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HUMAN CENTRED DESIGN WORKSHOPS



# EXPLORING BARRIERS TO INNOVATION

## Summary Report

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Customer Experience Insights and Design – Service Design Chapter

**TELSTRA VANTAGE™**  
Insight. Inspiration. Innovation.

# BACKGROUND

5 Human Centred Design Workshops were run at Vantage 2019. These sessions introduced Telstra Customers to the approach of HCD and provided an opportunity to briefly explore challenges they believe most greatly impact their business.



27%

Of Vantage Participants sited  
'Innovation for competitive  
advantage' as their top Business  
Challenge making it the No 1  
priority sited.



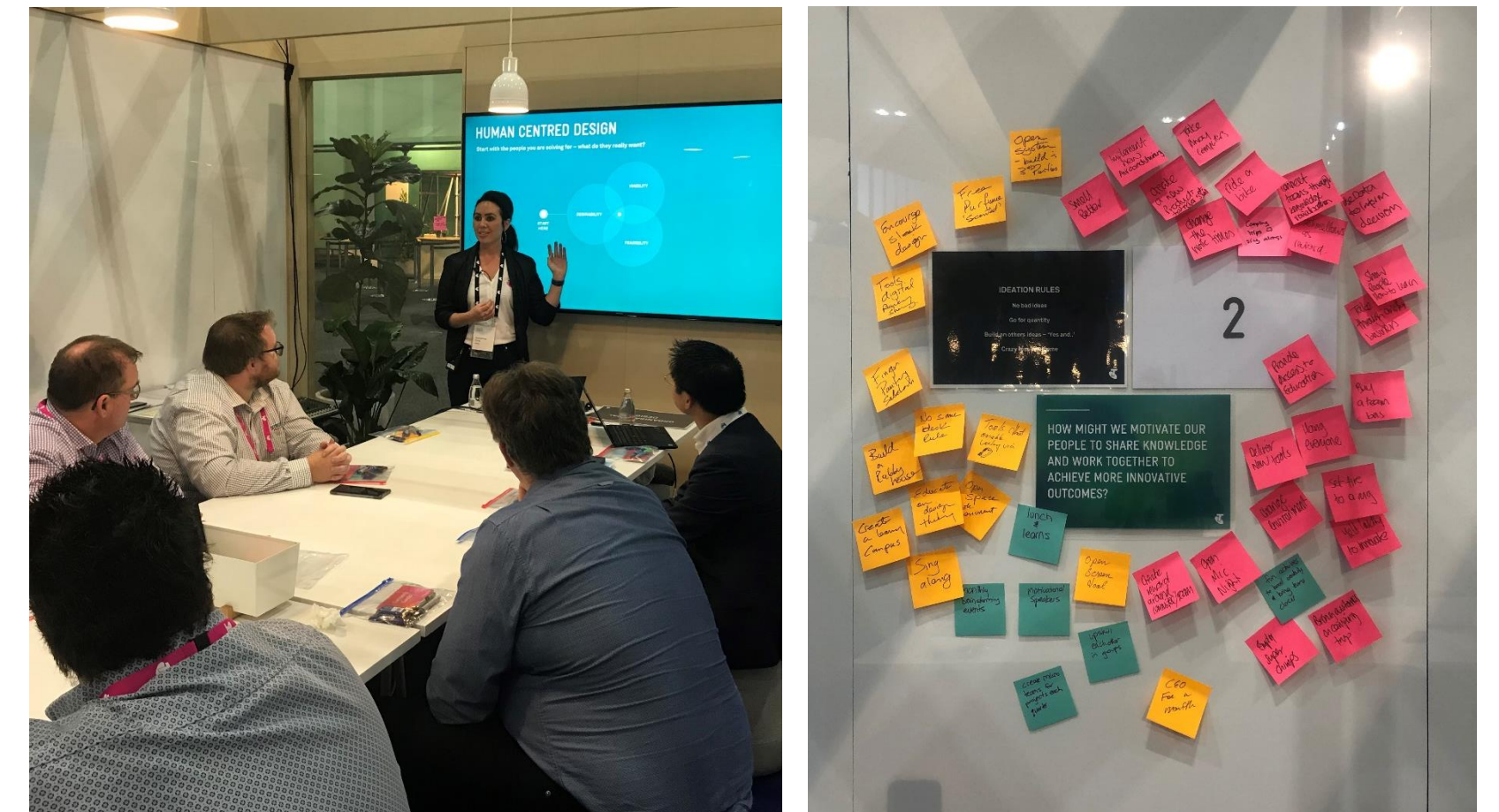
25%

Of Vantage Participants sited  
'Improve customer experience'  
as their top Business Challenge  
making it the No 2 priority sited.



