

Leading Design Works

Realizing the Value of Design in Highly Regulated Sectors

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Design Works.
Design Leads.
Design Matters.

**“The purpose of design is to unlock the
creative potential of the organization”**

Design Leader, Financial Service

What is Leading Design Works?



What are the conditions required for design to work?

What does it take to make design an essential capability?

What does it take to create, embed and scale design?

What does it take to be a successful designer and design leader today?

Design has something critical to offer to today's business transformation agenda

2.6x

increase in success of transformation programmes that are **human-centred** ⁽¹⁾

38%

of CEO's are planning to increase investment in **customer experience** ⁽²⁾

32%

of CEO's are making it a priority to boost **customer loyalty** ⁽²⁾

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

3 External Forces Shaping the Value of Design

Expectation
Inflation

The Pandemic
Shift

Regulatory
Transformation

“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 for the sake of humanity. And it’s a monumental mission to transform something from the inside”

Global Head of Design, Energy Sector

Six Drivers of the Strategic Design Function

Regardless of the original intention for creating a design function and the drivers for change, **the factors for determining the success of building a strategic design function were the same.**

1 —

Leading Design for
Different and
Differentiating
Functions

2 —

Dealing with the
Changing Intentions
of Design

3 —

Earning the
Organisational
Position

4 —

Creating
Transformational
Value

5 —

Measuring and
Communicating
Value

6 —

Building an
Integrative Design
Culture

1 – Leading Design for Different and Differentiating Functions

- Navigate Foundations
- Use the Voice of the Customer
- Close the Loop
- Accelerate Innovation

2 – Dealing with the Changing Intentions of Design

- Navigate Complexity with Confidence
- Power Up Your Design Skills
- Go Beyond the Design System

3 — Earning the Organisational Position

- Be the Babel Fish
- Manufacture Talent
- Trust Takes Time, Play the Long Game

4 – Creating Transformational Value

- Build Connections with Stakeholders
- Grow a Transformational Mindset
- Articulate your Commercial Impact

5 — Measuring and Communicating Value

- Measure What Design Wants to Become
- Where Business, Customer and Regulation Meet
- The Risk of Doing Nothing

6 — Building an Integrative Design Culture

- Be Promiscuous with your Tools and your Process
- Believe in the Mission and the Potential
- Culture is a Marathon, Not a Sprint

Measuring and Communication Value: Measuring what really matters and communicating it well

DESIGN LEADS . DESIGN WORKS . DESIGN MATTERS

Operational Performance

The measurement of the production activity of design, the number of projects, the outputs, the level of activity across the teams to validate the scale and shape of design.

Customer Benefits

Measuring and reporting on the mechanical improvements to the customer journeys, and aligning those improvements to customer wellbeing and experience to servicing and acquisition costs.

Business Value

Developing a clear alignment to stated strategic business objectives, and the critical KPIs, such as Cost Income Ratio, Net Interest Margin, and Gross Margin, and the direct impact design outcomes are having on the overall cost, growth and risk agenda.

Cultural Transformation

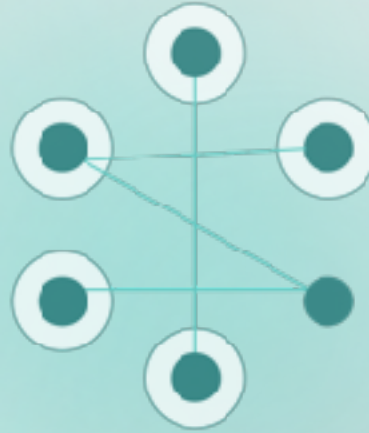
Design articulates value creation across the organisation and helps the business, transversally, measure, structure and navigate its approach to transformation. Importantly, design is positioned central to the cultural change required for the organisation to meet its stated customer and business objectives.

Building an Integrated Design Culture: It isn't a single set of steps on a path to maturity but rather a series of transitions between states of engagement



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.

How might we **prepare ourselves as the design leaders of tomorrow** to be bold, ensure we are equipped to transform the organisation we serve, and the lived experiences of our customers, and **lead design into a better future?**

What's Next is Now...

What's next for design leaders in regulated industries? We saw three trends emerging in our conversations...

