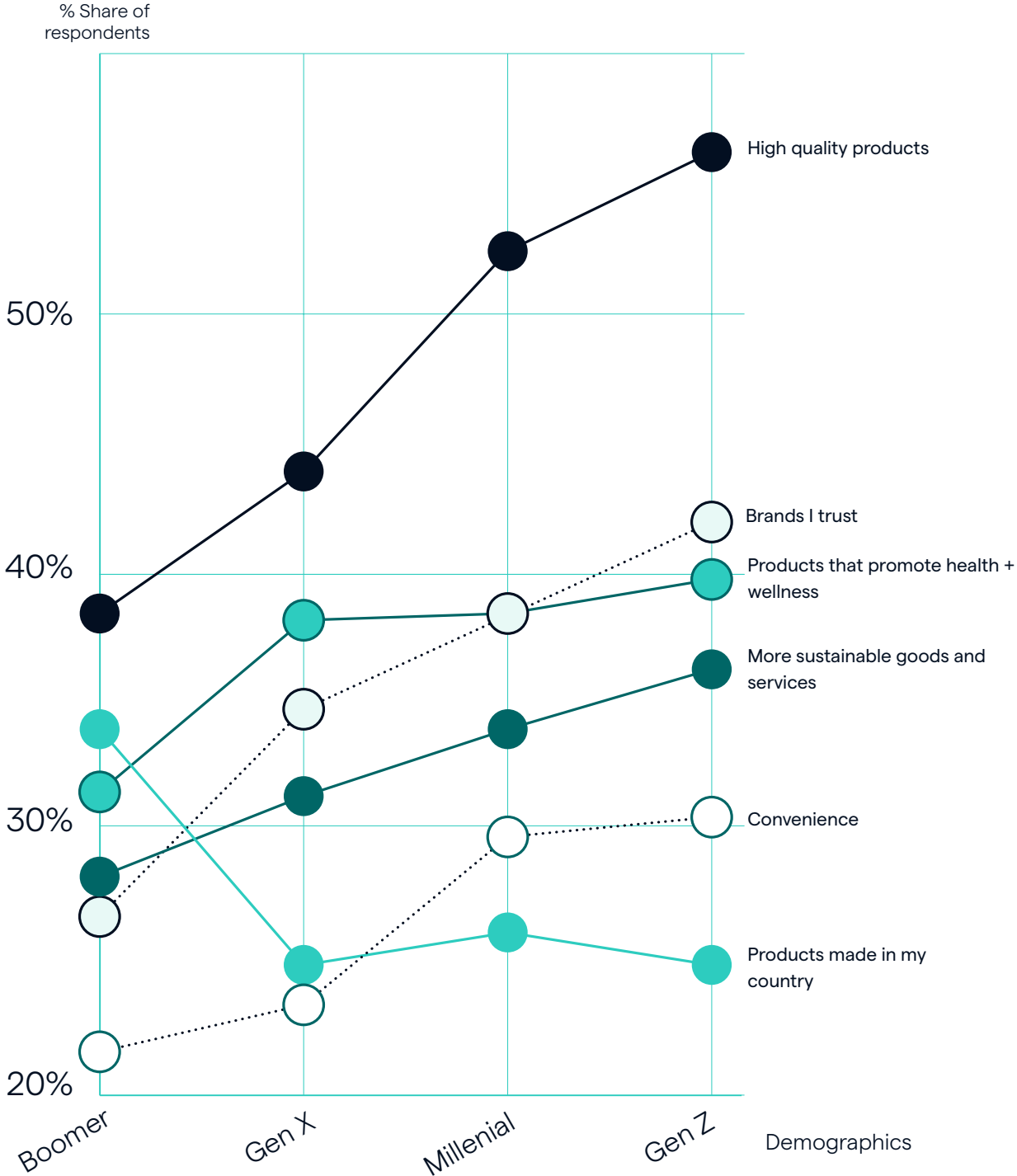


Diagram 2: % share of consumers willing to pay extra for certain product features

Pandemic shift

The COVID-19 pandemic accelerated the adoption of design practices by providing an immediate need to find different ways to engage and serve customers. It highlighted the digital weaknesses and capability gaps within organisations, while also driving the mass adoption of digital and virtual channels across all customer segments to address complex needs.

The COVID-19 pandemic with its rolling cycles of lockdowns resulted in rapid consumer adoption of digital and virtual channels. All customer types needed to access some of the most critical services remotely. Services that until that time had biased towards face-to-face, human-to-human interaction were suddenly forced to transform. Many incumbent organisations in highly regulated sectors, which until then had been slow to adopt a design mindset and digital ways of working, began to transition, literally overnight.

The pace of change spurred by this crisis was extraordinary: organisations were digitally transforming in days and weeks in ways that would have taken months and years, or might even have been perceived as being impossible for the organisation to achieve, before.

“When I joined in 2017 there was a sense that we were playing catch-up. We were trying to implement some things that other bits of the public sector were probably ahead of us on. I guess through the pandemic we got to the point where we’re now pretty confident that we’re kind of on the same level, as we’ve had to do some of the transformation in the last two or three years that other bits of the public sector were further ahead on.”

— Director of Transformation, Public Health

The sense of purpose in response to the crisis – the urgency of protecting colleagues and customers – opened up new introspection in many organisations about what they could learn from their response and apply to future transformation approaches. The words ‘design’ and ‘human-centred’ took on new meanings within the organisation.

However, the transformation was not evenly distributed. Within the same organisations, varying levels of design penetration meant that many departments were forced to pivot hard. For some this pivot was from a standing start, but for organisations with emergent digital, agile, human centred approaches this pivot was more easily achieved and could coexist with day to day delivery.

“We had COVID, so that really helped us to think about how we serve audiences who are very used to going in and doing stuff in person, and they all of a sudden had to figure out how to get on a Zoom call to present to a judge or to deposition another cross the area. They were being forced to learn new ways of working and were putting more pressure on our tools to solve those problems for us. It was fascinating because as we’re trying to solve their new needs, they’re trying to figure out how to solve their own new needs that they’ve never thought about having to deal with.”

— Global Head of Design, Legal Services

Regardless of the external force that pushed organisations to invest in design, it is clear that design is a strategic force to help organisations react to external factors. By creating foundational cross-business insights, and its potential to experiment and rapidly create an evidence base upon which to make decisions, design becomes an essential aid in navigating unprecedented times and times of crisis. Organisations that embrace the strategic value of design will turn to design in times of crisis; organisation that do not will cut design headcounts.

“The COVID crisis helped build a design mindset into the way we work and for helping senior leaders recognise that there are other ways of doing things.[...] My personal belief is that the world is just headed towards more and more of these types of crises. The types of problems that we’re seeing now are much more acute than they were 10, 20 or 50 years ago. Especially as climate change drives new problems around migration, ways of living, energy crises and costs of living and all of that. Senior leaders will need to find different ways of solving their problems, and they’re going to realise that our kind of old school command-and-control methodologies are not fit for purpose in a world that moves much faster than that.”

— Lead Service Designer, Public Sector

Regulatory transformation

Thanks to its close connections to both users’ emotional and practical needs, design units can play an important role in minimising the organisation’s exposure to regulatory risk by communicating, via words and actions, the organisation’s commitment to providing value to its users while safeguarding them.

Design works best as an iterative process and, where informed by direct access to customer insight, products and services can be refined through validation with real customers.. Digital transformation requires the customer-centricity that design teams can provide to ensure every interaction is delivering a measurable benefit to both the customer and the organisation.

“I think regulated spaces are a flag to humanity’s most precious resources. Take three of the most regulated industries: education, healthcare and finance. These are our children’s future, our wealth and our health. They are so important to us as a species that we have protected them through regulation. And that protection has the unintended consequence of calcifying creative risk-taking and experimentation. But I would say that regulated industries are the best place for human-centred design because they are so fundamentally important to us as humans.”

— Chief Design Officer, Private Health

While disagreements on the methods and pace of change are common, both designers and regulators want the same thing: to make consumers happy and help them achieve their goals in the safest manner possible. Proactively bringing this common goal to the forefront and creating open channels for dialogue between design leadership and regulators can lead to greater understanding and more efficient and effective design solutions.

“So obviously it’s a highly regulated industry [...] and every market has a different regulation and those regulations are evolving very, very quickly. So you have to be very nimble, very flexible, and you have to be able to zig and zag very quickly. Because things can shift on you overnight.”

— Global Head of Brand & Experience Design, FMCG

However, it is still challenging for a design capability and leadership to establish themselves with the scale and confidence to deliver the transformational value of design to customers and the organisation. Legacy culture, cynicism and technology have been seen as challenges, but consistent across all of these challenges are the foundational regulatory, risk and compliance factors the business must navigate. As we have seen, design and regulation both have unique access to the voice of the customer, and they may be able to apply that insight and empathy in constructive ways. When design works and leads in driving greater customer-centricity, its human-centred approach can help brands innovate within the regulatory constraints. Bringing regulatory insights and capabilities into design in this context may significantly increase the probability of success.

Design leadership in regulated industries

Despite facing challenges like attracting talent, navigating legacy constraints and proving commercial impact, design leaders strive to position design as a strategic, cross-functional capability that influences commercial outcomes.

How do brands in these sectors create design capabilities that adhere to current regulatory requirements while simultaneously evolving their offerings to changing customers and cultural factors through critical transformation?

How does design successfully work within these types of organisations? What challenges does it face? And what are the critical success factors behind design leadership?

In many organisations in highly regulated sectors, design capabilities are relatively new; in some cases they are not as well understood as other essential business functional areas like finance, operations, risk, technology and marketing, compounded by the high degree of diversity in the backgrounds of modern-day design leaders. Unlike other business departments, such as marketing, there isn't yet a clear playbook to follow, nor is there a well-established academic business certification to become a qualified design leader. Designers and design methods present themselves as the capability and methodology for unlocking the potential of creativity and innovation in every colleague. The leaders we interviewed would all agree that, when integrated intelligently, design accelerates and de-risks the process of transformation, to the benefit of customers, colleagues and the organisation itself. In many cases, these incumbent brands struggle to attract, maintain and develop design talent and to build a resilient design culture within their organisations that can work within the legacy cultural, commercial, technology and regulatory constraints.

Furthermore, design leaders have struggled to gain a strategic position within the organisation. But the ambition persists, and the promise of what design can achieve still attracts design professionals to the mission of transforming legacy incumbent brands in sectors that truly matter for the future.

As one design leader put it, we need “to go from running a cost centre to owning a P&L,” to be “in the room where it happens” and help guide design not simply as a capability but as a transversal function, with accountability for commercial performance and outcomes. In many instances, design struggles to articulate the evidence of its commercial impact on the business and the balance sheet. And while organisations have been trained in ‘design thinking’, have they trained designers to read the balance sheet and confidently articulate their commercial impact?

“I often feel like a fraud, but over time I think I’m not a fraud. I had to tell myself this, but my background is actually more social research and then policy in strategy roles.”

— Chief Design Officer, Public Sector

Some of the leaders we met with were very intentional about the route they took to corporate leadership in design, while others became design leaders almost by accident. Because of this, there are many different styles and perspectives regarding what a design leader is and what they must do. This is further complicated by the proliferation of design practices. Many practices, such as service design, are relatively recent arrivals, with many traditional design education pathways like industrial design and product design merging with and defining the practices of digital, interactive, mobile and web design. Furthermore, for design leaders to flourish in their roles, they must develop deep business domain knowledge in the sectors they are working in.

“The journey that I’ve been on has been one to continue to jump into industries and areas to innovate and bring change.”

— Global Head of Design, Energy Sector

“My vision of wanting to change the world needed to be expressed in something that could help people to change faster, and design was basically the way to do that.”

— Global Innovation and Experience Design Leader, Consulting

It is essential to understand what an organisation is hoping to get out of having a design function. This is often anchored in how what is called ‘design’ was initially established in the organisation. This intention may seem insignificant, but it sets the trajectory, belief system and evaluation criteria that monitors the success of design within the corporate structure. It also sets the context for how design leaders will determine their strategy for growth and change in design capability and function.

“During the course of my time in the job, my role was expanded and I became an Associate Director of Design and User Research, which, again, was a role that hadn’t previously existed.”

