A Design Thinking Workshop to Kickstart Sustainability Initiatives: For Entrepreneurs and SME Leaders

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Abstract: Sustainable development is rooted in proactively understanding and inclusively acting upon the needs of stakeholders – including inanimate objects like printer ink and trees. Grounded in design thinking's emphasis on 'Empathy', this paper proposes a structure that educators, corporate trainers or Executive Education facilitators may employ within the context of an interactive workshop for stimulating sustainability-orientated initiatives in SMEs.

The proposed structure initially develops an interactive map of a company's stakeholders, upon which facilitators are guided through a process that aids workshop participants to recognise, understand and engage with their organisations' lesser emphasised stakeholders and explore opportunities for kick-starting a new sustainability-orientated project. The workshop subsequently proceeds to guide participants through design thinking's steps of Ideate, Prototype and Test, wherein participants will explore realistic starting points for embarking on their sustainable journey. The workshop closes with participants preparing to obtain feedback from core stakeholders prior to kickstarting the project.

Introduction

Sustainable development is rooted in proactively broadening, understanding and inclusively acting upon the needs of an organisations' stakeholders (Stoddart, 2011). Whilst stakeholder theory should be viewed as a genre rather than a monolithic theory, definitions of stakeholder theory broadly resemble that as quoted below:

> "*Stakeholder theory is one that puts as a primary managerial task the charge to influence, or manage, or balance the set of relationships that can affect the achievement of an organisation's purpose.*" (Freeman and Phillips, 2002, p.334)

Frameworks developed under this traditional interpretation of stakeholder theory enable effective identification of stakeholder groups. Yet in emphasising discussions around key stakeholders, have we created an inherent bias towards power relationships and degrees of influence around a self-orientated set of priorities? For example, where do inanimate objects, such as printer ink or trees, fit into such a framework that focuses on balancing relationships affecting the achievement of an organisations purpose?

A distinguishing characteristic of design thinking is its immediate focus on inclusiveness and diversity, umbrellaed under the word 'Empathy' (Panke and Harth, 2018). Utilised in conjunction with traditional stakeholder theory, a design thinking approach supports organisations to not only map out their key stakeholders, but also to recognise, understand and subsequently initiate engagement with their lesser emphasised stakeholders.

The benefit for organisations who invest in sustainability-orientated initiatives is well documented. The thought of employment at an organisation offering environmentally, socially and culturally responsible products and services excites enthusiasm for many employees. Additionally, organisations are increasingly recognising a positive relationship between corporate social performance and image (Jones and Willness, 2013). However, a lack of funds and not knowing where to start kills off many initiatives before they even begin. Reasons for this may stem from barriers in unlocking capital (Clark *et al*, 2018), lack of familiarity with appropriate technologies (Zelenika and Pearce, 2011), scepticism towards underlying motivations behind top-down initiatives (Rogers *et al*, 2008), as well as more practical constraints, such as limited motivation, time and network (Biondi *et al*, 2002). As we explore the engagement of SMEs in kick-starting sustainability-orientated initiatives, the challenges mentioned above become increasingly apparent.

As at January 2021, the United Kingdom has 5.7 million registered micro-businesses – defined as organisations with 0-9 employees – accounting for 96% of all businesses and 33% of national employment (Ward, 2021, p.5). To stimulate and inspire sustainability-orientated initiatives to cascade across all aspects of British business –

regardless of the size and scope of resources available to individual entities – mentioned barriers need to be alleviated. The core challenges and contextual setting of SMEs will be broadly transferable across European and North American territories.

The structure proposed in this paper is therefore based on the underlying assumptions that (i) sustainability-orientated initiatives should be action based, with impact assessment being matured over time, (ii) SMEs play a significant role in a nations engagement with sustainable development, (iii) SMEs encounter several practical challenges that limit adoption of sustainable initiatives, and (iv) offering practical steps to alleviate these challenges offers potential to increase SME engagement in sustainable development.

Thus, the primary motivator behind this paper is to propose a workshop structure that will enable educators and corporate trainers to stimulate a new wave of sustainable projects in SMEs at a grassroots level.

Understanding Design Thinking

Design thinking arose out of the need for a human-centred approach to problem solving in the late 1970's. This approach gained popularity as the business community valued skills revolving around "empathy, optimism, iteration, creative confidence, experimentation, and an embrace of ambiguity and failure" (IDEO, 2021). Although stemming from a consultative approach typically associated with product design and other technology orientated specialisms, there is growing discussion around the adoption of design thinking as a mindset that may be adopted by non-design-trained professionals to approach practical challenges irrespective of employment discipline (Wigley and Straker, 2017).