# WORKSHOP FORMAT

Participants had 1 hour and 15 minutes to receive a brief introduction to Human Centred Design, learn some simple design techniques and use these to ideate ways to overcome a selection of identified innovation barriers





# THIS REPORT

The aim of this report is to provide those who were not able to attend the workshops:

1

A explanation of the approach taken

2

Synthesis of the research into barriers to innovation

3

A summary of the concepts and ideas explored



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WHAT IS INNOVATION?

# THE FRAMEWORK



# TYPES OF INNOVATION FRAMEWORK

To address the broad topic of innovation, we introduced a framework to discuss different ways in which innovation can drive competitive advantage.

	<b>NEW PRODUCTS AND SERVICES</b>	This type of innovation is the most often discussed and invested in. It's about using your organisations existing competencies to develop new products and services. These can mean offerings for yet uncharted markets.	E.g. Dyson started with vacuum cleaners and expanded to new products leveraging engineering and design capabilities.
	<b>PRODUCT ECOSYSTEM</b>	This type is about creating new ways in which our products and services can interact with products and systems beyond your organisation.	E.g. Nike wearables can interact with multiple mobile apps adding value to the sport gear.
<b>BUSINESS MODEL</b>	<b>PROFIT MODELS</b>	Changing how your organisation captures revenue and generates margins can significantly change your industry sector or the segments where you play and become a competitive advantage for your organisation.	E.g. Netflix changed the movie rentals from pay per movie to a subscription model completely changing the industry. Where did Block Buster go?
	<b>PROCESSES</b>	Innovation for processes or even more broadly in operations can drive significant cost and quality improvements. It is also a space for innovation with partners such as strategic suppliers.	E.g. Toyota developed a lean manufacturing system by innovating with its production line workers and suppliers.
	<b>CUSTOMER EXPERIENCE</b>	Now front and centre for many organisations, CX innovation is reinventing interactions with customers - from finding your stores, navigating your website, paying for your services, or getting product support.	E.g. Nespresso Members only club gives its customers a distinguished store experience.
	<b>EMPLOYEE EXPERIENCE</b>	From new joiner on-boarding to workspace wellbeing, including training enablement and even off-boarding exiting staff; innovation for employee experience can help your organisation improve retention and productivity.	E.g. Google and 3M give employees time for their own projects enhancing their perceived self-worth and autonomy.



