



Design innovation practices in a global supply chain: a Fung Group case study

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Whereas the contribution of design thinking has already been appreciated both in academic literature and practice in the West, there have been little serious and comprehensive studies focusing on Hong Kong and China. This case study paper, therefore, reports about the design innovation practice in Fung Group, a Hong Kong-based company whose core businesses operate across the global supply chain for consumer goods including sourcing, logistics, distribution and retailing. The analysis (1) identifies and describes design practices that the company initiated to support service innovation (including new products, processes and business models) (2) identifies challenges in adopting and institutionalising such practices. The results show that the company supports both externally and internally oriented design practices – and loosens the boundary between the two – through the activities in the Fung Academy and a new innovation hub, Explorium, with a particular focus on utilising digital technologies. Specifically, the study demonstrates how the company empowers and involves a variety of stakeholders (individuals, groups, and organisations) in value co-creating practices involving absorptive, collaborative, and adaptive practices that aim to challenge or disrupt current practices. The study uncovers that some of the major challenges in such aspirations lie in the adaptation of design thinking organising logic and mindset to specifics of the Chinese socio-cultural context.

Keywords: innovation, supply chain, design thinking, digital technologies

Introduction

Over the recent decades, within business and management communities, design thinking (DT) became a portal for the whole design area to contribute to innovation, especially well-suited for complex, “wicked” challenges facing contemporary service organisations (Buchanan, 1992; Gustafsson et al., 2016). Fung Group,¹ a Hong Kong-based multinational group with subsidiaries in trading, logistics, distribution and retailing, and a renown pioneering Asian innovator, has been on a similar path for several years now; Victor Fung, the chairman, has decided to rebuild a culture of innovation by adopting DT and hired an experienced designer from IDEO to be the innovation catalyst who would lead the change.

¹ It was founded in 1906 in southern China by Fung Yiu-Hing, an entrepreneur, and Li To-Ming, a merchant; today it is chaired by Victor Fung, Fung Yiu-Hing’s grandchild.



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Whereas a number of researchers have outlined cases for design-based innovation (e.g. Leavy, 2010), relatively few studies (e.g. Ge and Maisch, 2016) have provided empirical insight into what kind of design practices companies in non-Western contexts adopt and what are the specific challenges in these contexts. This study attempts to shed some light on this issue. Hong Kong is a particularly interesting context to study since its development is driven by the service economy, with service sector dominating its gross domestic product (in 2016, 92.7 per cent of its GDP, of which trading and logistics equal 21.7 per cent, according to www.gov.hk). Looking ahead, the 2018-19 Hong Kong government budget plan assigned additional \$6.4 billion to supporting innovation and technology, focusing on the first phase of the Hong Kong-Shenzhen Innovation and Technology Park. Moreover, Hong Kong serves as a bridge between the influences of Confucius China and the West, especially considering its legacy of British rule. As it will be shown below, this unique position creates conditions that posit some challenges to adopting and implementing design practices.

This study has an exploratory character; its purpose was to grasp the personal views, experiences and understanding (Kvale, 1996) of the practitioners involved in design practices in support of service innovation in the Fung Group. We have combined the interview data with document analysis and our own observations. The two-hour long interview with the innovation catalyst Richard, and a one and a half hour long group interview with Richard and two design-thinking practitioners and innovation specialists working within the innovation team—Peter and Mara²—were open and had little structure. They focused on certain themes, such as the key design practices which support service innovation (including products, processes, and business models), structural enablement, project examples, and the challenges encountered. Since the questions were aimed at drawing on personal experiences, and sometimes lead to narrative-like responses, this research could also, at least partially, be qualified as experience-centred narrative research (Bold, 2012).³

Fung Group: network orchestrator in the era of digitalisation

Fung Group is known for being a disrupter in the supply chain business, particularly with its innovative approach to knowledge management, such as taking and deconstructing orders, its problem-solving capability, and getting factories to learn from each other. To compete in a flat world, rather than relying on a bundle of assets, IPs and capabilities that would enable the company to compete in a closed market, the focus of the Fung Group became to integrate and connect to resources and competencies in the network through the so-called “network orchestration” competency (Fung et al., 2007).