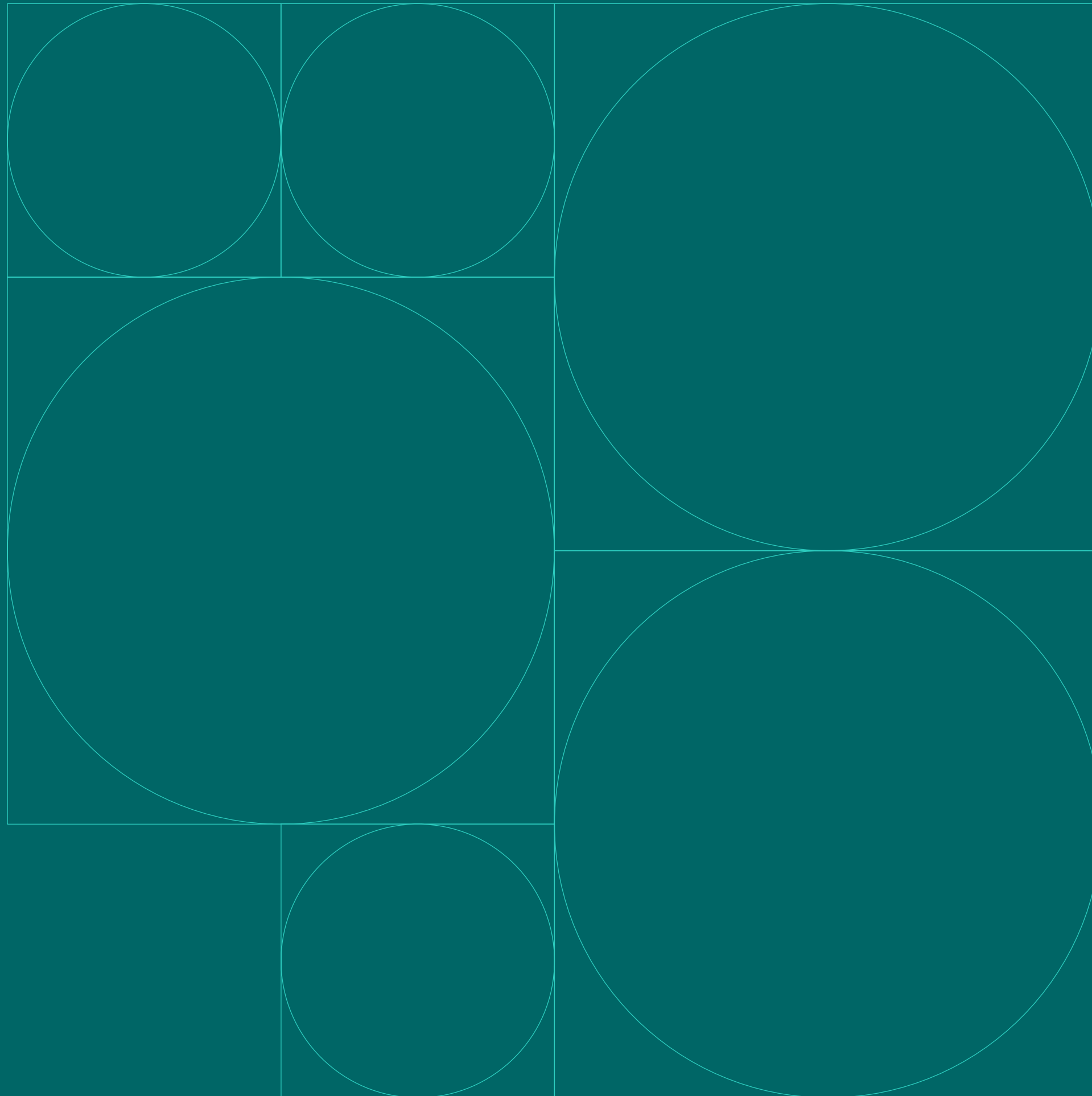
— Director of Transformation, Public Health

For design leaders, part of not having a playbook for design within organisations is having to lay the groundwork for the discipline. As design matures and the practice becomes more embedded within organisations, a clear path to leadership will inevitably form. Many of the roadblocks current design leaders had to overcome will have been cleared, allowing the next generation of design leaders to hit the ground running.

The pioneers who brought design into large, complex, regulated, corporate organisations were agitators. They set a new agenda and drove organisations forward, often having to be stubborn and dogged to do so. As a more clear pathway to leadership will inevitably form, it is important to ensure organisations are attracting and nurturing the agitators and pioneers to ensure design can continue to evolve.

“Most of us have built the digital world as you see; it was our stubbornness to move things forward that has done a lot of things that have happened in the last 20 years.”

— Global VP of Design, Financial Services



Insights

Design As A Strategic Leadership Function

“If the design leader goes away, there’s a risk the whole organisation of design collapses and retreats to a very low level of maturity, and subsequently, a new design leader comes in and rebuilds. But if design is configured transversely across the organisation, if design is a strategic leadership function, that doesn’t happen. The design leader goes away, but there is a plan already in place for there to be a new Chief Design Officer placed within that role to coordinate what is a critical transversal function. The organisation has a robustness so that design is not completely hung on the back of a charismatic design leader who’s fighting for design to be prominent.”

— Chief Design Officer, Financial Services

We interviewed numerous design executives whose aim is to position design as a strategic function within their organisations. Their goal is to change current perceptions of design, showcasing its ability to catalyse organisational change and amplify the value offered to customers. For these leaders, understanding the unique circumstances of their organisations is essential to reimagining the role of design strategically.

This section outlines six insights for leading design in regulated industries, insights that are focused on driving design impact through leadership and effectiveness. While the context and conditions are ever changing and vary from organisation to organisation, these insights are critical for leading a high functioning design team in a regulated environment. They describe the role of design in regulated industries, the strategic positioning of design leadership, and the evaluation and incorporation of design value within the wider business operations.

The discussion explores strategies for leaders to leverage design as a tool for transformation, the significance of embedding design strategically within the company structure, challenges in quantifying and communicating the value of design to enhance its impact, the necessity of fostering a supportive design culture, and the complexities faced by design leaders in doing so.

1 — Leading design for different and differentiating functions

Design serves as a multifaceted function that is critical in delivering product and service offerings and fosters collaboration and new types of connections and interactions through a process that cuts across business units. Ultimately, the impact of design is in crafting more effective, human-centred solutions.

“You know, often designers are the only ones in the room thinking about the impacts on people. And I think that’s valuable. With all my kind of Bible-thumping about business value creation, often being the human in the room is the most important thing; the most valuable problem to solve is just being human.”

— Global Head of Design, Financial Services

Design has various roles in the organisation and performs multiple functions.

It can work as a tool for corporate renewal:

“We are raising a new breed of designers that are not just working on design for design’s sake, profit’s sake, or business’s sake, but really the sake of humanity. It’s a monumental mission to transform something from the inside and change a company that’s not only going through a digital transformation but a massive global energy transition.”

— Global Head of Design, Energy Sector

Design offers the capacity for impactful product development:

“Maybe the problem we’re trying to solve is so broad that it needs proper service design because we don’t actually know what this problem is. We don’t have enough information and we need to run it through a rigorous end-to-end service design process in order to make sure we fully understand the problem. And then double diamond and create something that is a genuine solution to this problem.”

— Chief Digital & Innovation Officer, Financial Services

It can function as a centre for greater customer-centricity:

“That’s where the design mindset really, really adds value: deep diving into ‘What is it that humans want, really?’ and understanding what they need or are not yet aware that they need.”

— Head of Innovation Design, Financial Services

Design can even be a method for increasing policy effectiveness and impact:

“There are decades, maybe hundreds of years of tax policies that are complicated for people to interact with. So it quite often goes wrong from the user’s point of view. So they call us up, or they don’t pass the right amount of tax, or they make mistakes in their returns. Design can help us create a tax system that is easy for everybody to use and that’s how we drive our strategic objectives as an organisation.”

— Head of Product and User-Centred Design, Public Sector

Regardless of its specific function, we can see that design and the design function tend to represent the customer’s voice, keeping the business focused on the major user problems they are trying to solve. Moreover, when it operates across business units, design becomes a more robust source of opportunity discovery and value creation. This eventually increases the design acumen of the organisation, leading to an increase in collaboration.

Designers are the ones best positioned to ‘bring the human into the room’, keeping the business focused on the user problems they are trying to solve

Regulated industries are regulated for a reason; the services they provide to people are essential and often complex, and getting them wrong can create unrecoverable harm. In conversations typically dominated by traditional business thinking and speaking, the end user, customer - or indeed human experience - is often lost.

Designers and design leaders especially have the experience, insights and confidence to bring the human perspective to the decision-making table. Furthermore, design functions tend to be one of the only places in an organisation where colleagues can collaborate and co-create with real customers of their products and services. It is difficult to overstate the impact this source of consumer empathy can have for the organisation. It is often the source of extraordinary behaviour change, organisational consensus and innovative ideas.

“So there’s a sort of strategic element. It’s not around the interaction design or how you enable someone to do something, but it’s figuring out what we should be enabling someone to do. And then working with the interaction designers to think about how that gets put into the product in the flow and how it actually functions.”

— Head of Service Design and Delivery, Public Sector

Design’s permission to operate across verticals leads to a greater chance of holistic and creative problem-solving

In industries that are typically separated into vertical silos, transformation programmes can struggle to take off, and innovation opportunities can struggle to gain momentum. Designers can cut across verticals for greater collaboration, cross-pollination and efficiency. Design methods often take an end-to-end view, whereby multiple products and services, traditionally delivered in silos by different parts of the organisation, can be imagined working seamlessly to meet the needs of customers and create profitable growth and efficiency for the business. This also creates a team of people with holistic oversight of the firm’s different functions and its products and services. They are empowered to solve problems and business challenges creatively.

“There was an understanding of our customer’s needs [...] What we didn’t do a good job of was stitching it together so that our customers actually go through all of these products in a journey that helps them be successful.”

— Global Head of Design, Legal Services

“So service design is something that is falling into my area, but not really fully fleshed out right now. I think a lot of it is about bringing that design creative brain and using that in different areas of the business to challenge how things currently work or just find opportunities to do new things. So it isn’t just about building new products; I guess it’s a bit bigger than that, which is interesting because that’s not how I’ve ever really had design looked at in any of the businesses that I’ve worked in.”

— Head of Experience Design, Energy Sector

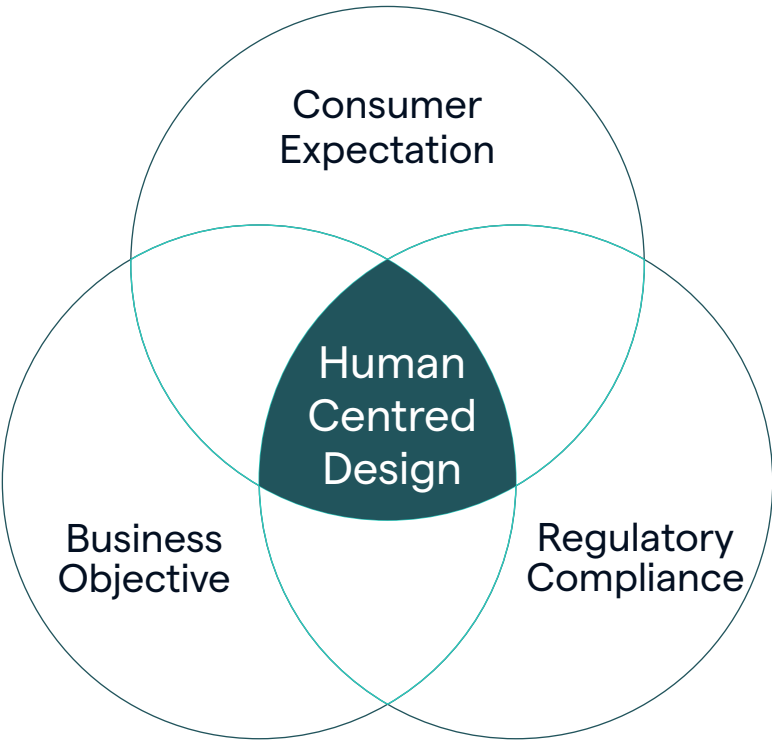


Diagram 3: Navigating value model

Design is just as much a business function as it is a people function

A key function of design and designers within regulated industries is the sharing of design knowledge and upskilling of colleagues from different backgrounds. The designer skill set makes designers talented enablers of important conversations and collaborations, driving value across the board. Workshops, customer co-creation and facilitation are the traditional channels through which these conversations happen, but equally important is the creation of a space that promotes critical and constructive conversations around the products and services that are being designed.

“The shop window is the facilitation. The team’s been doing a lot of facilitating sessions for the group operating committee within our business and the CEO and the top leaders. And I think that’s where it gets visibility. If you are there and your CEO is there, probably they might get more airtime, but then that kind of workshop democratises it a bit more so everyone gets their kind of input as well. And our CEO really sees the value in that.”

— Chief Digital & Innovation Officer, Financial Services

“So there’s all different sort of formats of training, but what we try to do as well as having our central capability, we’ve so far now trained about 200 people within the organisation in service design.”

— Chief Digital & Innovation Officer, Financial Services



Take away:

Design is a differentiating function for stewarding the customer's voice, discovering opportunities and fostering collaboration.

Design holds multifaceted roles within organisations, yet it can offer two distinct perspectives to the business: one is an end-to-end view of the customer journey and the other is direct access to customer insight and co-creation. Together, these two distinct sources of business value act as a catalyst for de-risking and accelerating the realisation of benefits across the organisation. Moreover, design's ability to harmonise human needs with business objectives nurtures a culture of empathy, collaboration and holistic problem-solving. By championing the customer voice and facilitating cross-functional collaboration, design boosts organisational acumen and promotes innovative solutions that tackle complex challenges. Ultimately, the integration of design across various organisational functions not only enhances the user experience but also makes a significant contribution to achieving strategic business outcomes and fostering societal impact.

What does this mean for design leaders in regulated sectors?

- **Navigate foundations:** It is critical to understand the origins of your organisation's design capability in order to develop it to its full strategic potential. What was it set up to achieve? How well is it understood?
- **Customer led:** Make sure your design activity is human-centred, using the voice of the customer to unify the organisation across silos, not create new ones.
- **Close the loop:** Design has the power to close the loop between the customer needs state and the business objective. Over consult on the business and customer benefit of innovative opportunities to improve the customer journey, and over communicate on how customer insights connect to business benefit.
- **Accelerate innovation:** Ensure you are acting on opportunities to leverage design for radical transformations of the customer journey and new opportunities for innovation powered by advanced technologies and data, not just digitising and optimising broken journeys and incrementally improving poor customer experience.

2 — Dealing with the changing intentions for design

Organisations invest in design for many reasons, and those reasons are ever changing. Leaders must understand how to work within that context, understanding the shifts in the way the organisation intends to make use of design. If they can operate within that dynamic, they can elevate design to a more strategic level and harness the full potential of design to recreate and transform these organisations.

“So if you start from the intention or the objective of the organisation, you understand what that wider policy intent is. Then, you build in the understanding of the human at the heart of it, as well as the organisation that needs to deliver the services. It’s a marriage between policy, intent, needs and deliverability.”

— Lead Service Designer, Public Sector

In regulated industries, the role of design - and its mandate in an organisation - is multifaceted. Several layers of stakeholders, each with varying (and often conflicting) needs, must be considered.

From the overarching societal objectives driven by regulation, necessitating a comprehensive operating model to navigate policy changes, to consumer expectations redefining acceptable baseline offerings and service experiences, design's role and intended purpose within an organisation have never been more complex.

As a consequence, how design works in these organisations depends not only upon how a design function was created and what it was intended to achieve, but also on the perceived value of strategic repositioning when adapting to this changing environment.

Defining purpose within a regulated environment

Regulation envelops industries tasked with safeguarding fundamental human needs. It works to protect the human experience and cares for more than just individuals. Instead, its scope is far grander, accounting for humanity, the world we live in and our impact upon it.

“For me, it’s about design for humanity. So this concerns internal impact and external impact. How you optimise, integrate, envision and regenerate. And then I have some different levels of ambition across each of those areas in order to drive change. I think that’s certainly where my head is at and where it’s going.”

