Heather Fraser
Co-Founder of Rotman DesignWorks, Professor of Business Design, Rotman School of Management, University of Toronto
Founder and CEO, Vuka Innovation, Inc.

Introduction by IBM’s Paul Sulkers
Q&A with Leslee Thompson
Healthcare by Design

Making Health Links Work Through Business Design
An inspired ambition: Excellent care for all
A formidable challenge

Clinical complexity
Multiple stakeholders
Patient needs
Demographic shifts
Population health
Resource constraints
Rapid technology advances
Political dynamics
Public & media scrutiny
Incentives
System complexity
A formidable challenge

V.U.C.A.
Questions to Answer

• Business Design: Why do we need it and what is it?

• How does Business Design work? Show me.

• How might the practice of Business Design help Health Links work?
Innovation & Inspiration
An example of great Business Design
The ultimate coffee experience: Moments of pleasure and indulgence for coffee lovers worldwide.
The ultimate coffee experience:
Moments of pleasure and indulgence for coffee lovers worldwide
Business System: Viable, Scalable & Sustainable
## Impressive Continuous Growth

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2009</th>
<th>2011</th>
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<tbody>
<tr>
<td>Turnover in USD</td>
<td>220 million</td>
<td>2.9 billion</td>
<td>3.8 billion</td>
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<tr>
<td>Cups per minute</td>
<td>868</td>
<td>10,000</td>
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<tr>
<td>Global Club Community</td>
<td>600,000</td>
<td>8 million</td>
<td>&gt;10 million</td>
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<td>Global Boutique Network</td>
<td>1</td>
<td>191</td>
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<tr>
<td>Nespresso Employees</td>
<td>331</td>
<td>4,500</td>
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*70% in direct contact with Nespresso customers*
Universal Components

Spaces

Products

Technology

Recruiting & Training

Communications

Social Responsibility

Partnerships

Services

Relationship Management
Innovation & Inspiration

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Learning from successful innovators

• Devotion to satisfying *customer* needs
• Continuous exploration of new *possibilities*: Core, Adjacencies, Whitespace
• Bold & measured experimentation with an eye to *learning* and rapid *expansion*
• Ambitious *vision* & focused *strategy*
• Alignment of goals, capabilities and *systems*
Business Design: Why do we need it and what is it?
Successful Innovators Ask...

- What do people need?
- How can we better meet those needs and deliver a better experience?
- What is our distinct and sustainable system to deliver this?
3 Gears of Business Design

Empathy & Deep Human Understanding

Concept Visualization

Strategic Business Design & Activation

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The Nature of Business

What is?
Analysis
Facts
Objectivity
Documentation
Process Perfection
Management
Incremental Value

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The Nature of Business

What is?  What could be?
Analysis  Intuition
Facts    Imagination
Objectivity  Empathy & Connectivity
Documentation  Visualization
Process Perfection  Iterative Prototyping
Management  Collaboration & Co-creation

Incremental Value  Breakthrough Value
The Nature of Business

What is?  What could be?
Analysis  Intuition
Facts  Imagination
Objectivity  Empathy & Connectivity
Documentation  Visualization
Process Perfection  Iterative Prototyping
Management  Collaboration & Co-creation
Incremental Value  Breakthrough Value

Design Methods & Mindsets
Integration & Balance

**The Nature of Business**

**Business Design**

**Design Methods & Mindsets**

*Human-centered approach to innovation & problem-solving aimed at creating new value*
How does Business Design Work?