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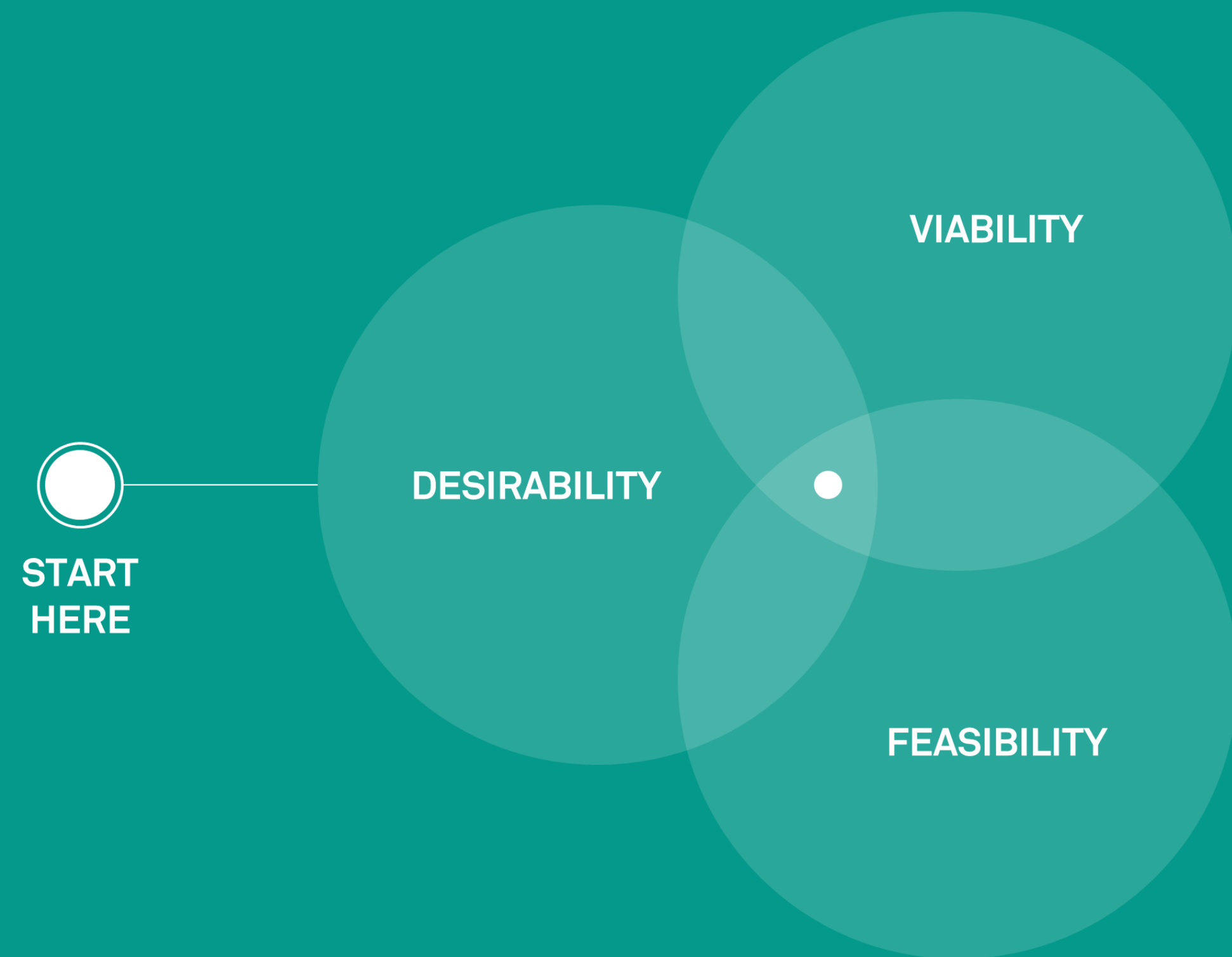
THE METHOD

# A BRIEF INTRODUCTION TO HUMAN CENTRED DESIGN



# HUMAN CENTRED DESIGN

Start with the people you are solving for – what are their needs and pain points?



Knowing who you are designing a solution for and ensuring that this is kept front of mind, is a core element of HCD. Taking the right approach to this ensures what is being designed is DESIRABLE. However, while the method starts with ‘people’ and is human focused, the concept of balancing this with what is Technologically FEASIBLE and Economically VIABLE is integral to the process. Positive outcomes and innovation, simply won’t work without this balance.