— Global Head of Brand & Experience Design, FMCG

Existing within a regulatory framework creates a complex environment, necessitating comprehensive adherence to regulations by all, from top executives to entry-level associates, without exceptions. Within this space, legal, compliance and design capabilities converge and must act in concert. This involves aligning on a shared objective while recognising diverse perspectives on how to achieve compliance.

The integration of stakeholders brings about a diverse range of expertise and priorities, often resulting in conflicting mandates. Because regulation is connected to such a profound purpose, the intention of design in regulated industries is inextricably linked to this common goal. The result is that ‘regulated’ design leaders are involved in solving these ambitious, long-term and futuristic societal goals.

“I started in February of 2020, so I’ve been here a little over three years now. My first week at the company was one way. The next week, our CEO, who stepped into his new role at that time when I was in London, announced that we would march towards net zero by 2050 or sooner. And so the company changed: we were going to reimagine energy for people and the planet.”

— Global Head of Design, Energy Sector

Together, regulation and purpose have reframed how organisations deploy design and fundamentally changed the trajectory of the problems to be cared for. Ultimately, for design leaders, this creates a complex design challenge but also offers an opportunity for creating comprehensive and robust design solutions capable of effecting meaningful change en masse.

“You know, this organisation runs on money. So there will be an aspect of the strategy that is absolutely about commercials. I mean that will be the main driver, but I think that [this new CEO] is making public commitments that no other chief executives are making. And I think there is a genuine intent from [them] and their leadership that is a more inclusive, more sustainable business that does more good for the customers and the colleagues that we serve.”

— Director of Experience Design, Financial Services

An unexpected combination: Where regulation meets consumer expectation

Consumer expectations of what an organisation should be today, and how its offering is presented, have reprioritised the role of design. Organisations are no longer solely being compared to a traditional competitive set. Customers are comparing experiences between a vast range of brands, from Deliveroo to John Lewis, Apple to Amazon, even for those organisations that are in the business of selling home mortgages or providing government services.

Exceptional experiences, omni-channel offerings and intuitive technologies are the new baseline requirements mandated by the consumer. The role and intended purpose of design within a regulated environment – or sphere – have never been more complex nor demanded more from a design leader. Design leaders are uniquely placed to understand that ‘your direct competitor is not your competition’.

“I go back to around 2010, 2011, when I had a distinct conversation I remember with some of the board members and VPs at the time. At the time we identified that the context for us as a bank was actually changing. We are not a bank with an IT and design department, but more of a digital player with a banking licence.”

— Global Head of Design, Financial Services

At the same time, successful design leaders will be aware of the complex need states that emerge in highly regulated industries: the customer experience required for dealing with a challenging health situation, a family bereavement, or significant financial hardships changes dramatically how services need to be designed. Leaders can learn from digital incumbents and consumer brands, but they need to create value using the tactics consumer brands use to create desire. What is being competed for is fair outcomes and service empathy, as much as it is market share and experience excellence. The presence of the regulator not only drives products and services to be useful and usable, but also joined up, simple, transparent and fair.

For design leaders in a regulated industry, delivering compliant products and services is no longer enough. Instead, solutions must be presented elegantly, be delightful to engage with, and create value across what might be very complex, and important, customer need states. The entire experience, not just the digital transaction, must be designed thoughtfully and compliantly. Leaders look for inspiration from non-regulated spaces and are redefining what their offering should, and could, become.

Building the future: To get where you're going, know where you've been

Design is relied upon to maintain consistent experiences across products and services. This can prove to be even more challenging in regulated industries where policies and regulations change at a country's borders.

“Really, what’s my job? It’s only really two things: high design quality across all touchpoints, and consistency across multiple markets. Because we’re selling in 140-plus markets, you have to do design and deliver it consistently.”

— Global Head of Brand & Experience Design, FMCG

Often the design infrastructure, including the design system, will have been built based on an aggregate of what has already been done. In essence, it's a historical archive. Additionally, part of the design infrastructure that is developed around design systems is a form of design authority and governance that, in its attempt to enforce consistency, creates a design bureaucracy that limits creativity and innovation. Taking this approach results in a continual game of 'catching up with the past' and creating formidable barriers to what might appear to be the obvious experience improvements design should be making every day.

Furthermore, design system governance needs to take into account customer insight, not just passively relying on analytics and data generated by the broader organisation, but manufacturing insights to help shape the future needs of the design system and improve upon it.

The design infrastructure should also attend to standardising future needs, not yet deployed, to support nimble ways of working. By archiving the past and also creating the future, the designer has a full arsenal to support them and ensure they continue to stay focused on solving problems, not merely enforcing the brand's aesthetic interface principles.

“It helps to understand that we are built through acquisition, the maturity of the teams really differs based on the teams that you purchased. What I have found is that it was the right time for me to come into an organisation. It became this inflection point: what we were doing wasn't working. And I was hired to create an essential design team.”

— Global Head of Design, Legal Services

“By investing in design systems and building blocks over the two or three years leading up to 2020, we were fortunate to have gotten to a level of maturity by the time the pandemic arrived. The fact that we had a design system and we had predictable ways of working along the tracks of the government service manual meant that in early 2020 teams had to rapidly spin up new services from nothing. We had tools and infrastructure that enabled them to do that really quickly and focus on the problem they were trying to solve.”

— Director of Transformation, Public Health

The influence of market forces in design: Pursuing resilience through economic fluctuations

Adaptability is key for design, which shifts its focus during economic cycles to prioritise problem-solving in growth periods and efficiency in periods of austerity. Striking the right balance between the two, while navigating market conditions, is an ongoing responsibility. Whatever the current state of play may be, design leaders seek to continually drive transformation by designing their own organisational infrastructure first, seeking resilience and ultimately design maturity with continued evolution and refinement – all the while contemplating what it will take to ensure that design excellence and creativity thrive.

Regulated industries are more susceptible to moments of economic austerity. When market forces or economic policies shift, so does the intention of design. Balance sheet performance changes the strategic objective of design for the organisation, and it is up to design leaders to navigate how to proactively position the value design brings during market downturns. Design's focus shifts to achieving efficiency: operational efficiency for the design unit and streamlining processes for the wider business and services provided.

A leader must continue to seek the optimal balance between design for growth and design for efficiency. Focusing solely on efficiency threatens to reduce design to an operational function (optimising services). There is an opportunity to see design for efficiency as a form of innovation, where human-centred design excellence and creativity can make a service work better for the business and the customer, creating exceptional value. However, any investment in design innovation for growth, without attending to economic efficiency, threatens the overall existence of the practice and risks the outsourcing of the design practice itself.

“You’ve always got a cost attached to it. So when you have an in-house team, the way our team is cost out to the business, there’s a recharge across it. But it’s kind of in the overall running of your business, and really every time you outsource something, that’s at least a thousand pounds per day per person, the minimum. So I think what the business has seen is the great value of having the team in-house.”

— Chief Digital & Innovation Officer, Financial Services

When the economy is in a growth cycle, the intention of design is to discover new value while simultaneously maintaining relevance to the existing market share. This intention itself is often positioned as securing new revenue streams. A design leader interprets this objective differently: they look for new problems to solve – and correlate those problems with a considered business model.

“So our main role is to seek for growth to find new revenue pockets for the customers. But of course also find new clients, find new products and services that really add value.”

— Head of Innovation Design, Financial Services

Problem-solving must work harmoniously within existing regulatory constraints and compliance policies, the tension here being that regulation may not yet exist for pioneering design exploration. In fact, design teams need to have a stronger, more comprehensive understanding of both the business fundamentals and the regulatory environment to remain relevant in terms of how their organisation responds to growth cycles.



Take away:

Successful design within regulated industries requires the flexibility to navigate between varying internal and external expectations and dynamics.

The changing intentions for design within regulated industries reveal the complex interplay between regulatory compliance, consumer expectations and strategic business objectives. To navigate this landscape successfully, design leaders must foster a resilient and adaptable design capability that can stretch its intentions to meet diverse needs. By doing so, they can ensure that design not only meets the immediate requirements of compliance and consumer satisfaction but also contributes to the long-term goals and sustainability of the organisation. This strategic positioning of design as a crucial function within the business highlights its potential to drive transformation and create lasting value across economic and policy cycles.

What does this mean for design leaders in regulated sectors?

- **Navigate complexity with confidence:** Stay flexible, responsive and agile to the pace of change within your organisation. What the organisation wants to get from your design capability is likely to change, and you need to be ready to change with it. Use your direct access to real, lived customer experience, regulatory compliance, and a deep understanding of the business objective to chart the course.
- **Power up designers:** Ensure your design team has the training, experience and support to cover all of the product and service areas across your organisation, and the confidence to articulate how design achieves the business outcomes that must be achieved - cost driven experience optimisation, service transformation, regulatory change, new revenue driving propositions, and more.
- **Go beyond the design system:** Beware the potential tyranny of the Design System. Utilise its power and efficiency but ensure your design capability isn't just the owner of the rulebook and bureaucracy for the aesthetic enforcement of the digital experience layer.

Organising design matters

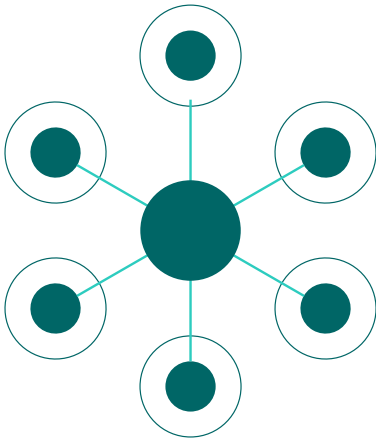
While organisations shift between centralised and federated models, the prize lies in the design unit becoming integrated within the business.

Centralised functions can gain greater efficiencies and scale, but can lack deep domain skills and become significant cost centres.

Federated models build design capabilities directly into the domain areas being transformed, but design skills, culture and creativity can often fall behind.

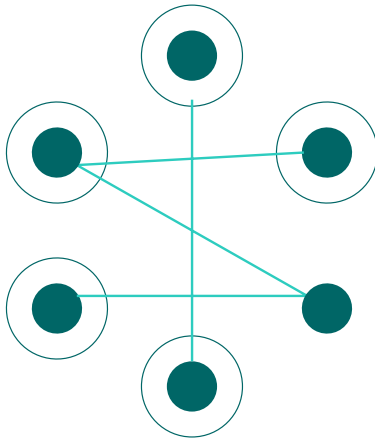
Integrated models are emerging, putting design alongside other functions to drive a more transversal impact and bring a stronger, value based, outcome oriented directive to transformation and design.

To deliver transformation more effectively and efficiently, integrated design units lead, among others: digital performance analytics, channel strategy, commercial benefits, customer communications, product ownership, customer regulation, and complaints.



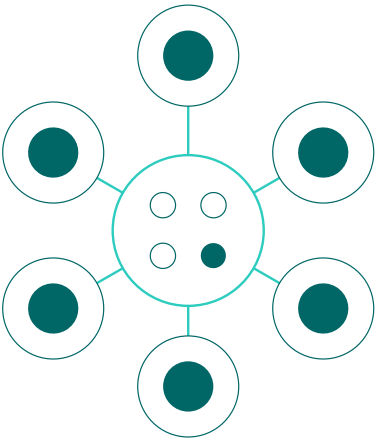
Centralised

Design operates as a centralised function focusing heavily on design practitioner needs and craft.



Federated

Design is primarily driven by needs of business domain areas and transformation units, with a deeper focus on business context over creativity.



Integrated

Design sits alongside other capabilities in a more holistic customer context. Craft, creativity and impact are more balanced, and design leadership needs to assert strategic, commercial values to be effective.

Diagram 4: Models of integration

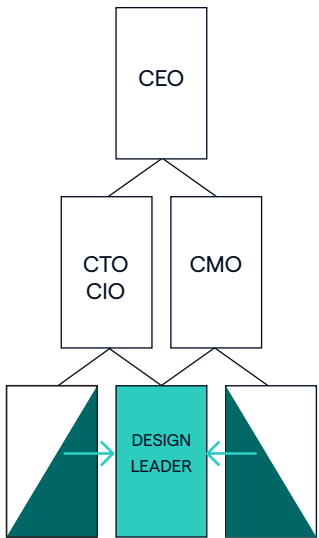
Design’s growing maturity within organisational structures

For design to play an equal role within the ExCo, Design Leaders need to have equal responsibilities with their peers.

Design leadership will find itself structured in a variety of ways. Most design leaders we spoke to desire to lead design in the ExCo either as a Chief Design Officer or Chief Customer Officer working directly with the CEO.

However in most instances, we see design functions either embedded into the technology, transformation or marketing functions with mediated access to leadership. And in some instances, design is fully governed, along with other adjacent functions, by a leader who may be far removed from the ExCo. In other cases, design may be perceived as a Centre of Excellence with limited sponsorship, placed outside the organisational structure.

In order for design leaders to move to a strategic model, it is clear that the design function must speak the language of both the customer and the business, and own the positive commercial outcomes design can create.

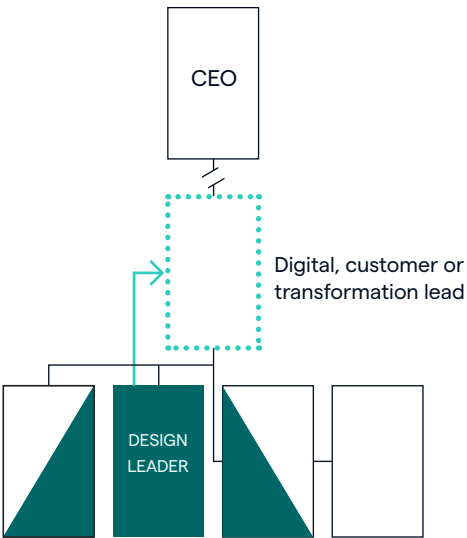


Embedded

Design is embedded inside Technology or Marketing, and seen as a shared service or capability. Design leadership is more operationally focused.

Leadership opportunity:

The consolidation of design capability.