Utilised within a workshop setting, design thinking challenges participants to confront preconceived ideas regarding a dominant narrative. It then facilitates participants with developing an open-minded exploration into underlying pain points that may not be commonly realised or addressed (Panke and Harth, 2018). Encompassing perspectives from both traditionally prioritised and marginalised stakeholders alike, the opportunity for generating insights and new ideas is increased (Melles, Howard & Thompson-Whiteside, 2012). Critically, design thinking not only assists decision makers to reduce cognitive bias, but also emphasises the feelings and experiences of others (Panke and Harth, 2018). This onus on empathy towards the needs of others is what distinguishes design thinking from traditionally popular definitions of stakeholder theory.

Structure for Proposed Design Thinking Workshop

The author has been involved in integrating design thinking into workshops with postgraduate management students, business entrepreneurs and SMEs in both mainland China and the United Kingdom. The proposed workshop structure remains a work-in-progress but serves to highlight how the approach towards delivering design thinking workshops to entrepreneurs and participants engaged in SMEs may foster enthusiasm and creativity towards sustainability.

The proposed workshop structure may be suitable for educators, corporate trainers and/or faculty involved in delivering Executive Education courses. The delivery model would be best geared towards a group setting, wherein participants from a single organisation can raise, share and provide constructive feedback on initiatives that may be unique to their organisations' environment. The following structure assumes that participants would be from an SME, vulnerable to several of the challenges raised earlier, and that participants would hold a reasonable working knowledge of the organisations processes. Participants from larger entities with comparatively complex structures may require an alternative approach within a workshop.

Step 1: Stakeholder Map

Design thinking embraces verbal and visual expression as a means for fostering evolutionary creativity – a process wherein ideas grow upon each other (Thoring and Müller, 2011). The workshop therefore starts with an interactive activity that combines both verbal and visual thinking by mapping out their organisations' stakeholders.

For the purposes of readability, the author provides example illustrations of the stakeholder mapping process from OC Limited. OC Limited is a pseudonym for a real third-party student facing organisation. The reader may note that identified stakeholders within the illustration are therefore for example purposes and relate specifically towards the context of OC Limited.

A. Draw a map that illustrates the various stakeholders that your organisation regularly interacts with.

B. Consider stakeholder groups that are not represented on the map and add them in a different colour.

It is reasonable for some participants to struggle factoring in stakeholder groups outside of their normal operating environment. The role of the facilitator will be to encourage broader thought. The following approaches may be helpful (a) Ask the group participants to categorise and colour the stakeholders that they have drawn into the 4 key pillars of sustainable development, cultural, economic, environmental and social. Should one of the pillars be under-represented, this could be a possible direction for thought. Alternatively, (b) Show participants the United Nations Sustainable Development Goals and ask them which one(s) the organisation directly or indirectly impacts yet may currently be less directly engaged with.

C. Add in arrows to highlight directionality of engagement. These arrows should be in two colours, one for highlighting stakeholders that your organisation already contributes towards or receives contribution from. A second colour for highlighting a stakeholder that your organisation could contribute towards more or receive more contribution from.
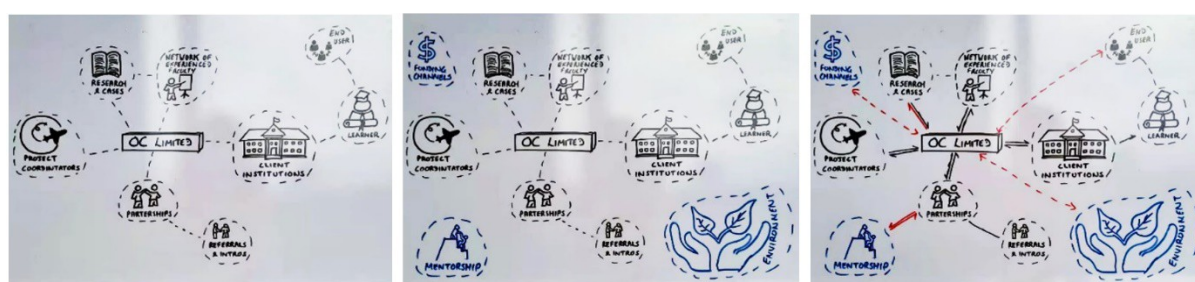

Figure 1: Example of a stakeholder map through Steps 1 A, B and C (left to right respectively)

At this stage, participants will have identified stakeholder(s) that their organisation may either engage with more, contribute more towards, and/or gain an improved understanding of.

Step 2: Setting the Context with Stakeholder Profile

Osterwalder *et al* (2014) offers a customer profiling canvas that aids businesses to understand their customer audience. The profiling tool explores activities that customers are trying to get done functionally, socially and emotionally. It explores pain points, factors that annoy customers when they are trying to get their activities done. And it explores measures that customers may use to evaluate how well an activity may have been delivered.