Human Insight Powered

Human-centred design is changing organisational perspectives towards regulation

GenAI Ethics by Design

When AI is everywhere, customer experience ethics will become the great differentiator

Design & Engineering

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

Feasible

The service can be built, used and maintained

Viable

The growth, cost and risk dimensions will benefit the business

Desirable Valuable

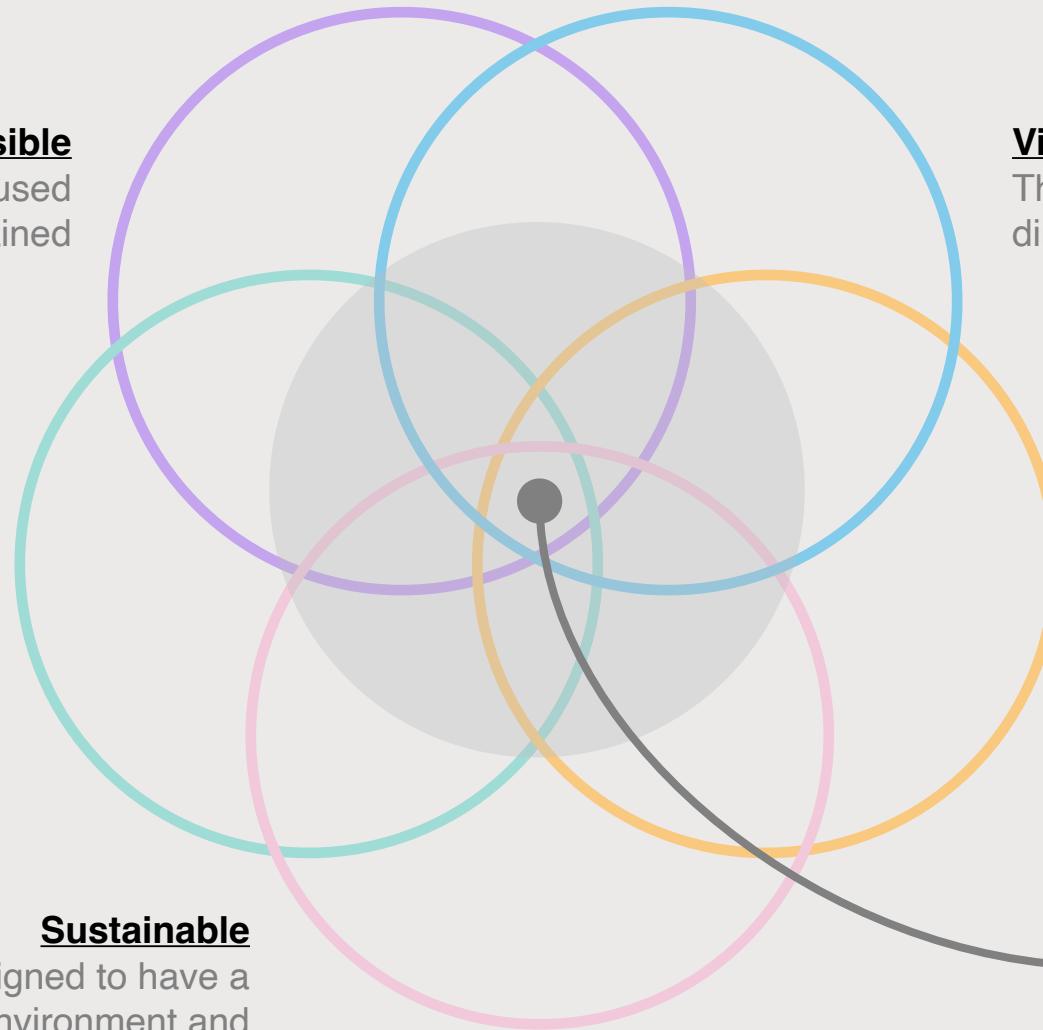
The service creates significant human-value for all 'users' of the service above and beyond a 'desire' to consume

Allowable (perhaps even Ethical?)

The service 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



Where design will create value in the future of regulated organisations and services



“I want to create models for a
different society – for a way of
producing and living differently”

- Enzo Mari (1932-2020)

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Download a copy of the report here
using this QR code or follow this link:
<https://www.leadingdesign.works>

Thank You



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