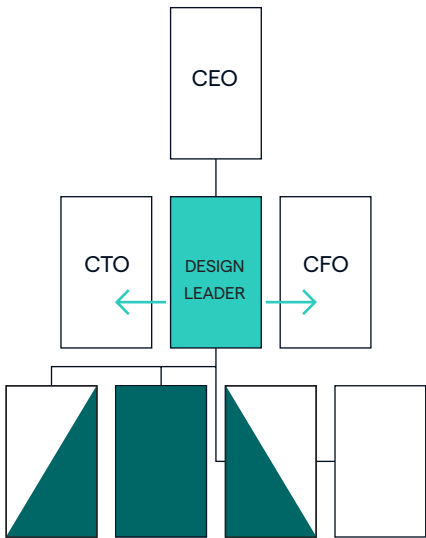


Governed

Design sits within a transformation leadership function and is governed by a transformation role, like a Chief Customer Officer, or in the past, a Chief Digital Officer, which may be 1 to several steps removed from the CEO.

Leadership opportunity:

Developing into the transformation leadership role and moving closer to the ExCo.



Strategic

The Chief Design Officer is responsible for the P&L of Design as a function in the organisation, controls design services for the organisation and plays a fundamental role in achieving business results.

Leadership opportunity:

Building lasting connections into the technology and finance functions of the business.

Diagram 5: Leadership opportunities

3 — Earning the organisational position

The influence and scale of a design function are both a consequence and driver of the impact it is able to have in an organisation. A mature position is slow to build, requiring consistency and steady momentum; leaders need to be in it for the long haul.

“Essentially, in a mature organisation, design should be a business unit. It should be a business function in the same way as technology or marketing or whatever. It needs to be thought of as a business unit with its own cost centre.”

— Chief Design Officer, Financial Services

The position of design within the organisation refers to three elements. Firstly, it refers to the design unit's location in the organisational structure – who it reports to and in which department. Secondly, it refers to how the rest of the organisation understands the value of its function. Finally, it refers to the scale of the design capability and the influence it holds across the organisation. Each of these elements fundamentally influences design's ability to drive impact for the organisation.

Most of the design leaders we interviewed described trying to grow or cement the position of design within the organisation.

We learned how that position had to be earned over time, consistently building momentum by demonstrating impact and a commitment to commercial and regulatory agendas as well as traditional design agendas. For design leaders to earn the organisational position of design, they must grow credibility and stability in the upper hierarchy of leadership (managing upwards) and they must pragmatically manage the design capability that will produce impact (managing downwards).

Managing the organisational position upwards: a place in the C-suite builds essential stability for a design function

For design departments to reach a resilient maturity level, design leadership must be stable. For that to happen, design leaders must reach the executive committee by slowly building trust across the organisational leadership. Design is often associated with discretionary spend, even in transformation cycles. Therefore, there is always an inherent risk of a vacant design leadership position, which can threaten the existence of the design department.

When an organisation in a regulated industry has successfully established a design leadership role, or perhaps even a design leadership function, that role or function should be allowed the resources to focus on the growth and opportunity of design within the sector and market, as well as to ensure the profitable operation of the day-to-day business.

Critically, that role should have a direct line to the CEO and, as stated earlier, have responsibility for the budget for design across the organisation.

The title of Chief Design Officer is an umbrella title synonymous with several other C-suite designations, such as Chief Customer Officer, Chief Product Officer and Chief Innovation Officer. While Chief Design Officers are a relatively new entrant to the C-suite in regulated industries, they have been well established in non-regulated industries for a considerable time.

The naming convention may seem trivial, but it proves rather significant. 'Design' alone is not enough. Instead, it tends to be tethered to the business cycle most important to the organisation at the time of its creation.

The subtle variations serve a purpose: to strategically position the function of design, set its trajectory within the organisational structure and identify the highest-ranking person in the organisation connected to design.

Furthermore, Chief Design Officers should also be responsible for the financial implications of design, for setting and managing budgets for design and coordinating the procurement of design services, and for reporting back to the CEO and the Board on the value design is creating for the business as a return on that investment. Ultimately, the ambition of design leadership is to be in the room where those decisions are made and to play a role in shaping organisational outcomes.

“The conversation I have with my current CEO is that the next logical step for me is Chief Product Officer or Chief Design Officer. Those are the two routes. We need to centralise either Product or Design. And there will be a decision on either one of them. So, I think there’s more of a logical step to becoming a Product Officer. You get more delivery accountability and design – whereas design is obviously just half of the equation. So there’s more, perhaps, political power in becoming Chief Product Officer.”

— Head of Transformation, Financial Services

Job titles, especially in the C-suite, are strategic considerations that influence organisational structure. The Chief Design Officer title, while relatively new in regulated industries, holds significance, shaping the strategic position and trajectory of design within the organisation. Whatever it is called, the position must be seen as a business leader of design, if design is to reach its full strategic value.

If a Chief Design Officer is a strategic executive committee role, then it should never become vacant and remain unfilled. It should have a robust leadership contingency plan and leadership candidates waiting in the wings. In many organisations, highly charismatic design leaders are often hired for short periods in an attempt to accelerate the build-out of capability and establish rapid design maturity. However, to develop the Chief Design Officer role into a strategic leadership role and develop the design capability to a resilient maturity level, design leadership needs to be established within the organisation over longer periods to develop durable trust across the leadership function and resilience across business and organisational leadership changes.

“We had a design director, and the week I started was the week he handed in his notice. Interestingly, when [Redacted] stepped into that head of the design community role, they never replaced the design director. And there has been a sort of slow erosion of the official status of design at a director level within the organisation. It’s kind of gone out from the centre now, and the senior leadership in design sits in departments more than it seems to sit within design.”

— Head of Service Design and Delivery, Public Sector

Failing to do so can have destructive consequences. It dilutes overall confidence in design as a practice, cannibalises headcount and – perhaps most critically – shifts power to another department. At best, the practice becomes fragile, at worst, disposable. Failure to maintain design leadership roles can ultimately restructure the organisation and reduce design to merely an ancillary function, not a specialised stand-alone discipline. As such, the position of design is rarely stable unless it is in the heart of the C-suite.

“We don’t have a Chief Customer Officer anymore. When the COVID response was ramped down, the customer function was split up and the various capabilities went to different parts of the organisation. It’s now called the customer experience team and it’s quite a small team – about 26 people – and sits within, quite interestingly, the health protection operational division.”

— Director of Human-Centred Design & Customer Experience, Public Health

Managing the organisational position downwards: staffing design departments adequately is a basic requirement for impact and reputation

The reach of design throughout an organisation is often limited by an imbalanced headcount, which, in turn, limits its potential impact. In regulated industries, organisational headcount will often surpass several thousands of employees, while design capabilities will often represent less than 1%.

Design capabilities have made significant strides in training the rest of the organisation in how to deploy design practices, or 'design thinking', which has also further eroded reliance on design capabilities. Ultimately, re-designing a product or a service, whether in a wholesale transformation or along the lines of continuous improvement – for cost, growth or risk business cases, or indeed all three – requires additional design resources working alongside other business functions in dedicated, multi-disciplinary teams to support the development and roll-out of solutions. However, headcounts in design departments are light. This results in many designers becoming little more than light-touch advisers, diluting their potential impact.

“We have about 800 - maybe close to 1,000 - people working in digital and technology, which sounds like a lot, except when you think of the size of the institution. We’ve got 80,000 people. So we’re barely 1% of the whole institution. And we have a tiny amount of people who are actually interfacing with the rest of the institution.”

— Lead Service Designer, Public Sector

Leaders must ensure that staffing levels are adequate for them to be able to demonstrate value beyond aesthetics and light-touch consultation.

Ultimately, re-designing a product or a service, whether in a wholesale transformation or along the lines of continuous improvement - for cost, growth or risk business cases, or indeed all three - requires additional design resources working alongside other business functions in dedicated, multi-disciplinary teams to support the development and roll-out of solutions. However, the departmental staff plans in design are scarce. Leaders must ensure that staffing levels are adequate for them to be able to demonstrate value beyond aesthetics and light-touch consultation.

It is of the utmost importance for design leaders to actively preserve headcount, in order to maintain the scope of the design capability and underscore the indispensability of the design unit as a required business function, not an optional 'nice-to-have.'

“For some, 26 people isn’t tiny, right? A lot of organisations will say, ‘Gosh you’ve got 26 people in your human-centred design team, that’s great.’ Given the sheer breadth of what the organisation does, it’s quite small. So the team has to put a lot of effort into prioritising its work, identifying the right people to help and doing quite a bit consulting-type work, where they can advise bits of the organisation. But we don’t necessarily have the capacity to go and get completely stuck into a particular project or piece of work.”

— Director of Human-Centred Design & Customer Experience, Public Health

Staffing design teams with mature designers fast-tracks a deeper understanding of design value and quickens adoption

Stacking the team with heavyweight, highly talented practitioners establishes a design team's foundation and its credibility as a mature business unit. The more mature the unit, the stickier it is and the faster it gains traction. In addition, a mature design team will ultimately increase the attractiveness of the design function to external talent in the marketplace as the practice looks to grow.

Conversely, embedding a low-maturity design department into the organisation strips design of any real strategic leadership potential. It establishes a bottom-up approach and positions the discipline with a junior production mentality, thereby limiting the value of the services design can offer to the business.

“It is much harder to successfully deploy design in an organisation that either hasn't had design, or has a flawed view of what design is and what the capabilities are.”

— Global Head of Design, Legal Services

Taking a leadership-first approach in regulated industries helps design become embedded within the organisation much more easily. From an organisational perspective, design value and potential are realised much faster, increasing credibility and proving value, which is critical to ensuring long-term growth.

“There's going to be a level of understanding. But is it fully embedded? Is it fully understood? Do we have people with design backgrounds or a massive affinity with design sitting in these roles? No. Not really at the moment. So we all know that a lot of it is fundamentally important and it probably should be more important and have a bigger say and a bigger seat at the table and more people on it than it does.”

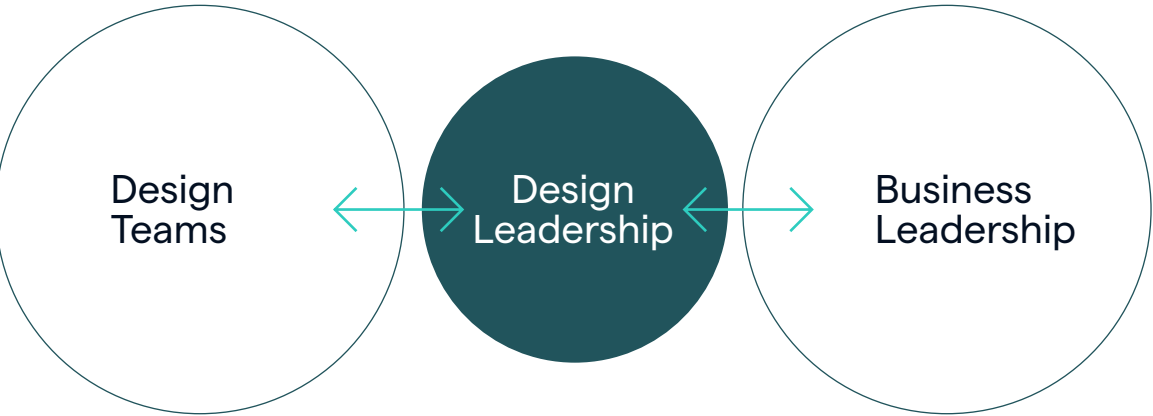
— Chief Digital & Innovation Officer, Financial Services

“What I see now in more mature organisations is ... if you develop a corporate strategy AND you involve designers in that, you say this is the future of our business. Then you translate that into a beautiful vision activation.”

— Global Innovation and Experience Design Leader, Consulting

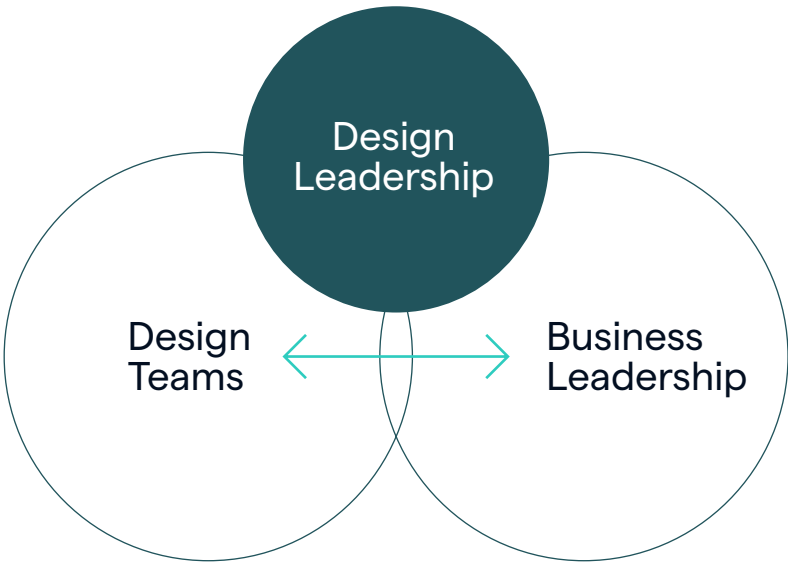
Establishing a robust design capability within an organisation is complex, and the maturity of the designers hired plays a pivotal role in determining success. Experienced designers enable faster integration, faster realisation of design value and a reduced risk to the team's credibility; all are critical for sustained growth.

Communicating value



Communicating value today

Today, many Design Leaders must communicate and translate objectives and strategies coming from leadership in their organisations into the unique language and culture of design, and communicate the value of design into the measurement and commercial needs of business leadership. This is a persistent and time consuming exercise for design leaders in these industries, pulling them away from business value generating activities.



Communicating value tomorrow

While the ultimate responsibility of the design unit, both in terms of commercial leadership and value creation, remains with the design leader, the entire design unit is more confident and engaged in communicating it across the organisation.

Diagram 6: Moving to an integrated model



Take away:

Design leaders must earn their organisational position by demonstrating the impact of design in alignment with commercial, regulatory and organisational agendas, managing upwards to build credibility with senior leadership and managing downwards to optimise design capabilities.