3 examples
Cardiac Patient Pathway Redesign:

*Opportunity Reframe*
A Wicked Mess...
Opportunity Reframe

- 90%
- 10%
- 5%
Humanizing the Challenge
Systems Issues Revealed

- Practices & Protocols
- Education & Communication
- Network Referrals
- Operational Gaps
Outcomes

• Reframe of the problem and reveal of new opportunities
• Precision targeting of solutions
• Appreciation of the human system required for the solution to stick
Health Links

• What is the current patient journey?
• Who matters and what do each of those stakeholders need?
• Zoom out: What is the broader life journey that ‘created’ the 5%?
• How could a solution be extendable to other patients?
Patient Experience: Systemic Therapy Redesign Project
Vision Refresh

Princess Margaret Hospital
University Health Network
40,000+ Patients/yr.
Appreciating their *journey*
Appreciating their *journey*
Listening to their stories – what do they need?
What does a police uniform have to do with cancer treatment?
“My sense of self worth is at a low.”
Turning lost time into found time...

...through a journey of hopeful healing.
How might we help them?
How might we help them?
Creative Collaboration

- Clinicians
- Support Staff
- Nurses
- Management
- Pharmacy
- IT
Creative Collaboration
Metaphors
A New Patient Experience

- Patient-Centric Web
- Re-designed waiting facilities
- Way-finding
- Private Treatment ‘Pods’
- Mobile Entertainment Access
- Consistent Care Team

Patient Portal at Home
Enriching the Patient Experience

Improving Hospital Operations
A canvas to create a new experience....
Outcomes

- Renewed vision and sense of purpose
- Shared ownership
- Reprioritization of investment of time and capital
- Commitment to progress versus resistance to change
“The project allowed us to bring people from across the hospital to design a new chemotherapy suite with the patient in mind – and with real patient feedback on their experience of care.

Doctors, nurses, researchers, clerical staff, volunteers, management – many of whom have never worked together before – were able to share ideas, build something tangible, and feel like they had a stake in the final outcome.”

Sarah Downey
Vice-President
Princess Margaret Hospital
Health Links

• How can we create empathy for the user?
• What do people need? (S.P.I.C.E.)
• Who can contribute to the design of Health Links and how can they be engaged throughout the process?
• What is the ‘lighthouse’?
Strategic Planning: Refresh & Refocus with Results
Burning Challenge: The Current Situation

$ Volume (Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Volume (Millions)</th>
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<tbody>
<tr>
<td>2004</td>
<td>202</td>
</tr>
<tr>
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Alignment: Establish The Team
3 Gears of Business Design

- Empathy & Deep Human Understanding
- Concept Visualization
- Strategic Business Design & Activation

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The Process:
Iterative Prototyping & Co-Creation

$17
The Breakthrough: Re-Envisioning Possibilities
The Strategy To Win:
Long-term path & short-term hits
Inspired Output
The Result

$ Volume Millions

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Outcomes

• Perspective and fresh insights on what really matters to consumers
• Strategic reframe and step-by-step 5-year plan
• Collective vision, shared ownership & commitment
• Global lead
“This approach to business design helped build team alignment early on around a common understanding of our consumer and a shared path forward.

The outputs of this workshop approach were critical and salient and absolutely drove business results.”

Elizabeth Frank  
Vice-President, Marketing  
Nestle Confectionery Canada
• What is the strategy to drive effective, efficient and sustainable delivery?

• What might that system of activities look like?

• What are the measurable and actionable ‘experiments’ to learn, advance and scale?

• What will lead us toward the ‘lighthouse’?
3 Gears of Business Design

Empathy & Deep Human Understanding

Concept Visualization

Strategic Business Design & Activation
How might Business Design help Health Links work?
Frame

- It’s all about the patient.
- 5% is real, significant, and foreboding.
- The system isn’t ready for the future.
- It’s a complex, high-stakes quest. What will work?

Reframe

- Humanize the entire system. Explore it holistically.
- Empathize deeply with human experience and needs.
- Collaborate & co-create. Be inclusive. Be facilitated.
- Strategize & experiment with concrete vision.

Business Design

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Thank you.
Additional information
About Vuka Innovation Inc.