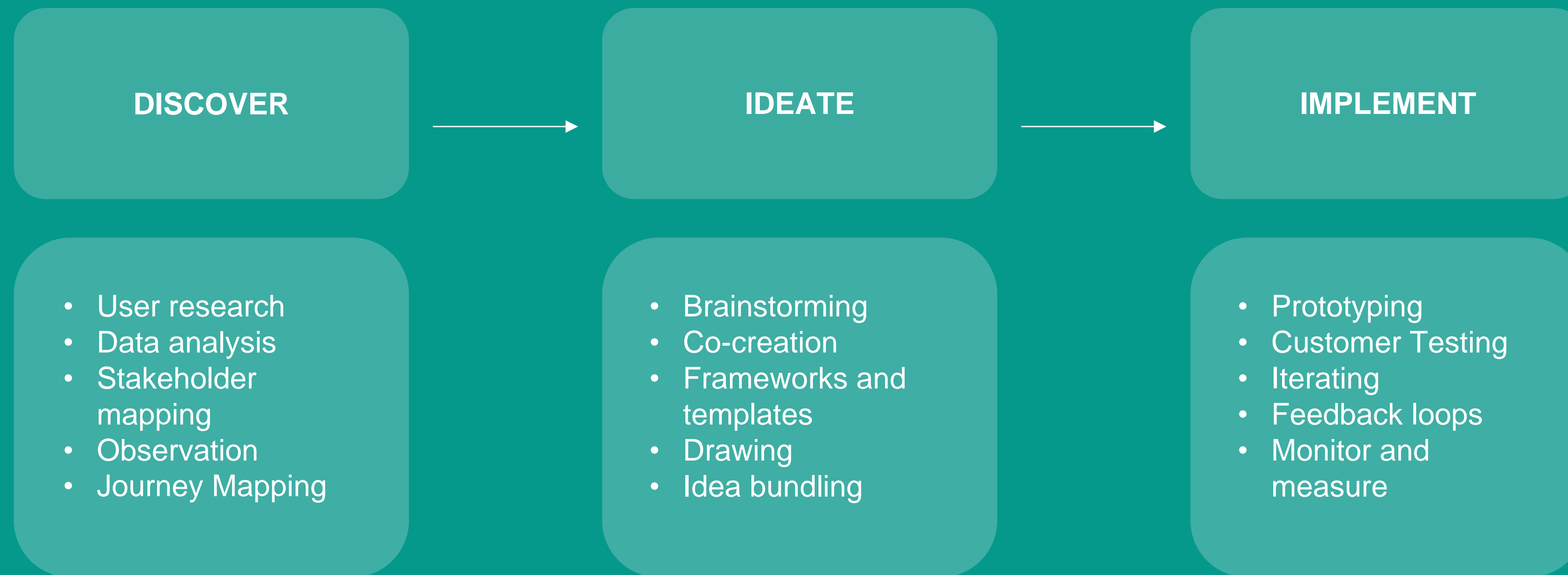
# HUMAN CENTRED DESIGN

There are many ways to represent the stages of HCD. The important thing to remember is that while the steps aren't always linear and different activities can be used, each stage should occur and achieve the below



# HUMAN CENTRED DESIGN

The objectives of each stage can be achieved through the utilisation of a myriad of supporting activities. Including but not limited to:





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DISCOVER

# RESEARCH – BARRIERS TO INNOVATION

# DESK RESEARCH

In order to more deeply understand the business challenge we chose reputable sources and researched the major barriers to innovation for businesses – particularly those who weren't large enterprises with matching budgets

*Quotes from desktop research*

“With insufficient budget available, it seems like the job is to build a case for innovation investment, versus [doing the work of] innovation itself”

- HBR 2018

“One of the biggest barriers to innovation is office politics. Often people are motivated by a blend of saving face, maintaining momentum, and being recognized as a hero”

- Ideo U 2019

“45% of corporate leaders feel that cultural issues, such as staff capability and attitudes, are a significant barrier that is often overlooked during innovation projects.”

- OKC 2018

*Sources of desktop research*





# CUSTOMER FEEDBACK

We then overlayed feedback from the session registration forms to distil the focus areas down to the barriers most relevant to our workshop participants

*The barrier is resources, both time and budget.*

*People are not willing to change how they do things*

*Focus, environment motivation and time to allow Innovation to occur.*

*Obtaining executive endorsement and support against competing priorities.*

*“(The biggest barrier is) entrenched thinking re-enforced by rigid organisational structures”*

*“(the biggest barrier is) managing change in the organisation from a people point of view”*

*“(the biggest barrier is) the closed mind to new ideas, Fear of the unknown”*

*Upper Management have been with the company for an extended period of time, and making change can be difficult at times.*

*“(Our biggest barriers to innovation are) predominantly short-term thinking and lack of collaboration*

*“(The biggest barrier is) unstructured systems and processes across the business*

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DISCOVER

# FINDINGS AND INSIGHTS



# THREE KEY FOCUS AREAS

Based on research insights we distilled the barriers down to three key focus areas

**Organisational  
Culture**

**Business  
Strategy**

**Organisational  
Design**



# ORGANISATIONAL CULTURE

The most significant factors we established were impacting organisational culture were:

## MINDSET

- Often closed or fixed
- Institutionalisation is common demonstrated by people's propensity to do things 'the way they have always been done'
- Fear of change, risk and of the perceived 'need for creativity' can impact change resistance

## COLLABORATION

- Internal Politics can interfere with people's willingness to collaborate, particularly across teams
- Organisations often reward 'individual wins' over shared contribution which negatively impacts willingness to collaborate

## CAPABILITY

- Organisations can be unaware of the capabilities needed to foster innovation
- Introduction of new, more 'creative' capabilities can leave leaders and employees unsure of where to start.