In today’s digital and networked economy, Fung Group strives to create new business models, where fewer resources are used, which create entrepreneurship and growth in markets, create better products that last longer and enable people to live better. The present three-year plan (2017-2019) states: “Our goal is to create the supply chain of the future to help our customers navigate the digital economy and to improve the lives of one billion people in the supply chain.” “That’s our challenge,” says Richard, and “there are not that many other companies around which can be a platform for doing something like that.” The plan further emphasizes the role of digitalization in supporting network orchestration, which involves the development of the “digital platform that includes all [our] ecosystem partners and enables them to benefit from the convening power of a network that reaches over US\$2 trillion of retail sales.”

Due to the importance that is put on the role of digitalisation, across the whole Fung Group, experiments are conducted with different forms of technology, including AI. The future of supply chain, however, all the interviewees agree, will be much more open source, more networked and it will not rely solely on technology. It is more about enabling people in the business, whether it means going through short processes or finding ways to spot opportunities. The current roles will be disrupted as well, says Richard: “So the supply chain may be run by two kids in a garage, versus by a large multinational.”

While reflecting on the question what the future of supply chain that Fung Group envisions is, Peter says that “it is less about what it is and more about how we prepare ourselves through the journey, it’s about adapting yourself to any new situation.” He stresses: “If we think that we have to define what the future supply chain is and that we’re going to invent it, we have already lost because that’s not going to happen.”

² These are not their real names.

³ The particular characteristic of this case study – and perhaps its limitation – is that it is largely based on the personal observations and views of the interviewees – non Chinese people - involved in the Fung Group work, which sets it up as an observational case study with inherent potential biases.

Striving for ambidexterity

Structural enablement of innovation

The innovation model that Fung Group is attempting to build is relatable to the concept of an ambidextrous organization, with capabilities of both exploring and exploiting, and hosting multiple structures, with different cultures and practices (Tushman and O'Reilly III, 1996). That is to say, apart from its core business, it boasts a portfolio of innovation, day-to-day incremental changes, and some disruptivity. The distribution of these depends on where the company is in its business cycle, however, if the core business makes up 80% of what the company does, it can be assumed that they are not doing enough and there is a threat that someone will disrupt them. The trap that the company wants to avoid, which often happens with large organizations, is to transition from being small, and wanting to grow, to being large and wanting to optimize, protect, and control, i.e., to fall into the trap of an exploitative culture. Furthermore, organizations expect data to generate new revenue models, but they are not generating any data in the first place because “they are not doing a digital thing. People in Excel, folders, all the day,” says Richard. Business needs to become leaner and fitter, he argues: “If we had \$100, we would need to put \$20 on the crazy new ideas, and \$80 on digitally transitioning the organization. There's a process around this new stuff, creating new value and in new ways, true innovation. And, 80% of the block and tackle change, change, change.”