To elevate the role of design within organisations, especially in regulated industries, design leaders must demonstrate tangible impact and align their efforts with both commercial and regulatory objectives. This necessitates a dual approach of managing upwards to secure a stable position in the C-suite and managing downwards to optimise the design team's output. Establishing a C-suite position, such as Chief Design Officer, is crucial for providing the design function with the necessary stability and resources to focus on growth opportunities and day-to-day operations. Adequate staffing levels are essential for the design department to extend its reach and impact across the organisation, surpassing mere aesthetic contributions to include strategic business outcomes. Building a team of experienced designers fast-tracks the department's maturity, enhancing its credibility and enabling quicker integration and realisation of design's value. This approach not only secures the design function's position within the organisation but also ensures its long-term growth and sustainability by demonstrating the indispensable role of design in achieving broader business objectives.

What does this mean for design leaders in regulated sectors?

- **Code-switching business to design:** Be the babel fish. Talk the language and align to the motivations of both the executive and the design team, and translate the two for each other.
- **Manufacturing talent:** Recruitment and retention of talent is THE job. Bringing in the right talent gets the job done quicker and better. Use your organisation's graduate recruitment programme and learning and development functions to build a solid foundation of design capability fully acclimated to your culture.
- **Trust takes time, play the long game:** The leadership gains from consistency, stability and staying power will outperform flamboyance, disruption, and noisier activities.

4 — Creating transformational value

How can design leaders help create the right conditions for design to flourish within the organisation? And in what ways does design have to adapt to the context of the organisation?

“It’s hard work changing an organisation like ours. It’s very risk-averse. It’s hierarchical, but I think senior stakeholders that are seeing design are starting to understand that design, and particularly service design, can help them develop the organisation of the future that they have a vision for, but they didn’t really know how to get there.”

— Head of Product and User Centred Design, Public Sector

Transformation is a challenging process for many organisations. It usually requires the adoption of new structures, new technologies and generally new ways of working. However, transformation is a necessity for organisations in regulated industries that want to successfully integrate design into their organisations. This is mainly because design that fits squarely within their existing, traditional business structures will inevitably fall short of its potential and remit.

However, the benefits of a successful transformation cannot be overstated. A mature design infrastructure is a powerful catalyst that enables design to be deployed throughout the organisation. It should not be thought of as a siloed department that can be jettisoned but as a function that permeates all aspects of product and service delivery, becoming a transversal operational force threading the organisation together.

We have learned that successful design transformations rely on everyone knowing their role, from the design leader to the organisation to the design teams. This section outlines three key elements that design leaders, organisations and design teams should keep in mind. Firstly, organisations need to commit resources – talent, time and training – to ensure that a solid design practice can form. Secondly, design leaders are responsible for ensuring the design practice isn't siloed but rather represents a transversal force for strategic change. Finally, design teams need to learn how to communicate the value of design to those outside the unit, which inevitably means translating user value into business value using organisation-wide recognised metrics.

Organisations need to commit resources — talent, time and training — to ensure a solid design practice can form

When it comes to making the most out of design, one thing is certain: there needs to be a commitment to design. This can be especially challenging for organisations in regulated industries, as they were far from the centre of the design revolution, leaving them to play catch-up. Transitioning to an organisation that can enable and harness the value of design comes with the need to understand new processes, timelines and metrics.

“The challenges are the same challenges a lot of teams have. You need expertise, you need scale, you need trainers, you need service design experts. That is one challenge, especially if the organisation doesn't fully understand it or see that it's a real, integral part of becoming successful or more successful. It's a vicious cycle, really.”

— Chief Digital & Innovation Officer, Financial Services

This commitment also needs to be reflected in the chosen design leader. Seeing through a full transformation and enabling an organisation to leverage design is a multi-year project and can be the reward of a career-long ambition, but it is also a challenging and long-term plan that is full of frustration and disappointment. These frustrations can push the design leader to leave, with many potential repercussions for the organisation.

Design cannot be fully integrated until it plays a strategic role

One of the main tasks of the design leader in an organisation is to oversee the successful operation and adoption of the design practice. The design practice is more than aesthetic components; it is a force for strategic and systemic change. As such, it is most effective when it is part of transformation efforts from the very beginning. This goes beyond insight discovery and into building the case for strategic business opportunities. It is the responsibility of the design leader to ensure that design is a part of these high-level discussions across the business.

“Lots of the problems that we are experiencing have to do with the fact that we are designing things based on thinking that has been done already. So it’s about how do we actually get further up that process so that we can help make decisions and bring in customer-centred or human-centred thinking from the outset, because that’s going to mean that the decisions we make are a lot easier to deliver on.”

— Chief Design Officer, Financial Services

For this to be successful, design cannot be (and cannot be seen as) a siloed department; it must be one that is embedded transversally throughout the organisation. To do this, design leaders should look to their design teams to deploy change. Their intention is one of transformation. Having this strategic intention at the highest level of design within the organisation sets a clear mandate and potentially an inspiring mission for the design department to deliver upon.

“Where I think designers have more of their hearts is when it concerns change and transformation rather than optimisation.”

— Global Innovation and Experience Design Leader, Consulting

“About a year ago we created this academy, a service design academy. [...] For me, the more people who understand design and service design, all those elements of it, and the more cross-functional talent you have, then I think ultimately you’ll be more integrated. It’ll be a more successful business.”

— Chief Digital & Innovation Officer, Financial Services

Designers need to be able to translate customer value into business value

For design to be truly successful, it will also need to adapt to the organisation. Each organisation is unique, and so the way it will have to adapt will be different in each case. But one thing is clear: designers need to learn to communicate in a way that goes beyond the customer value and reaches the business value.

Communicating how customer benefit turns into the betterment of existing, organisation-wide metrics and values is paramount to obtaining buy-in from colleagues outside the design unit.

“The challenge is that you then are in a position where design is having to not only educate the end client, but you also have to educate all the partners – all very elite, all very intelligent, very intellectually curious – who have come up through a business pathway that is principally focused on value and influence and impact. [...] Some of the things that I learned are very important: if you want to get any traction within a corporate environment, you need to orient around the idea of value and how you quantify value. Most times, designers want to have a qualitative perspective on everything, but the key is how do you begin to quantify things?”

— Global Head of Design, Financial Services



Take away:

Creating a design-led transformation within an organisation involves a multifaceted approach, where commitment from both the organisation and design leaders to integrating design as a strategic, transversal force is essential.

To successfully transform, organisations must commit to investing resources, such as talent, time, and training, to develop a robust design practice. This is particularly challenging in regulated industries. For design to play a strategic role and drive systemic change, it must be integrated into the organisation's transformation efforts from the outset, contributing to strategic business opportunities and decisions. Design leaders are tasked with ensuring that design is not seen as a siloed department but is embedded throughout the organisation. Moreover, for design to be effective, teams need to articulate the value of design in business terms, demonstrating how customer-centric solutions contribute to the organisation's overall success and metrics. This requires designers to adapt their communication, aligning design outcomes with recognised business values and goals, to gain buy-in from stakeholders across the organisation.

What does this mean for design leaders in regulated sectors?

- **Engage leadership regularly:** How committed is your organisation to design? Transformation through design is best achieved by organisational commitment to design. Is there space for design to be heard, understood and accommodated to realise its value? Or are there enough members on the executive team on board to run experiments to demonstrate the value? Next to talent, stakeholder engagement is a critical part of the leadership requirement.
- **Lead transformation:** You won't be transformational until design is embedded throughout the decision making chain, from strategy to implementation. We shouldn't just be at the resourcing table for transformation, but there at the opening, discussing the competitive landscape, shaping the strategy and operating model for change, and setting up the transformation portfolio and the role design will play.
- **Commercial design leadership:** Ensure your designers are fluent in not only the regulatory context but also their ability to articulate their own commercial impact. Build the right commercial skills in your design team. Every designer should be able to read the annual report, understand the CEO's or Director General's strategic objectives, and be able to quantify the value of the design work they are doing for the business.

The growing importance of Human-Centred Design

Building a strong, customer centric capability is high on CEO’s agenda.

Design has a key strategic role to play in achieving the ambitions of the organisations it serves while driving business outcomes that benefit customers. It is essential that the design unit is given the resources needed to realise this value, and that the design unit is able to communicate the value in business terms.



^{1]} 'How do you harness the power of people to double transformation success?' https://www.ey.com/en_gl/insights/consulting/how-transformations-with-humans-at-the-center-can-double-your-success

^{2]} 'How to unlock business growth by putting customers first?' https://www.ey.com/en_gl/insights/private-business/how-to-unlock-business-growth-by-putting-customers-at-the-center

Diagram 7: Human-centred design’s impact

Measuring value, not practitioner capability: Towards a better maturity model

Mature design units go beyond delivering impact at the metric level, and embed themselves transversally within the organisational culture.

Building the measurement framework to articulate not only the benefits of design but how the business achieves its goals through customer-centricity and ultimately supports the entire organisation in navigating to the future state through cultural transformation.

Most design functions in organisations today struggle to move beyond operational performance measurements to articulate the customer and business benefits. Design leaders, who for the last two decades have trained the business to use 'Design Thinking', have failed to train the designer on how the business truly operates and tie customer and business benefits together.

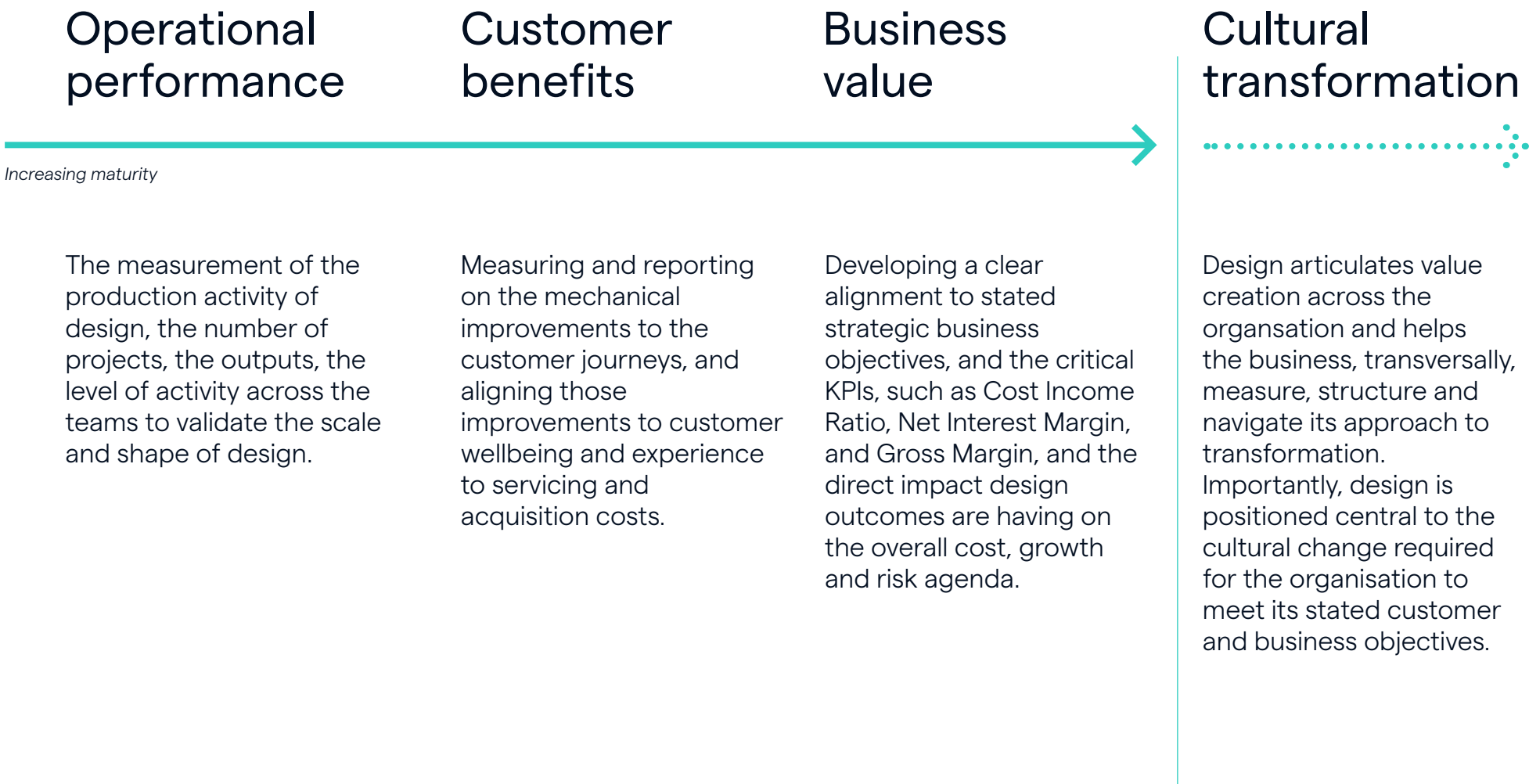


Diagram 8: A new maturity model

5 — Measuring and communicating value

The ability to measure and articulate design value using existing business metrics allows leaders to exploit design to its full potential.

“Many designers struggle to articulate the commercial benefit of the work they do. We had one project where we were able to increase lending to £3 billion and at a 40% improvement in terms of processing time. I guarantee you, if you pulled a designer from that project, they would tell you how many research participants they met with, the personas they created, the customer journeys mapped and designs created. We need to make sure designers understand how the work they do is directly tied to the commercial performance of the business.”

— Director of Transformation, Consulting

There is an ongoing mission among design leaders to prove the value of design to their organisations through various metrics. The value of design may be perceived as intangible, so design leaders must learn to articulate its value and focus their efforts in a manner that resonates more profoundly across the organisation.

Organisations should invest in supporting designers to develop a richer appreciation for the commercial and business metrics that are associated with their areas of focus. In many organisations, designers will have trained other parts of the business on 'design thinking', but designers themselves will have limited access to training and skills development related to the commercial success of the business and the critical balance sheet demands the business faces in various market cycles.

Our research shows that a design leader's facility with business metrics supported them in building a strategic mandate for design in two distinct ways:

- **Firstly:** By using business metrics as a signifier of what the company values and consequently as a way to identify where design resources should be placed.
- **Secondly:** By understanding that business metrics are not sufficient in themselves and that leaders will have to use and invent meaningful metrics that indirectly show value to the organisation or even adapt existing ones to show more sensitivity to design value.