Adjusting the canvas towards profiling a stakeholder group rather than a customer group, the three-dimensional considerations remain equally applicable. It is therefore proposed that group participants complete a Stakeholder Profiling Canvas in order to understand (a) the priority objectives of the stakeholder, (b) the core pains of the stakeholder, and (c) the gains that the stakeholder is hoping to achieve. This canvas would take the appearance of the spherical component in Figure 2. The reader may note that we return to the other element of this canvas in Step 6 of the workshop.
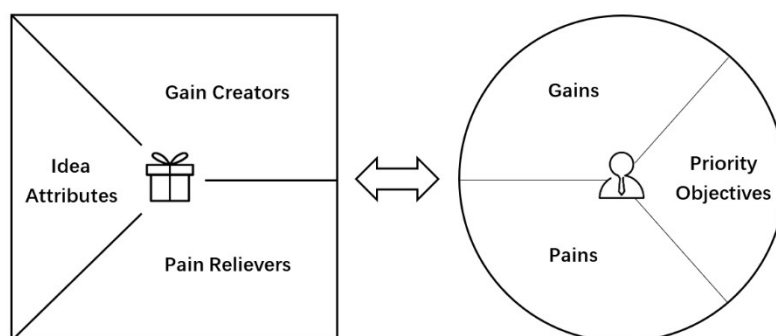

Figure 2: Value Proposition Canvas Template

Participant groups may be asked to select up to 3 of the stakeholders that they have identified as possibly being able to engage with more, to contribute more towards, and/or to better understand. Each participant group may then be asked to complete the Stakeholder Profiling Canvas in the following three steps:

A. Bullet point on post-it-notes what the priority objectives are for this stakeholder. Priority Objectives may be understood as summary statements about what the stakeholder is trying to accomplish.

B. Bullet point on post-it-notes what some of the Pains are. Pains may be understood as challenges that the stakeholder faces when trying to focus on and achieve their Priority Objectives.

C. Bullet point on post-it-notes what some of the Gains are. Gains may be understood as concrete benefits that the stakeholder would receive should their Priority Objectives be realised.

At this stage, group participants will be gaining an understanding of the broader operating context and environment of up to 3 stakeholders that they have identified as being able to either engage with more, contribute more towards, and/or gain an improved understanding of.

Step 3: (Empathise Stage) Developing Personas

Creating personas is a stimulating way to bring an abstract group to life (Panke and Harth, 2018). Group participants may pair up to generate a persona for a member or representative of their chosen stakeholder group. This may involve completing a simple one-page persona profile template.

C.S. Lewis (1955) famously wrote, "*enough had been thought, and said, and felt, and imagined. It was about time that something should be done.*" Through this statement, C.S. Lewis is establishing a connection between ability to think, say, feel and action. Applying to design thinking and empathy, the suggestion is that attempts to better understand one's stakeholder may increase likelihood of positive action.

Within the context of a workshop, groups may engage with this idea via the process of writing two first-hand diary entries for one of their personas. Guidance for participants may be similar as below:

Day 1: Write about encountering one of the Pains (listed in the Stakeholder Profiling Canvas) and describe how it created a barrier that negatively impacted what you are trying to achieve.

Day 2: Write about how you have encountered a change. Either one of your Pains has been resolved, or you have been able to get access to one of the Gains that you needed to achieve your Priority Objectives. Explicitly state what the result is. Examples of this may range from a tree life being saved; achieving expansion into a new partnership or noting an observable improvement in an employees' motivation.

Connected with C.S. Lewis's quote, a good diary entry will involve writing (Said) a thought (Thought) about something that was done (Action) that triggered a given feeling (Felt). As the Interaction Design Foundation (2021) recognises, understanding thoughts and feelings behind behaviour facilitates a deeper level of connection and understanding with a desired group. Translating this into simpler English, this process helps participants within the group to better empathise with their stakeholder group and realise the need for action from their stakeholders' own perspective.

At this stage, group participants will be developing a non-bias understanding of their stakeholder(s), supporting the wider call for action.

Step 4: (Define Stage) Developing 'How might we…' statements.

'How might we…' statements are similar to the traditional problem statement. However, rather than focusing on the problem, 'How might we…' statements direct thinking towards finding a solution. They therefore offer a subtle, yet powerful means to stimulate constructive discourse about a challenging situation.

Development 'How might we…' statements may be undertaken via a three-stage process. Firstly, it is useful to explore barriers. Secondly, these barriers should be positioned from the perspective of the stakeholder. And thirdly, participants may seek to approach the 'How might we…' statement within the context of addressing the stated challenge as raised in stage two. Facilitator guidance to group participants may be:

A. What are some of the barriers that have limited your company's engagement / contributions towards / understanding of this stakeholder(s) in the past? Examples of barriers may include time, cost, technological limitation, know-how, lack of appreciation towards the problem, habit, prioritising a different stakeholder, etc.