# BUSINESS STRATEGY

We identified the approach of organisations when formulating and implementing an innovation strategy can be let down by:

## VISION

- Organisations often don't define a clear reason to innovate or identify an area of innovation focus.
- Even if a strategy is identified it is not always articulated to stakeholder in a way that gains buy in or motivates action

## LONGEVITY

- The success of innovation activity can be difficult to measure and may require the implementation of non traditional metrics
- Tension between Long Term and Short Term goals can make it difficult for leadership to commit to an innovation strategy

## IMPLEMENTATION

- Where innovation strategy requires organisational change, poor change management often hampers success.
- Innovation strategies and capabilities are often not extended through to implementation which can lead to customer acceptance issues, even if the idea is great.



# ORGANISATIONAL DESIGN

Some of the most prominent elements of the design of an organisation we found can negatively impact innovation were:

## BUDGET AND RESOURCES

- The risk tolerance of an organisation usually impacts their willingness to commit to an innovation budget
- The size of innovation budgets often do not stretch to implementation
- Smaller businesses may just not feel they can justify an innovation budget even if it's a priority

## PROCESSES/ STRUCTURE

- Legacy processes can distract staff and consume time
- Approval layers are not conducive to speed which can be critical depending on the type of innovation.
- Traditional org structures are often siloed which can impede collaboration

## WORK ENVIRONMENT

- The availability of open and collaborative physical spaces aren't always available in traditional office set ups.
- Organisation's often don't have the right tools and technology in place to share, create and collaborate digitally.



# FROM BARRIERS TO INSIGHTS

In order to progress our workshop participants from the Discover to Ideate stage, drew one insight for each barrier in each focus area.

ORGANISATIONAL CULTURE	BUSINESS STRATEGY	ORGANISATIONAL DESIGN
MINDSET	VISION	BUDGET AND RESOURCE
Innovation can mean changing how things are done. People naturally resist change unless they see an urgent or meaningful reason to do so.	Often businesses try to innovate without first identifying the ‘what’ and ‘why’ which can lead to a lack of support and alignment	For businesses that manage to find innovation opportunities, the implementation stage can be where resources are lacking
COLLABORATION	LONGEVITY	PROCESS / STRUCTURE
People are used to being rewarded for individual work and aren’t often motivated to share and collaborate.	The fact that innovation often requires long-term planning and non-traditional metrics can negatively impact leaders’ willingness to make it a priority.	Those aiming to develop a new solution that needs support beyond their immediate team, often face challenges with alignment and collaboration from other teams.
CAPABILITY	IMPLEMENTATION	WORK ENVIRONMENT
Organisations that lack the capabilities that support innovation may find it particularly difficult to even know where to start.	Even if the process of identifying a great idea is achieved, the approach to implementation can hamper its success.	The ability to create and innovate is not always supported by traditional work environments tools and technology.

WHAT IS AN INSIGHT? Insights are simply an illuminating fact that is based on the available data. We could have drawn many insights for each topic but choosing just one allowed us to focus and make progress



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IDEATION

# WORKSHOP OUTPUTS: SELECT IDEAS AND THEMES

# IDEAS TO GET STARTED TODAY

## 1 Stuff-up barbecues

Stuff-up barbecues are to share stories of individuals or teams who tried something new and didn't go precisely well. Celebrating the learnings that came from a failure can help organisations looking to shift from overly risk averse culture.

## 2 Idea exchange

Idea exchange: a space and time for people to get together and discuss pre-selected ideas and invite people on-board to help out.

## 3 Grow your dollar challenge

In order to challenge people to think differently and find creativity within the problems constraints, this challenge gives one dollar (yes 1\$) to each team, or individual, and asks for the team that converts that into the most value in 30 days.

# IDEAS TO INVOLVE LEADERSHIP

## 1 Innovation Mentors

Bring to the organisation individuals that have experience in innovation to act as mentors for specific teams. While bringing professional experts requires a budget, reaching out to the community and personal networks of the leadership might lead to mentors who are happy to volunteer their time.

## 2 Virtual Collaboration Environment

Set up a virtual collaborative environment (e.g. MS Teams, Slack) where teams can collaborate to solve each other's problems and support in developing and implementing new ideas. Leadership can use such an environment to reward most collaborative teams or individuals.

## 3 Mini Shark Tank

Run an ideas pitch competition where leadership acts as panel of investors and allocate funds (real or fictitious) to the ideas with the grates potential in benefiting the organisation. If no funds are available the best ideas can receive other resources like worktime or dedicated space.