Business metrics help identify where to strategically focus design resources

One way a design leader can optimise the impact of design in these industries is to use existing business metrics to identify the right placement of design resources. This can be done through two approaches: first, by identifying risk, and second, by identifying new opportunities. By working with existing metrics in this way, design leaders can identify the most effective placement of their efforts. This is because these metrics represent what is already valued by the organisation, and this enables them to communicate why design is of use, in terms that other leaders will respond to when seeking buy-in.

In identifying where hidden risks may lie, business metrics serve as markers to show what isn't working and where design could play a greater strategic role. They help guide resources to where problems need to be solved and where transformation is genuinely needed. Doing so also demonstrates design value in terms that can earn it more of a strategic mandate within the organisation in the long run. This is particularly the case in regulated sectors because they are intrinsically risk sensitive and risk averse. If design does not work with these metrics, other leaders will define its purpose and strategic value, which is a risk for design functions in organisations where design is new and frequently misunderstood.

It becomes critical, then, that design leaders are able to articulate the inherent risks of both action and inaction. Their ability to successfully communicate these realities is how they manage to achieve traction and buy-in from the business and to build a reputation for being strategically valuable.

“[What’s important is] being able to condense the work and the thinking that’s been done by the design team and present that in a business-focused manner. So, rather than talking about how nice we’re going to make it look, we explain what the business impact is, the benefit of doing that, and what’s the risk or the opportunity cost of not doing that. We are quite a risk-centred organisation. So, it’s about translating the impact and benefit of design in a more tangible or validatable way so it is clear the benefit is reducing risk.”

— Chief Design Officer, Financial Services

“I think when it comes to the value of design, the obvious things are we reduce risk and increase confidence. But risk is incredibly important in a regulated environment. A good design team knows the importance of doing research upfront to understand that what we’re going to build meets customer needs, is able to help customers achieve the outcomes we intended, and doesn’t put customers at risk of harm unintentionally. So the first one, and it’s a big one, is reducing risk.”

— Director of Experience Design, Financial Services

In looking for opportunities, design approaches often use empathic methods to unearth customer needs and areas where value is not being exploited. The possibility of solving these issues often represents an opportunity for the organisation. While this is true, it is not enough for design to speak only in terms of user empathy. In large, incumbent and regulated organisations, design must be able to articulate these opportunities in terms of business metrics.

“So we map out the business, we’ve probably even identified pain points and we’ve identified pinch points. And if we’re really ambitious, we identify some value sinks where we’re able to understand, ‘This is where money or value is not moving’. The question then is, ‘What are the most valuable problems to solve now and really quantify it?’ And then, ‘How do we measure it?’”

— Global Head of Design, Financial Services

“The easy targets are areas where design can influence things around you, like increased speed to market, or in increasing market share or driving engagement or loyalty. Design is a new capability that you can take to market around that.”

— Chief Design Officer, Financial Services

Business metrics still fall short when measuring design value

Standardised business metrics are universally understood across industries and are used to monitor the health of the business, and business leaders look to traditional metrics in an attempt to understand the value of design. However, design leaders are failing to translate their value into these established structures and languages.

Design leaders report that the complexity of mechanisms used by design to bring about new value means that it can be a challenge to directly articulate design's impact in terms of typical business metrics.

For instance, one interviewee (from finance) described how Net Promoter Score (NPS) is insufficient in depicting the value design brings to the organisation. Instead, there is a need for new metrics like Financial Resilience (of the customer), which can demonstrate value for the customer in a way that will only show up in the traditional metrics over a longer timescale. Though widely understood across industries, such metrics fall short in capturing the unique contributions of design.

“We’ve tried to look at various alternatives to NPS, but we haven’t really got one that fits the bill. So it tends to be NPS plus completion rates or some sort of funnel analysis. As a bank, our mission is to make money work for our customers. And the best evidence of that is the financial resilience of our customers. They should be better off banking with us than anyone else. Financial resilience is a great metric for that.”

— Chief Design Officer, Financial Services

“I mean the honest answer is there hasn’t been any measure of the success of design in the past. There wasn’t a lot of measurement other than qualitative and intuitive.”

— Chief Design Officer, Private Health

Demonstrating how design creates value for a large, regulated organisation is challenging because of the scale and complexity of the services, the constant presence of change (planned and unplanned) that makes controlled tests complex and the sometimes distant connection between value for the customer and value for the business.

Additionally, for design to shift from being a strategic capability that goes beyond optimisation and production and deploys design teams to help the organisation make better big decisions, design will likely be more engaged in exploratory, pre business case activities. This makes proving the value of design upstream hard. Often, when identifying or exploring strategic opportunities the business will be months, even years, away from implementing the outcomes of a design process.

A strategic design process that determines a new path, revenue stream or proposition for an organisation may well be years away from a traditional metric (cost, revenue, risk) that communicates the value of the role design played early on. Proving the value of design is further complicated by the fact that a good strategic design process is as much about what to do as what not to do. So proving value - by deciding not to do something early on - is logically counterintuitive.



Take away:

Demonstrating design's value lies in recognising its capacity to quantify and convey value in terms not conventionally linked with design, such as risk and revenue; this capability is crucial in substantiating the importance of design.

Design leaders must acquire the skill not only to use conventional business metrics effectively in identifying novel sources of value but also to effectively communicate this value to the executive team. This entails enhancing existing metrics to adapt and perform more effectively as well as grasping how to derive enhanced value from them. Such proficiency not only earns them respect among their peers but also provides insight into the trajectory of where these metrics are headed. The capacity to link these metrics to risk reduction and commercial opportunity further substantiates the value that design contributes to the organisation.

What does this mean for design leaders in regulated sectors?

- **Measure what design wants to become:** Be clear about how you want to measure design, or others will do it for you. Move beyond operational KPIs and look to a performance measurement framework that matters to your designers and the business. Importantly, don't forget to measure culture and ensure your design teams are feeling valued in the organisation.
- **Where business, customer and regulation meet:** Choose your metrics carefully, they'll need to speak to traditional organisational performance as well as broader, more human, outcomes. Design is where business, customer and regulation meet, so be bold in connecting the golden thread from customer experience and outcomes into the balance sheet and regulatory requirements which absorb a significant proportion of change capacity and investment.
- **The risk of doing nothing:** Measure what you don't do, as well as what you do. "The risk of doing nothing" is a compelling argument in a regulated organisation.

6 — Building an integrated design culture

Design culture is an essential and intangible force that enables the most effective and efficient use of design throughout the organisation.

“Designers come in and want to be focused on emotions, behaviours and outcomes. (...) [The organisation] was very keen to bring design to its clients, but it struggled with the sort of fluffiness of design thinking and how to translate that into top-down, fact-based, impact-based outcomes. (...) But my challenge is that most of the designers that I work with don’t think that way. So now, I not only had to educate the consultants and the client; now I’m having to educate my team and my stakeholders.”

— Global Head of Design, Financial Services

The importance of a strong design culture cannot be overstated. Design culture allows organisations to more efficiently and effectively reap the benefits of their design transformation through a shared mindset and vision. It helps to project design coherently and consistently, and in a manner that can be understood across the organisation. Building this robustness is the main goal for any organisation looking to become more design-led. Additionally, it helps build a space where design-minded employees feel welcome and heard, an essential factor in enabling organisations to better attract and retain top talent. Design culture is how you win the right talent, which is how you do the right work, to the right standard, delivering the right impact. However, design culture is something to be nurtured and led. To reach the organisation's objective of developing design into a key business function, there is a need to create a bespoke culture in the organisation that can integrate different approaches and languages around value and outcomes.

In these organisations, design culture is a double-sided challenge: on the one hand, it is about nurturing the culture of design teams, and on the other, it is about developing a culture where design is accepted and embraced in the wider organisation. This duality has particularly complex implications for design leaders who find themselves managing incumbent, top-down approaches, as opposed to bottom-up design cultures, value structures and metrics, all the while fighting for design's legitimacy in the organisation.

The dual challenge of design leadership in regulated environments

Regulation, by definition, refers to rules, laws, policies or guidelines established by governmental bodies, regulatory agencies or other authorities to govern behaviours, actions, practices or procedures within a particular domain or industry.

As is expected, these regulations play a defining role over the products and services organisations provide. What is more surprising is its influence over the dominant leadership style found in these organisations. Regulation creates an environment for a culture of top-down decision-making due to the fundamental nature of how policy is implemented, and the consequences if something were to go wrong. As a minority within organisations where change is complex and arduous, it becomes crucial for the design leader to establish a secure space that encourages divergent thinking, embraces uniqueness and celebrates innovation within a structured environment. The challenge lies in finding the balance between spreading design's influence throughout the organisation and building a separate space for designers to work, away from the rest of the organisation. The design leader's role should be one that builds confidence within the design team and establishes legitimacy throughout the rest of the organisation.

“I mean there’s definitely an element of protecting them from the wider organisation but also giving them the right exposure. So it’s just getting the balance right, which depends on the level. If you’re very junior, it’s different than if you’re more senior.”

— Chief Design Officer, Public Sector

“We’re sending people from our team out and embedding them in platforms and areas where they are different from the majority of people there. So making sure that there’s a home for them to come back to, to feel understood or heard or listened or supported, perhaps even at times safe – I think that’s critical to not just the ongoing psychological well-being of the team but also to how we continue to be effective and robust in challenging environments.”

— Director of Experience Design, Financial Services

Design leaders must identify areas in which they can nurture influence, which requires political acumen as they navigate, raise awareness of and advocate for newly introduced design services. Design leaders must consistently engage with higher levels of leadership across the organisation and maintain credibility and relevance with their peers in the executive committee. Put another way, they must be of service to other departments. Leaders in other divisions must become design advocates themselves if design’s influence is to spread throughout their department.

Comparing this leadership demand to traditional departmental approaches underscores the necessity for a design leader’s style to incorporate this soft skill.

“You know, the C-suite isn’t a homogeneous block of people. You’ve got advocates and detractors within that. So I often review the stakeholders set in terms of neutral, advocate, detractor. What you are talking about, who you compete with – it’s less about that. In a large organisation you need to know where your support is coming from, and you need to know where the voices that don’t care are coming from, who can you activate to care, and who you can persuade or avoid confrontation with. But I mean, that isn’t a design-specific thing. That’s just leadership. That’s an organisation.”

— Chief Design Officer, Financial Services

Attracting and retaining talent is paramount to creating a lasting and impactful design culture

A robust design culture is one that allows designers to do true design work. Organisations that lack design culture normally see design as an afterthought and as separate to the organisation. Real design work does not consist of creating better buttons; it is the exploration and discovery of the behaviours and stories that help in the creation of better products and services that meet the needs of both customers and organisations. The value of this aspect of design is famously difficult to communicate in business terms, but it is critical to creating a strong sense of job satisfaction for every designer.

When this work is inadequately understood, deprioritised or rushed, due to unforeseen budget constraints, lack of culture and/or frustrations with the process, designers will leave, taking within them a piece of the design culture that will need to be recultivated. Beyond this, designers take with them tacit institutional knowledge and fluency in the wider business operation that can take months, if not years, to build back up - especially in large and complex regulated organisations.

Over longer timelines, we see design organisations go through cycles of cultural collapse and rebuild as executive leadership shifts, design leaders leave and are replaced, and commercial and market contexts shift priorities. We have observed that design culture is rarely a straight line to future maturity but rather an active, constant state of nurturing and (re)building, and it must be (re)established on a core foundation of values and purpose that resonate with designers and are seen as valuable to the organisation's strategic vision and leadership.

“But let’s talk about maturity. We used to, previous to my time, have a design culture team, a design systems team – a design storytelling team. And when [...] left and the team was moved, people who didn’t understand design looked in and said, ‘what the f* is systems? Why have we got people talking about stories and who needs culture?’ So we lost culture, stories and systems.”**

— Director of Experience Design, Financial Services

Our findings suggest that in order to train talent and build space for it, design leaders lean towards a servant leadership style. Unlike traditional leadership, which often prioritises personal advancement and authority, servant leadership places service to others as its cornerstone.

This approach entails placing the needs and growth of others above one’s own, fostering a culture of empowerment and support. Central to this philosophy is the notion of nurturing individuals towards self-improvement and autonomy, enriching both personal and communal well-being.

“You are there to empower your team. You don’t matter. Your career doesn’t matter. Your team matters. Your career is your team. That’s what design leadership is, and it is a huge difference to a lot of other leadership styles. There are a lot of leaders that lead for themselves just to be that light, that superpower, that hero, that whatever. That’s not how I run my teams. I’m no one. I’m just there to open the doors.”

— Global VP of Design, Financial Services

Design leaders play a crucial role in shaping the direction and culture of a company’s design function, influencing how products and services are developed and delivered to customers. By embracing the principles of servant leadership, these leaders can cultivate an environment where team members feel valued, empowered and supported.

This approach encourages open communication, trust and a sense of shared purpose, which are essential for driving successful design initiatives within complex organisational structures. Moreover, servant leadership promotes a focus on customer needs and experiences, aligning design efforts with broader business goals and ensuring that products resonate with target audiences. However, this approach can get overshadowed by larger, more assertive and status driven characters in the executive committee.

Design culture must be owned and developed by the entire organisation

For any organisation that makes the full transition to being design-led, there will be differences in the culture inside the design team and outside of it. This presents multiple challenges for design leaders. On the one hand, design leaders need to strike the balance between allowing their design teams to go through the design process properly and translating their outputs into recognised business metrics to share across the business. On the other hand, design leaders need to ensure that they are not perceived as being outside of the organisation and its hierarchy, as this severely limits the value they can deliver back into it. Any development and deployment of design within a traditional, incumbent, regulated brand needs to be fully aware of the current governance, business and regulatory context of the organisation.

“I do two slides for everything that I do: one that I give to my [external] leaders and one that I give to designers. It’s the same message, but you should see the difference. One is grey with boxes and numbers, and the other is the story. So I see myself leading in two systems at the same time.”

— Global Innovation and Experience Design Leader, Consulting

Designers have long fought for a ‘seat at the table’, and are slowly getting it via the appointment of high-visibility leadership roles such as Chief Design Officers. While this has helped frame design as an organisational priority, there are concerns that this has come at the expense of more hands-on and tangible ways of proliferating design culture.