Vuka Innovation is an organization that helps build a team’s (or organization’s) capacity to design and deliver new value through ‘design thinking’, and more specifically through Business Design. Our primary mission is to enhance innovation skills and nurture a culture of collaboration and creativity, in a way that integrates with your existing capabilities. We believe the capacity to innovate lies within your organization; our mission is captured by our name, Vuka – the Zulu word meaning to ‘reawaken’, ‘bring to life’ and ‘stir into action’. Leveraging the principles and practices of Business Design, our customized programs are designed to help reawaken the innovation potential in your organization.

Our methodology was honed over 8 years of academic incubation and executive practice at the Rotman School of Management, University of Toronto. Heather Fraser, Vuka’s founder, served as Executive Director of Roman DesignWorks from its inception in 2005 through 2012, at which point she spun off a practice dedicated to industry-enterprise development, allowing the School to focus on MBA programming. She and her team have trained over 3000 executives and worked on a wide range of projects, in the for-profit, not-for-profit and public sectors. Corporate Clients include Procter & Gamble, General Electric, Nestle, Pfizer and PepsiCo; public sector clients include Ministry of Economic Development & Innovation (Canada), Princess Margaret Hospital and SPRING (a government agency in Singapore dedicated to supporting and advancing small and medium-sized enterprises in Singapore).

Website: vukainnovation.com
The 3 Gears of Business Design

Our development practice centers on the 3 Gears of Business Design - an engaging, productive and effective framework for tapping into team talent, creating clear and ambitious visions for the organization, and designing strategies and plans to deliver on objectives.

**Gear 1: Empathy & Deep Human Understanding**
Business Design starts with a meaningful understanding the people who matter and what matters to them. Stakeholder mapping and ethnographic techniques for customer need-finding leads to a valuable **reframe** of the opportunity to better serve unmet needs.

**Gear 2: Concept Visualization**
Generating new ideas and visualizing a richer and more distinct customer experience through iterative prototyping, storytelling and co-creation, leading to a compelling and concrete **refresh** of your vision.

**Gear 3: Strategic Business Design & Activation**
Defining your strategy and activation plan to make the big idea valuable and viable to both the market and to the enterprise is critical. Visualization and system-mapping techniques equip you to design a winning strategy for all stakeholders and **refocus** your resources to set you on a path for long-term, market-inspired value-creation.
Design Works: How to Tackle Your Toughest Innovation Challenges Through Business Design

This book demonstrates how any organization can drive innovation and growth through Business Design, a discipline that integrates design-inspired methods and mindsets into business development and planning. Through inspiring interviews with business leaders, compelling case studies, and a collection of pragmatic tools and tips on how to put Business Design into practice.

Book Site: fraserdesignworks.com

About the Author

Heather Fraser is Founder & CEO of Vuka Innovation. Her book is based on 8 years of research, development and teaching at the Rotman School of Management at the University of Toronto, where she co-founded Rotman DesignWorks, led the development of Business Design as a discipline and was Executive Director through 2102. While leading Vuka Innovation, she continues to teach and do research in the field of Business Design as Adjunct Professor and Business Design Expert in Residence at Rotman. She collaborates with educational institutions and design practitioners around the world, and consults to a wide range of businesses and sectors including consumer goods, health care, technology, public sector and business to business. Her clients have included organizations around the world, including Procter & Gamble, SAP, Target, GE, Pfizer, VF Corporation, Nestle and Medtronic.

Prior to joining the Rotman School of Management in 2005, Heather built a track record based on human insight, innovation and business impact over 25 years, holding leadership positions in business, marketing and brand-building at Procter & Gamble, Ogilvy & Mather, and TAXI Advertising & Design. Heather is a graduate of the Stephen M. Ross School of Management, University of Michigan in Ann Arbor.

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Vuka Innovation Inc.

www.vukainnovation.com
104 Avenue Road, Toronto, ON, Canada, M5R 2H3
Phone: 416-962-8852

Heather Fraser, Founder & CEO
heather.fraser@vukainnovation.com

David Brown, Client Engagement
david.brown@vukainnovation.com

Stewart Shum, Managing Director
stewart.shum@vukainnovation.com

Vuka
Reawaken your organization's capacity to innovate