# IDEAS TO INSPIRE YOUR ORGANISATION

## 1 Carve Out Space

Create a space and environment where people can participate in a collaborative and creative activity with a common goal. For instance, a corner of the office full of Lego where you build the “dream workplace”

## 2 Innovation Morning Tea

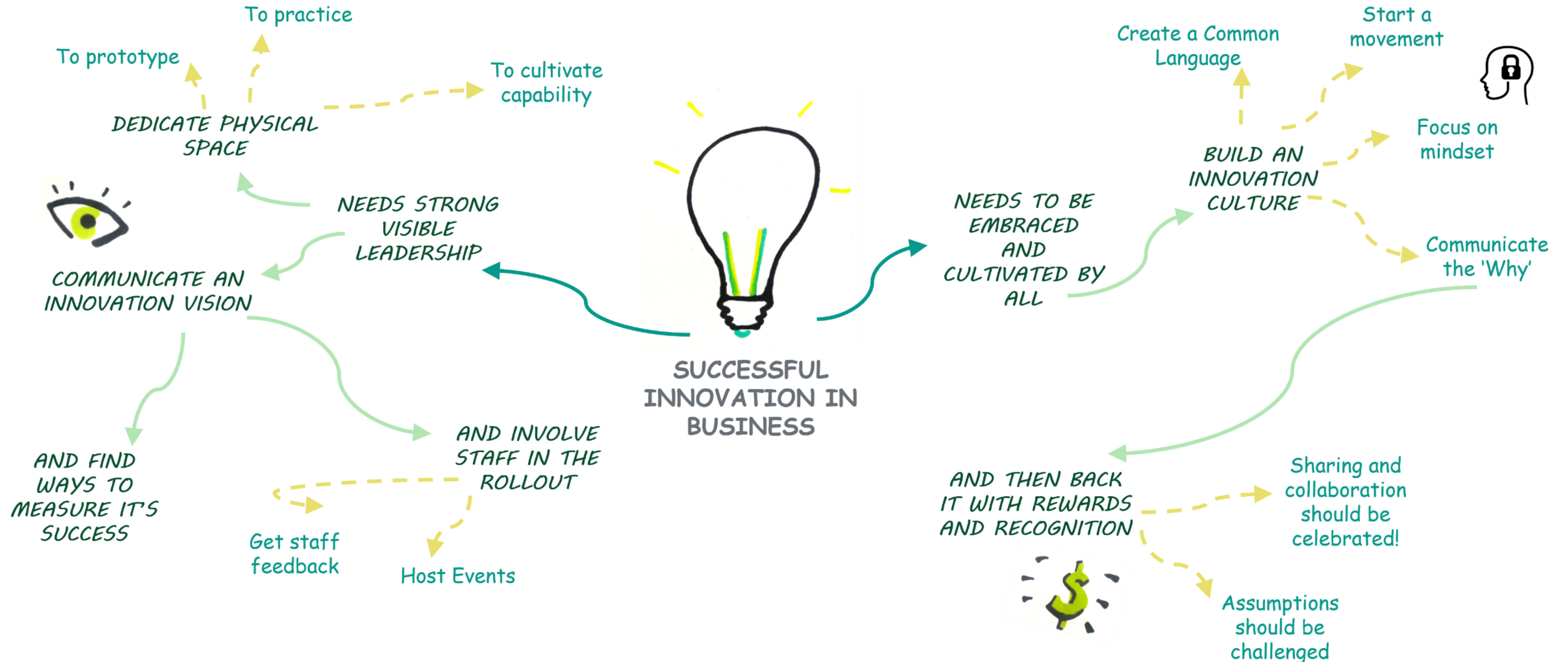
Set casual events to go through inspiring case studies of innovation. This could be from your organisation or from outside the industry. Also, this could be a space to share learnings from failed projects specially, ideally such stories would be shared by leaders to begin with.

## 3 Partner with the Pros

Connect with partners or other organisations that are excelling in a particular innovation area and create a platform for knowledge sharing. (You will need to offer them access to an area in which your organisation excels also!) Give each other tours, work in each others offices or partner on a project.

# MIND MAP OF RECURRING THEMES

These key ideas consistently surfaced during the workshop discussions and ideation activities





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THANK YOU!





# HCD RESOURCES

If you want to find out more about Human Centred Design you can access one of these great resources or reach out to your Client Executive.



## Doug Dietz TED Talk

[Transforming Healthcare for children and their families](#)



## Change By Design

By Tim Brown  
[Find out more](#)



## HCD Toolkit

[Designkit.org](#)