B. Generate a Point of View (POV) statement that states, from your stakeholders' perspective, what they need your company to do. POV statements should assume the following sentence structure: [**Stakeholder**...(descriptive)] needs [**need**...(verb)] because [**insight**...(compelling reason)].

C. Develop a single sentence 'How Might We' statement to address your stakeholders POV statement.

Continuing to use the example of OC Limited, Figure 5 examples drafted 'How might we…' statements that address a given POV statement. The facilitator should encourage group participants to develop 'How might we…' statements that achieve the following criteria:

- They are human centred
- They have a scope that is broad enough to permit creative freedom, but narrow enough to be practical
- They should be action orientated
- They should be assumption free

e.g. 2: Participants respond well to practical and relevant cases. We draw upon knowledge and experiences shared publicly by other professionals. We operate in a distinct field and refine cases towards our user needs. We do not contribute back our perspectives and experiences towards wider public knowledge pool.
    ○   ○   ○   *POV: Professional trainers need us to share our knowledge and experiences in order for them to continue their own development and deliver improved services.*
    ○   ○   ○   *HMW: How might we contribute towards the wider public discussion of best practice?*

Figure 3: Examples of 'How might we…' statements from OC Limited

At this stage, group participants will have articulated the problem in a way that invites constructive consideration and thought.

Step 5: The Design Thinking Cycle

Combining a defined 'How might we…' statement with personas provides the necessary context for proceeding with the remainder of the design thinking cycle. Within a workshop context, the remaining stages of design thinking may be quickly undertaken via a series of facilitated tasks involving design sprints, discussions, prototyping and traffic lighting. The specific tasks may require some variation depending upon the business context of the participant groups. However, the remainder of the design thinking cycle will include coverage of:

A. IDEATE & DEBATE: Run a design sprint, wherein participants engage in a mass ideation process where there are no wrong ideas – so long as they bear some resemblance to the 'How might we...' statement. Focus then shifts towards reducing the volume of ideas. This may involve a voting process of the Top 10 ideas via a simple voting platform, followed by discussion around strengths and weakness of ideas wherein a group member is also appointed as devil's advocate to keep the conversation balanced. Groups should be encouraged to keep reducing ideas to the point where they could choose a single idea to prototype.

B. PROTOTYPE (SELECT, SKETCH & BUILD): Participants may take the chosen idea and sketch it out in more detail. Consider asking participants to build a 3D prototype to help bring the idea to life. This task may need balancing with time constraints and the specific nature of the business idea.

C. TEST (PRESENT & REFLECT): Group participants express positive and negative feedback, including development of further ideas for improvement or extension, as well as other forms of open questioning. Participants may then perform a traffic light summary (green = pursue further; amber = learn more, red = drop) prior to deciding whether to revise the idea or pursue an alternative idea.

Step 6: Prepare for Feedback

The likelihood of group participants perfecting an idea within the space of a few workshop sessions is unlikely. As design thinking is an iterative process, participants should be encouraged to repeat the previous steps in order to refine their idea. Furthermore, group participants should prepare a summary of their final idea to be shared with real-life representatives of the stakeholder group that they are looking to improve engagement with.

An important step in developing such a summary is to express it in a manner that addresses the Pains and Gains of the stakeholder in relation to achievement of their Priority Objectives (established in Step 2 of the workshop).

This may be achieved via completion of modified Value Proposition Canvas as templated in Figure 2 (Osterwalder *et al*, 2014). The canvas will help participants in cross referencing the Pain Relievers of their idea with the Pains experienced by the stakeholder. The Value Proposition Canvas provides a useful tool for reminding participants to return to the original thoughts and feelings of the stakeholder as expressed during the 'Empathy' stage of design thinking. Furthermore, running the exercise may help participants to summarise their idea in a manner that may be used to communicate with the stakeholder and initiate further discussion around the idea.

Outlook

The purpose of this paper is to provide a practical structure with example activities that educators, corporate trainers and / or Executive Education faculty may use or adapt to their own client needs.

The aim of the proposed workshop structure is to inspire sustainability orientated initiatives within an attending participant group. It is recognised that the proposed structure does not include a rigorous metric or framework for evaluating initiative ideas and that groups that attend the workshop may require additional levels of consultation and support after the workshop. It is expected that areas of needed support may include the processing of stakeholder feedback, the challenge of measuring output of an implemented initiative and/or challenges with encouraging wider adoption of the initiative beyond the attending participant members. The proposed workshop may therefore be more appropriately positioned within a wider programme offered by a business incubator, university or sustainability consulting organisation.

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