



Business design: business acumen + design methodology

How combining business tools and design methodologies helps organizations innovate towards sustainable growth

by Erin Popelka, Principal Director of Strategy at Luxoft's Smashing Ideas

Innovation without viability

When I was 8 or 9, I wasn't very athletic, but my whole town played youth soccer, so I did too. I got some decent coaching, like "Watch the ball!" and "Don't sit down on the field!" But at one point, I had my own idea. What if humans were doing running all wrong? What if there was a better way? So, I invented a new technique — left arm: completely motionless at my side; right arm: quickly rotating like a windmill; legs: full-on gallop. This became the only way I would run. I somehow brought half the team on board with this idea, and pretty soon, there was a pod of little windmills galloping back and forth across the field at every game. Was it innovative? For sure! Disruptive? Oh, yes! Did people like it? Mostly! Did we score any goals? Not a single one. My innovation was cool, but it wasn't viable — it didn't contribute to my team's success (even worse, it hindered it!).

Although likely less adorable, and certainly more costly, this same dynamic occurred as design methodologies started gaining popularity in corporate decision-making. I won't name names, but you probably know some culprits: a slick product that hit the market with a belly flop because it wasn't targeted to the right customers at the right price or an exciting business model that didn't generate the growth it promised. Design methodologies were validating that these ideas were desirable (through user testing) and feasible (through tech and product assessments), but something was missing. Business design developed as a practice to fill that missing piece — to ensure that cool new ideas and innovations are not only feasible and desirable but also viable within a business context and aligned with business objectives.



Business design enters the field

While there are plenty of tools and activities that support business design (business model canvas, assumptions mapping, ROI models, risk assessment, business model testing, etc.), it's business designers themselves that are at the heart of the practice. Business designers are experienced in both business strategy and design methodologies. If a business designer were involved in my youth soccer innovation, they would likely be

thinking, "How might this new strategy impact the team's most important metrics, goals per game and wins per season?" While business design started as bringing folks with business expertise into the design process to ensure that great design also made sense for the business, it has grown into its own practice — and is a powerful approach for innovation in business strategy.

Our business designers bridge business and design

At Smashing Ideas / Luxoft, we think of business design as business + design. Our business designers build and test innovative business models by combining business tools (market research, data analysis, ROI and risk assessments) with a human-centered design approach (user interviews, ideation workshops and testing). Our business designers come from management consulting and corporate strategy backgrounds and have worked closely with designers and design strategists to hone their skills in design methodologies. The skilled, balanced application of both methods allows us to help clients tackle complex problems and ambiguous

opportunities with robust human and business insights. With this powerful approach, we can help clients build a new business model that resonates with customers and generates sustainable value, enter a new market or segment, or navigate a tough business decision. We also work on teams with designers and strategists to bring a business impact lens to design-based projects, and we help our clients frame design initiatives around business impact so they can gain support and buy-in across their organizations. And on top of that, we're fun. (We've been told we are fun.)

Why business design?

Business design is especially well suited for ambiguous and complex environments, and we can anticipate ambiguity and complexity to continue defining business landscapes over the next several years. Technology trends like AI and advanced connectivity are moving quickly; customer needs and behaviors are evolving faster; inflation and supply chain issues have broad impact; and sustainable and inclusive growth is elusive but extremely important to customers, employees, business leaders and governments. Business designers can help organizations innovate in this reality — we can help you design and test a new business model that resonates with evolving customer needs, enter a new market or segment boldly and prepared, or navigate a tough business decision. And in everything we do, we test and validate concepts, models or assumptions to mitigate risk and set organizations up for implementation and measurement in a complex and ambiguous world.

Wait, what happened with the soccer team?

After a few games, the coach shut down my little windmill venture and then put the kibosh on my new innovative kicking style (turning around and kicking with my heel) before it had the chance to catch on. Eventually, I did align my thirst for innovation with team objectives, and I figured out that if I stood at a certain spot near the goal, occasionally a ball would bounce off me and into the goal — and that's how I scored the only points of my youth soccer career.



About **the author**



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Erin Popelka is the Principal Director of Strategy at Luxoft's Smashing Ideas. With diverse global experience across industries in corporate strategy, management consulting and design thinking, Erin leads a team that combines design methodologies, research expertise and business acumen to help clients take on a user-centric mindset to tackle complex business and product challenges.

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