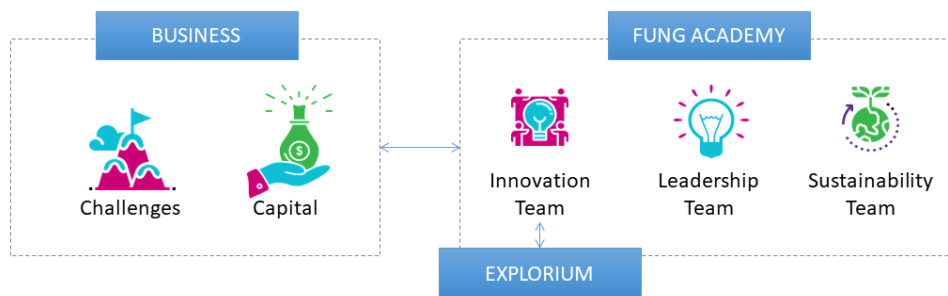


Figure 1 Three structural units within Fung Group

Within the Fung Group organizational structure, there are three interconnected units which, interdependently, aim to create ambidexterity—business unit(s) (BU), Fung Academy, and Explorium, a new innovation hub. Structurally, Explorium is incubated within the innovation team of the Academy and the talent that it leverages largely comes from the Academy. That is, the Explorium team (which consists of eight people) is a small subset of the innovation team, which is a small subset of the Academy (consisting of 40 people).

Explorium Hong Kong started with the same branded name as the “original” Explorium Shanghai⁴ in May 2018, as a part of the headquarters, in the context of “less space and less startups, less all that stuff happening,” explains Peter, and currently has a setup of a fuzzy front-end—a stage where value proposition and business model canvas are being iteratively defined.

The dominant roles of the Academy and Explorium are to be the explorative part of the organizational ambidexterity, which performs design practices, while the BUs are mostly responsible for the exploitative part, which performs routine work. However, innovation occurs when the institutionalized, routine practices in a BU change, as we will demonstrate in the following paragraphs.

⁴ Explorium has been around as an innovation hub for three years; it started in Shanghai, where it has gone through three different phases. In the first, experimentation phase, it was focused at trying new retail formats and inviting customers and businesses to test how they might work. The second phase revolved around developing an experience centre where the Group wanted to closely examine what the business of the Group is, so that people can engage in it and understand it better. The third, current phase is about engaging the startup ecosystem in Shanghai, the community of providers exploring new technologies and new ways of doing things, testing new technologies and business models.

Operationalization of ambidexterity through design practices

The examples we will provide in the following sections show how Fung Academy and Explorium, through various design practices, identify the needs of the BUs, influence and transform the BUs to take a risk in exploratory (including digital) innovations and change routinised, institutionalised practices.

The Academy is ahead of BUs in the sense that it enables by building the core capability of business—it develops and provides talent (i.e. creates entrepreneurial learners or DT-based institutional entrepreneurs), whereas the BUs builds on the “wave” of these entrepreneurs and more or less incrementally changes some of its routine practices (its inherently exploitative nature). Located within, but at the same time on the edge of Fung Academy as an autonomous, small unit, Explorium has more freedom to experiment and open to new opportunities in the ecosystem. Through its flexible structure and decentralised decision making, it acts as a connecting point via DT-based innovation via conveying needs, providing direction and connecting relevant stakeholders – internal and external, such as startups, enterprises, universities, and AI labs. In this sense, Explorium acts as a sort of gatekeeper which enables open innovation (Hafkesbrink & Schroll, 2010).

Within this model (see *Figure 2*), the business provides the challenges and the assets; Fung Academy and Explorium provide know-how processes and talent. Getting business put their skin in the game, with specifying some barriers, is an important factor in the model. Richard explains: “The question is if it's going to take us \$10 to go do a new thing, maybe business can put in \$5, and we put in \$5. Or, you put in \$2. Or, maybe, your \$2 is your two people for three weeks, full time, and then, if the business doesn't use the work, the innovation team has to pay back the money that was invested.”