Additionally, this top-down way of instilling design culture has sometimes created more tension within the organisation, which ultimately slows down or even reverses the adoption of design culture. It is important to be a tow boat that carries the organisation in a design-centric direction but not to go so fast as to break the tow rope.

Strategies for integrating design resiliently must not only consider the top-down impact of having a CDO; they must also middle-out how managers grasp the value of design in their spans of control, and bottom-up how design, and customer insight, permeate the organisation.

“If you don’t link all the touchpoints together and you don’t link all the departments together, then it’s vision without action. And that’s an illusion. So what design does in an organisation, when done well, is both design thinking and design linking. Design thinking is great, but design linking is about delivering the vision and asking questions like: how do you link functions together? How do you link departments together?”

— Global Head of Brand & Experience Design, FMCG



Take away:

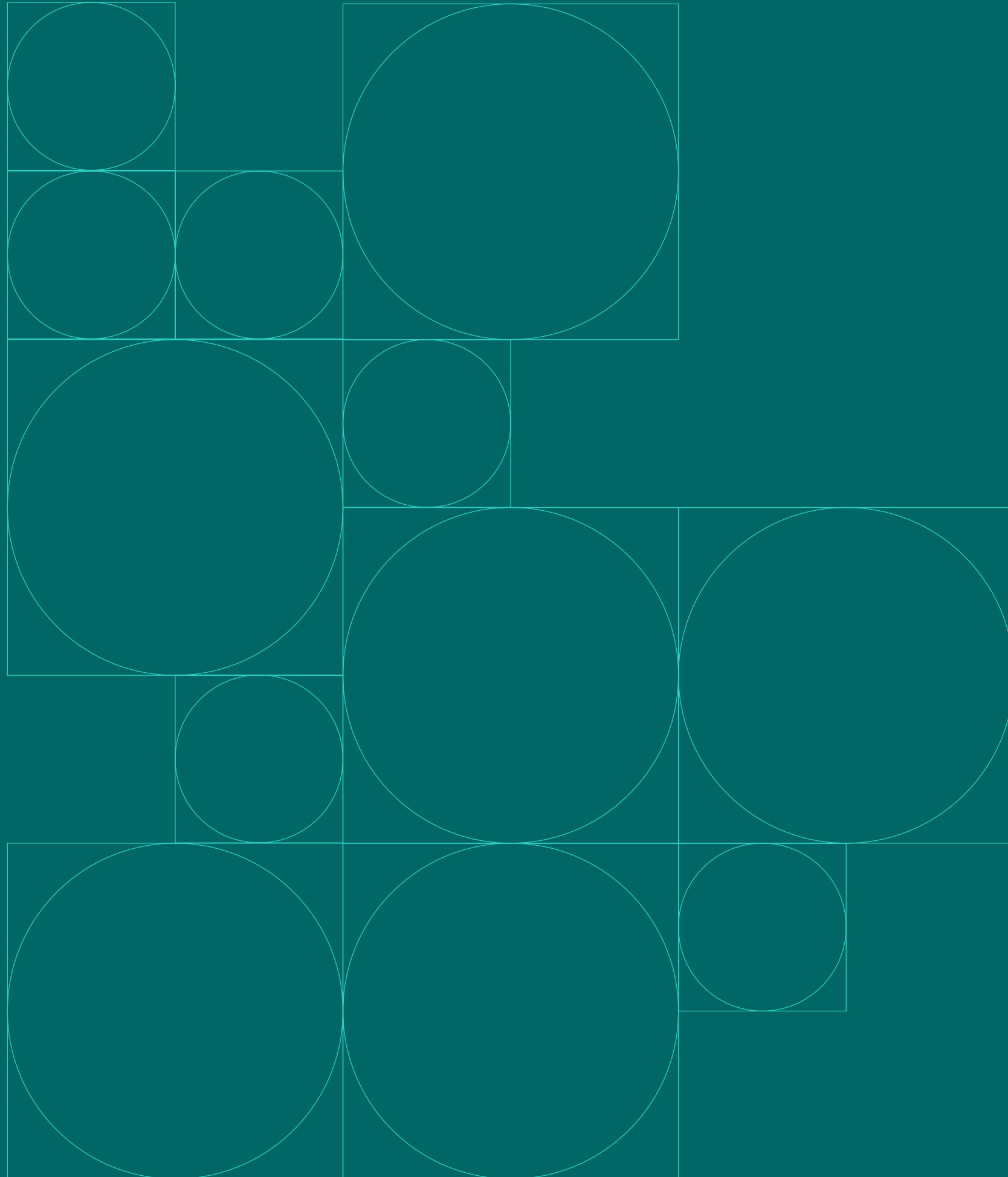
Building an integrated design culture takes effort, and that effort should be invested in setting a compelling vision for design, incorporating design across organisational capabilities and empowering and serving a coherent design team.

Design culture is a vital yet intangible force that significantly enhances the application and effectiveness of design within organisations. It embodies a shared mindset and vision that not only facilitates a deeper integration of design into business practices but also aids in attracting and retaining top talent by fostering an environment where design-oriented employees feel valued and understood.

Creating a robust design culture involves a dual challenge: nurturing the design ethos within design teams while ensuring design is embraced across the broader organisational landscape. This duality presents complex challenges for design leaders tasked with balancing incumbent, top-down approaches with a more bottom-up, people-centric perspective, all while advocating for design’s legitimacy and strategic value within the organisation.

What does this mean for design leaders in regulated sectors?
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- **Passionate communication grounded in purpose:** Be overt in stating what you are using design to achieve and liberal in spreading your design culture through the organisation - it pays off.
- **Believe in the mission and the potential:** Your design culture is your employee proposition. Invest in it to win and retain talent. Build a compelling vision of the mission for design: Why here? Why now?
- **Culture is a marathon, not a sprint:** Nurturing design culture is a near permanent task of assessment and adjustment as team members come and go and as commercial targets and markets shift.



Future

What's Next For Design Leadership In Regulated Industries?

Design leaders shared their perspectives on what they see emerging on the horizon for design in regulated industries.

We've explored how design leaders in regulated sectors are seeing design change in their organisations and the industry as a whole. Their experience and thoughts have helped us make sense of the often overlooked and complicated relationship design has with these essential industries. Now we would like to turn to the future, to explore the challenges and opportunities that lie ahead for design leaders.

We will look at three agendas to give a rounded point of view on what design leaders think are the main streams of change to be addressed inside and outside these organisations.

1 — Human-centred design is changing organisational perspectives toward regulation

The design leaders we spoke to consistently saw an opportunity for human-centred design not only to be more closely embedded in their organisation's response to regulation but also to play a more active role in collaboration with regulators, to help shape the future of regulation and ensure customers reach their goals in the safest way possible.

Human-centred design, a critical skill in a design leader's toolkit, involves empathising with individuals' immediate needs, pain points, aspirations and motivations, as well as considering the impact on others and the environment. While many organisations claim to be human-centred, they often fall into the trap of being merely customer-centred, focusing on a limited perspective tied primarily to the organisation's product and services. To these organisations, being customer-centric is fundamentally about ensuring they are creating customers, selling them products and services, and using data and insight to cross-sell and up-sell additional products and services.

A truly human-centred approach comprehensively understands each individual's needs, beyond the product or service 'transaction', surpassing the constraints of customer-centricity and offering an opportunity to engage 'customers' on a new level. Rather than saying 'I can sell you a mortgage', such an approach says 'I can help you buy a home' or even 'I can help you become a better homeowner'. This allows for a broader understanding of needs and is often the source of innovation. To bring about meaningful change, organisations must aim to shift to this perspective.

Regulation and human-centred design share, to a certain extent, a common set of goals. Designers, as we have mentioned, are uniquely positioned in the organisation to bring real customers into co-creation and collaboration activity with colleagues, transforming insights into empathy and seeking to safeguard human interests and welfare. In regulated industries, where the impact – including unintended consequences – is substantial, design serves as a vital delivery mechanism, adding a human-centred dimension to the regulatory landscape.

The dynamic interplay between human-centred design and regulation reveals shared goals approached differently – regulation setting ethical standards and design providing empathetic solutions. What's more, the collaboration between regulation and design holds the potential for mutual advancement, each nudging the other forward and fostering collective progress that can lead to cultural shifts and societal transformation.

Designers often seek to understand what human-centred values and needs exist today; we know that this is an integral part of design. However, to understand a current experience and its design is merely an entry-level requirement. To demonstrate a high level of sophistication in a regulated environment, one must anticipate the human need. Real leadership emerges when designers have the strategic foresight to anticipate how needs and values may evolve and to design for that vision. Put another way, it's not enough to know what people need today, one has to forecast what they will need tomorrow.

When design leaders solve for anticipated human-centred needs en masse, they have the potential to create cultural shifts in the market and establish a position as an industry leader. The real skill is creating a dual-track approach that both manages design needs across current and anticipated needs and blends them seamlessly together. We need a different approach to applying human-centred design to both the innovation portfolio, which looks to a future we have to squint to see, and a transformation portfolio, which has immediate requirements that need to be confidently met.

“Consumer duty is starting to force a change in our cultural behaviour.”

— Director of Transformation, Public Health

For this, we can look to a word that has been used and overused over the past ten years: purpose. While just about everything that can be said has been said about purpose, it takes on a new meaning in the context of regulated industries.

Given how central most of these industries are to our everyday lives (healthcare, government and energy, for example), there is great potential for harm.

Purpose here means a dedication to truly understanding what the customers' emotional, physical and practical needs are, and prioritising the attainment of these goals in a safe, transparent and effective way.

Organisations with sophisticated design capabilities will become experts in knowing the emotional and practical needs of customers. The potential that a collaboration between design units and policymakers has in creating and implementing more thoughtful, transparent and responsible regulations cannot be overstated.

“I would love for service design specifically to get more involved in not just the design of services but the design of government itself. I don't think there's much we can innovate in the services we provide as a government or as a public sector without innovating in the way that we're structured. Your services are always going to model your internal structures.”

— Head of Service Design and Delivery, Public Sector

“Probably, the role of service designers will be much more about organisational change than designing services. In a way, the tooling will take care of that. What the tooling can’t take care of is the organisation that is able to use that tool incorrectly.”

— Head of Service Design and Delivery, Public Sector

2 — New technologies are forcing design teams to ask different questions and take on new responsibilities

Artificial Intelligence (AI) is changing the materials of design; ensuring a robust design unit is the best way to take advantage of the opportunities AI provides while mitigating the inevitable challenges.

We can’t talk about what’s next without talking about technology and technological advancements. It wasn’t too long ago that ‘digital-first’ was popularised as a new modus operandi. In just over a decade it has undoubtedly transformed almost all aspects of the world we live in, pushing digital capabilities to unprecedented heights, enabling experiences once deemed unimaginable. Now, we stand at the threshold of a new frontier as a fresh array of materials emerges. Much like the ascent of digital, these materials – AI, Large Language Models (LLMs) and Generative AI (GenAI) – have swiftly captivated society’s imagination.

Over the past few years, we have seen countless new ‘AI-powered’ products aimed at designers and design managers. From a practical standpoint, designers now have access to AI-generated user stories, powerful research synthesis tools and even predictive analysis. Advanced chatbots, orders of magnitude more powerful than just a few years ago, are now a possibility for just about any organisation.

This democratisation of the design toolkit has shifted the key question for designers and design leaders from ‘Can we?’ to ‘Should we?’. Thankfully, design is best positioned to answer this question. Not only is it normally the only department that has a truly end-to-end view of the product and service process, but designers are the ones closest to understanding the true needs of their customers. Importantly, if everyone has the same tools, then the role of the human becomes the deciding factor. It will be the responsibility of the design leader to see beyond the shiny outside of these new tools, understanding their promise to revolutionise design, and be pragmatic in analysing the value these tools bring not only to the organisation but also – and more importantly – to the customer and their experience.

Beyond the tools, greater computational power in increasingly small packages is moving organisations into spaces they have never been before. As we navigate this shifting terrain, the role of digital interfaces in this paradigm remains uncertain. We find ourselves entering a realm where the final product transcends visibility – it’s auditory, it’s cognitive. Never before have the senses held such prominence in design, demanding deliberate consideration and integration. The screen is not going away any time soon, but organisations that properly understand their customers’ needs will be best prepared for whatever future methods of interaction they have to design for.

The successful implementation of these tools is dependent on how deeply they are integrated into business data and systems. Deploying AI and GenAI in the superficial experience layer may not meaningfully impact the metrics we discussed in the last chapter, beyond a novel movement on a marketing 'engagement' score. To be truly useful to customers beyond the transaction, these next generation solutions must be able to access and make sense of decades of customer relationship data and engage in complex conversations that are unique and often driven by individual context, values and needs. Having a sophisticated interface that mimics human interaction is one thing, but if that interaction can't understand the nuance of a customer history, the complexity of options available and suggest which is safe for the customer and within the bounds of regulation... then what is the point?

“I think the next area is going to be around truly embracing and innovating AI and ML in a completely invisible but yet not creepy way. I don't think we've cracked that yet.”

— Global Head of Design, Legal Services

“What is happening right now with speculative design is that we are kind of closing the loop a little bit closer to artists. And I actually think that is good. I think that because design almost became a little bit too rational, a little bit too logical, it is great to connect it back maybe with artistry. I think that is what's happening. Also, to complement what will happen in AI and technology, we need to be even more human in the expression of what design is. So maybe that is why I think it will connect.”

— Global Innovation and Experience Design Leader, Consulting

3 — Customer experience ethics will become the great differentiator

The rapid, global interest in GenAI has accelerated a discussion on ethics across markets globally. Ethics will become a competitive advantage in the eyes of both consumers and regulators, as it will play a more central role in how new services are designed, extended and delivered using advanced AI technologies. Human-centred design teams and functions are well placed to accelerate and scale purpose transversely across the organisation.

As we've discussed, the new tools of design are rapidly changing the nature of the work designers are doing. But with these changes comes a great onus to use these tools wisely and ethically.

Nowhere is this more important than when talking about the wave of AI-powered tools targeted for designers and design work. AI's help when it comes to grinding out small, aesthetic tasks is very welcome: making eight different versions of a button is not a good use of design resources and talent.

However, the more nuanced and human elements of the designer's remit - conveying truthful user journeys and sentiments, building insights that provide a new outlook on a challenge, or even spending time immersed in a domain or problem area to make sure that is fully understood - require a balanced and holistic viewpoint that (for now) only a human can provide.