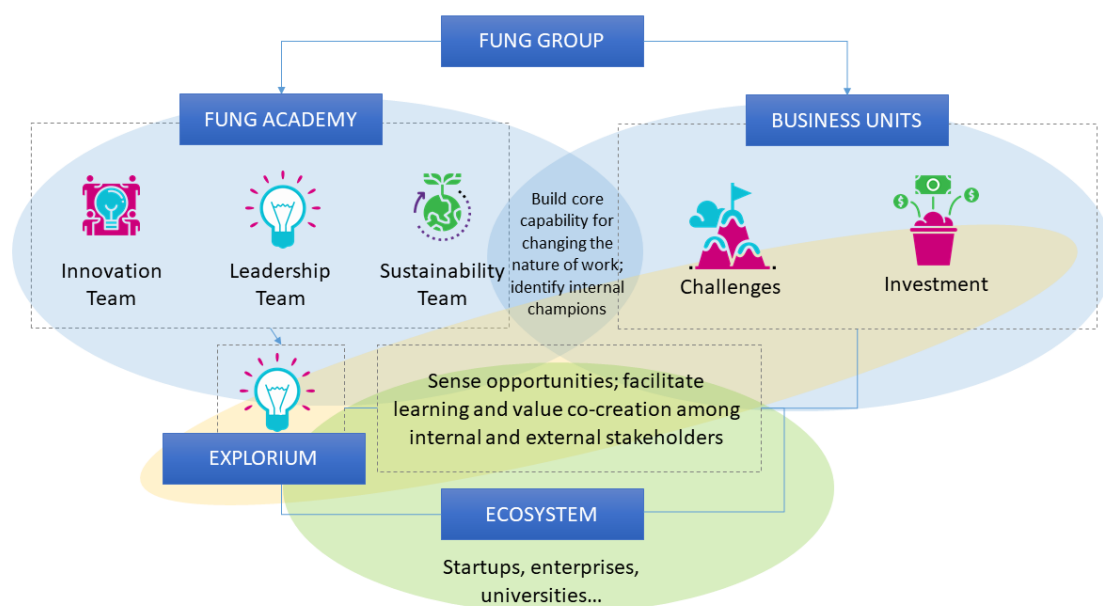


Figure 2 Operationalization of design-based innovation and ambidexterity

We further propose the trilogy of interrelated design practices which might be called absorptive, collaborative, and adaptive practices to depict the explorative work in the synergy of different units (cf. Lusch et al., 2007) (see Table 1). Then, we describe some examples of the practices within Fung Academy and Explorium.

Table 1: Roles and actors within various units in explorative part of organizational ambidexterity in Fung Group

Relevant unit	Main actor	Role
Business unit	Internal champion	<i>Collaborative practices</i> —co-creates with external champions (e.g. from startups); <i>adaptive practices</i> — implements a change of current practices to carry out the project and

		implement new solutions, support changes locally via internal champions.
Fung Academy	Innovation, leadership and sustainability team; innovation catalyst	<i>Collaborative practices</i> —empowers and enables employees by means of three pillars: innovation, leadership and sustainability; identifies and develops the champions/DT-based institutional entrepreneurs; <i>adaptive practices</i> —builds the core capability according to new knowledge and needs, implements the change in behaviour within the BU
Explorium	Part of innovation team; innovation catalyst	<i>Absorptive practices</i> —identifies the “below the iceberg” hidden needs of BUs and customers; senses opportunities in the environment (technology, partners, ideas in form of startups...); <i>collaborative practices</i> —creates opportunities for mutual learning and collaboration among relevant internal and external actors through workshops, showcases, hackathons etc.; facilitates value co-creation via DT practices that pilot new services, business models, etc.; e.g. via the Idea to scale DT practice
Startups, enterprises, universities, AI labs	External champion	<i>Absorptive practices</i> —provides new ideas; <i>collaborative practices</i> —collaborates with BUs and addresses their needs

The role of Fung Academy - building creative confidence and nurturing DT-based institutional entrepreneurs

Fung Group’s assumption is that in a network-orchestrated world, the network that learns fastest wins. In an asset-light business model, instead of capital, the assets are people. With its three pillars – leadership, innovation, sustainability—the Fung Academy poses questions such as: “What does it mean to be a leader in a global world? How to make Asian leaders feel really global?”