Ethics has played a central role in design for some time now, influencing the research methodologies used, the product and service development, and even the strategic direction of the organisation.

Given design's proximity to humans, ethics has always influenced the process. The type of design research methodologies to use, the sample of people to talk to and the structure of the discussion guides have always been influenced by ethical considerations. Whereas other disciplines chalk up unwanted consequences to 'negative externalities', design takes responsibility for designing them out.

“I think as design organisations, we need to have the most honest and authentic and brave cultures, because I hope that when designers are brought in with the right values – ‘right’ meaning we want good for people – we need to be the ones who are saying, ‘Stop, what you’re doing right now could lead to unethical outcomes over here’. And, because we are having access to that creativity that we could think what this could lead to, we need to use that muscle.”

— Global Innovation and Experience Design Leader, Consulting

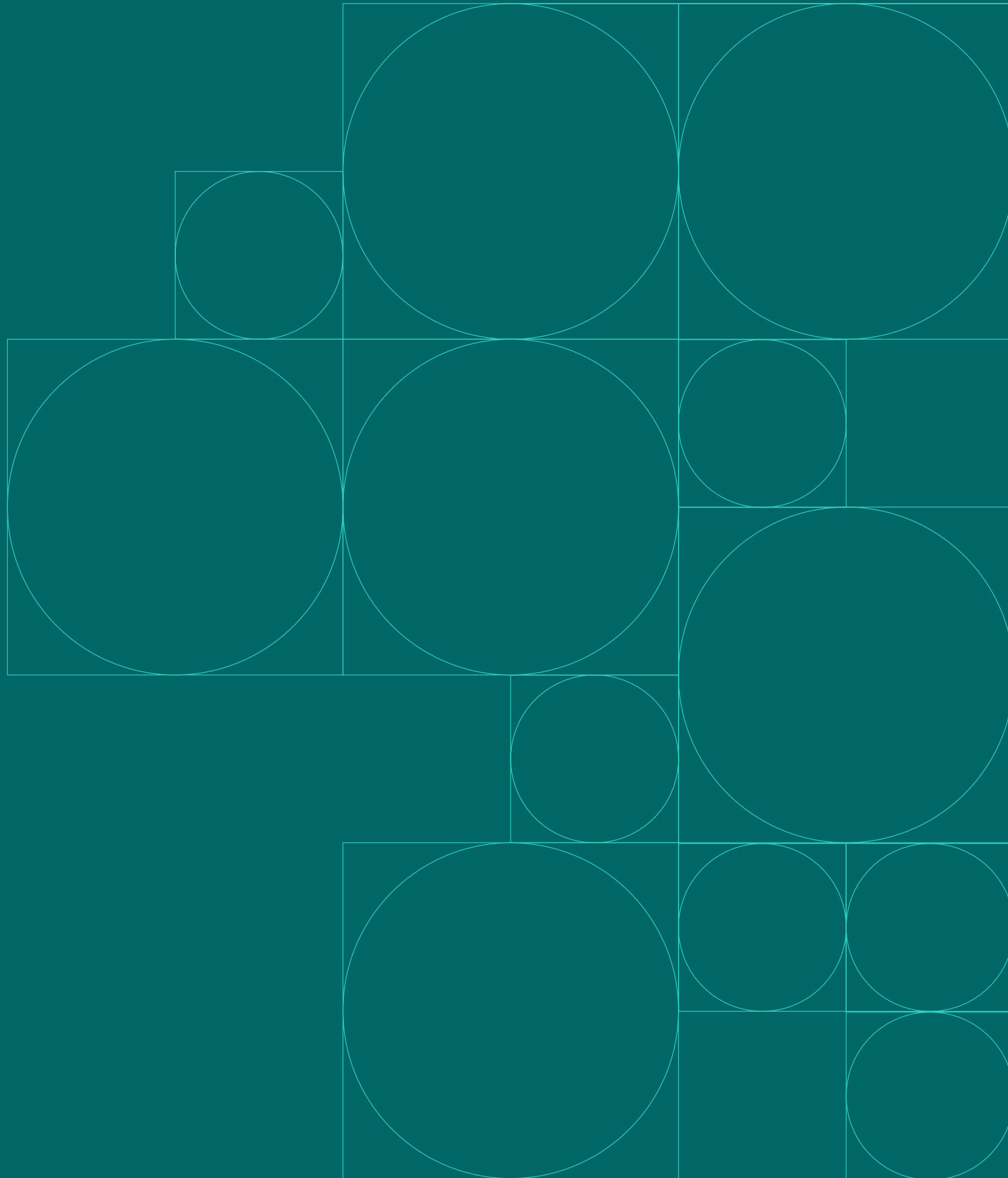
Ultimately, a strong, organisation-wide ethics platform that is rooted in the well-being of the customer will be what enables the evolution of design in regulated industries. Without it, it is unlikely that the new technologies available to designers will be used in a truly customer-value-generating way, instead defaulting to delivering cost reduction, missing opportunities to serve customers better, driving innovation and growth.

Without it, regulators will lose trust in the organisation's culture to deliver the positive customer outcomes they require of them, resulting in further, ever more stringent regulations, penalties and fines.

Finally, ethics and values are becoming equally important for designers when scoping out potential employers. Sourcing top talent will be greatly dependent on the design culture of the organisation, a large part of which is the team's ethics and value system. This top talent is especially important for the organisation, as such employees are the most likely to help keep each other accountable and to minimise their colleagues (and their AI companion's) biases.

“We need to build deep relationships within and across teams, so that we are not just giving design critique on the actual solutions, but actually also talk about ethics as part of our process. And that requires deep relationships, because otherwise, you don't dare to question biases or question your drivers behind something.”

— Global VP of Design, Financial Services



In Closing

Design Leads
Design Works
Design Matters

Leading design works

We have seen the challenges design leaders face in highly regulated industries. As we have discussed, there are many paths to design leadership within these organisations, but the principles underpinning success are constant. Leaders need now, more than ever before, to be able to clearly connect the customer benefit they create, and the impact design has for the organisation, to critical outcomes. They need to run a golden thread from customer behaviour, and the behaviour change that design enables, to the fundamentals of the organisation's commercial imperatives.

In many cases, the business case for transformation itself is based on behaviour change. They must ensure designers across the organisation are enabled to express the value of their design work to the organisation not solely in terms of a customer's perceived and personal benefit, but also - clearly and confidently - in terms of strategic, commercial benefits the organisation is trying to achieve.

Importantly, for design to truly take root and to matter to the organisation, it must speak the organisation's language, clearly articulate a set of shared values, and progressively transform the organisation to achieve even more human-centred outcomes.

Design matters in regulated sectors

Regulated organisations in financial services, government, healthcare, and energy, make up the central pillars of our society and provide the essential services that underpin human wellbeing and prosperity. The stakes are high, the potential for serious negative outcomes is ever present, and design has an ethical responsibility to operate in a way such that decisions made are robust, evidence based, and truly human-centred.

These organisations are designing services that keep people warm through the winter, look after their life savings in retirement, care for them when they are ill, help them when they are in need, create a healthier community for their families, provide education to their children, and more. In this context, to simply "move fast and break things" seems disconnected from the human reality the organisation is meant to serve. Design plays a role in improving these services, through insight, empathy, and co-creation, and helping locate that area of true insight, where commercial and human benefit come into focus, where cost, risk and growth sit alongside purpose, wellbeing, and sustainability.

Design works differently in regulated sectors

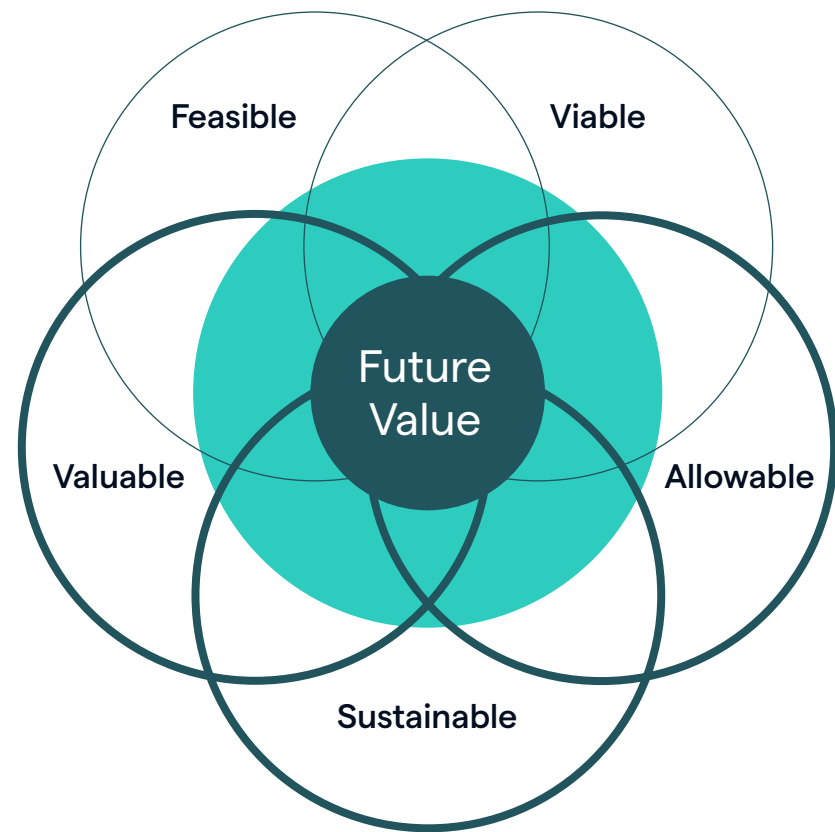
As we have seen, design has a critical role to play in supporting organisations in regulated sectors. Design is unique in its ability to support organisations to go beyond the critical cost, growth, and risk imperatives shaping transformation narratives today, to ensure they are also, and as critically, delivering outcomes that consider the requirements of purpose, wellbeing and sustainability that customers, markets and regulators demand.

The "design thinking" model is well known and commonly used to assess the value of a design. While it has been a helpful tool in concisely defining design's remit, we have the opportunity to explore how a different model might transform our understanding of the role of design, especially within regulated industries.

We believe we need to challenge and recast the traditional model of "design thinking" that places designs impact at the intersection of Desirable - Feasible - Viable, and start to consider a new emerging reality and responsibility for design.

A new model for design in regulated industries

Diagram 9: A new model for design in regulated industries



- Feasible:** The service can be built, used and maintained.
- Viable:** The growth, cost and risk dimensions will benefit the business.
- Valuable:** The service creates significant human value for all users of the service that goes beyond a “desire” to consume.
- Allowable:** The services serves the customer better and improves upon the regulatory imperatives.
- Sustainable:** The service is designed to have a positive impact on the environment and all stakeholders in society.

Desirable to valuable

Designers in regulated sectors must adopt a greater duty of care for customers of the service they are designing and must make sure what is ‘desirable’ in a service is also measurably ‘valuable’ for the customer need it is addressing.

There is a fundamental shift required in our understanding of the role of design in order to successfully lead design in regulated sectors. ‘Desirability’ in some cases, and in highly regulated sectors especially, can lead to harmful outcomes. Customers desire things that are against their own best interest all the time. Design is often guilty of creating and enabling these desires, but it can also address the fundamental need state and arrive at better outcomes, or even change behaviour. For example, rather than provide the customer a credit card cash advance they can’t afford, the service might help them take greater control of their financial life, manage their finances more pro-actively, consolidate their debt with a payment plan on a better, more appropriate product, and support them in paying down their debt in a structured way.

Allowable (perhaps even ethical)

Allowable is a new dimension. To be effective, relevant, and heard by the transformation agenda, designers need to understand how the work they do ‘works’ within the regulatory constraints the service must legally operate within.

It can be argued that, to be truly ‘valuable’ to users and customers of the service, design work must bring an ethical perspective and ensure long term positive outcomes. Design’s unique ability to harvest insight, co-create with customers, test, learn and evolve service experiences, is a critical way of building customer ethics into the transformation agenda. As GenAI and more immersive, conversational service experiences take hold, the need to navigate ethics in service experiences is becoming a significant priority.

The AI opportunity:

Bringing customer empathy into the organisation itself, charting customer adoption and behaviour change in immersive experiences, measuring outcomes and establishing ethical uses of AI in regulated industries, is a role design must play now and into the future.

Sustainable (environmental and social)

Designers must take responsibility for designing services that internalise their impact on the planet and explore the potential for regenerative models of consumption and engagement.

Sustainable is also a new dimension which brings together both the environmental and social benefit of the services being designed. In addition, services in regulated industries need to treat customer fairly, and not be solely extractive in creating value for the organisation, but create a fair exchange of value in every interaction. Customers need to derive more long term value from the service the deeper into the service and service relationship they get.

We have to ask different questions for this dimension. Can the service demonstrate a positive environmental, regenerative impact? Can customers keep on using the service and gather increasing levels of meaning and value for their lives? Can the service contribute to a more desirable and sustainable community and society?

Design Leads, Design Works, Design Matters

The design leaders we met with were inspired, creative and resilient. They are up for the challenge ahead. They believe, like we do, in the truly transformative power of human-centred service design to deliver a better customer and commercial outcome. They also know the language and culture of design needs to evolve within the incumbent organisations they serve, and work within legacy cultural and technological constraints. Design can not only accelerate, but shape the imperatives for transformation, creating better human outcomes. We hope you find the learnings and insights from this exploration as useful as we do.

As new technologies such as GenAI disrupt the design and business landscape, there is a significant level of uncertainty about the role of design in many organisations in the future. We believe in regulated industries such as financial services, government, healthcare and energy, this disruption, rather than diminish the role of design, puts design in the spotlight to become more relevant than ever before. Design has a responsibility to help organisations understand how new, immersive, conversational models of interaction will work not only within the regulated environments they operate in, but also how interaction and service patterns will evolve alongside complex cultural and behavioural patterns in customers. Design has the opportunity to be at the forefront of shaping a future of ethical, human-centred services.

There is more work to do. The team at EY Seren and the RCA, alongside the community of design leaders we have established will continue the dialogue and conversation. We welcome your feedback and participation.

Design Works Design Leads Design Matters

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