“It becomes less about doing innovation work and more about redesigning people's jobs to enable them to get the work done and act as innovators. It is about pushing new behaviours into business”, says Mara. Ultimately, it is about building autonomy into the process and building people’s creative confidence, which DT can greatly contribute to (Kelley & Kelley, 2013). As the business grew, the Fung group hired T-shaped, IDEO like people, everyone from data analysts to graphic designers, who would support this mission. Along with this journey, Richard stresses, they gathered more and more people, and slowly, over time “you are building this army of, an army of, these sort of, communities of passion.”

“Unless you lead through those people, they’re just serving the system versus they’re making the system,” says Richard. And this is hard to do if the “base is low, if people are all sitting in cubes, doing stamp work, and answering phones. That's not the kind of work we need to do in the future”, he notes.

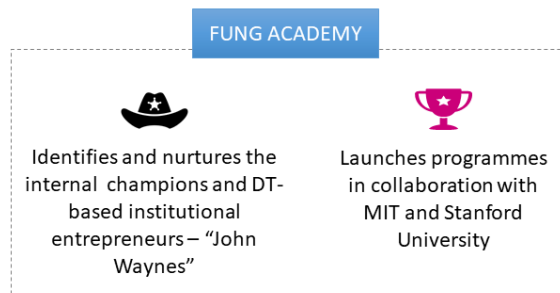


Figure 3 Empowerment through Fung Academy

Over the years, after hundreds of individuals going through the programmes, workshops, internal competitions, and lots of conversations about DT, people started to realize that they could come to the Academy, and through different ways of thinking, they could come out with different things. For example, the Academy partially launched one leadership programme in collaboration with MIT and Stanford University. One unique quality of the company is that it has grown its business by acquiring small businesses, the majority of which were owner-operators, entrepreneurs. Today, these people are entrepreneurs within the company, “‘little John Waynes’, people who would, metaphorically speaking say: ‘I’m, like, sheriff of my town, and I am the P&L owner,’ – “very entrepreneurial,” says Richard (cf. Fung et al., 2007). And there are thousands of P&L owners only in one part of the business. However, most of them have never attended university, because they have been building their business from a very early age. Having been presented with an opportunity to enrol in MIT leadership programmes, they came in tears because they went through this, Richard recalls, as if they were saying: “Oh, you think I’m good enough, so that you’re going to send me to Boston for two weeks, to MIT?” These people are very engaged and still adopt some of the frameworks they have learned. And then, there are those high-flyers who started to embrace self-learning, they call them “entrepreneurial learners”, people who are now constantly curious, learning all the time.

The role of Explorium – connecting between the needs of BUs and knowledge in the network

The primary role of Explorium is to be the *connector* between the needs of different BUs (the challenges that they are going through, as well as the challenges of their customers) and the knowledge residing in the network in order to enable growth through collaboration. Peter explains that the question becomes “How do we bring in and have access to a community of innovators, other corporates around Hong Kong to help us handle the challenges as they get thrown at us, and if they’re really good at that, then they can be part of the future of supply chain?”

The hypothesis is that if Explorium can persuade other people from the outside, such as startups, enterprises, universities, to work with them, they can show the people inside the BUs that it is feasible for them to try the same things. “So it can be as simple as say ‘okay well you have that pain point, we know 10 Chabot companies over here, that’s what we’re doing we’re building community, let’s bring you guys together and facilitate you working together”, says Peter. In a large organisation, in particular, the problem can be a lack of coordination of communication among the BUs, which might lead to not knowing what the units are doing; the role of Explorium is to connect these through DT practices.

Among internal (within the BUs) and external collaborators (within the community), the critical issue becomes finding the ones “that are highly engaging, the ones that are returning back, the ones who are constantly in the loop of what we want to do”, these are the ones “on their way to become champions”, explains Mara. A lot of their work, she says, is then revolving around how to convene some less comfortable ideas, benefits of it, and convince them that the team will provide support to their efforts to bring about projects locally. It is about instilling in these champions autonomy and a sense of ownership of the change.

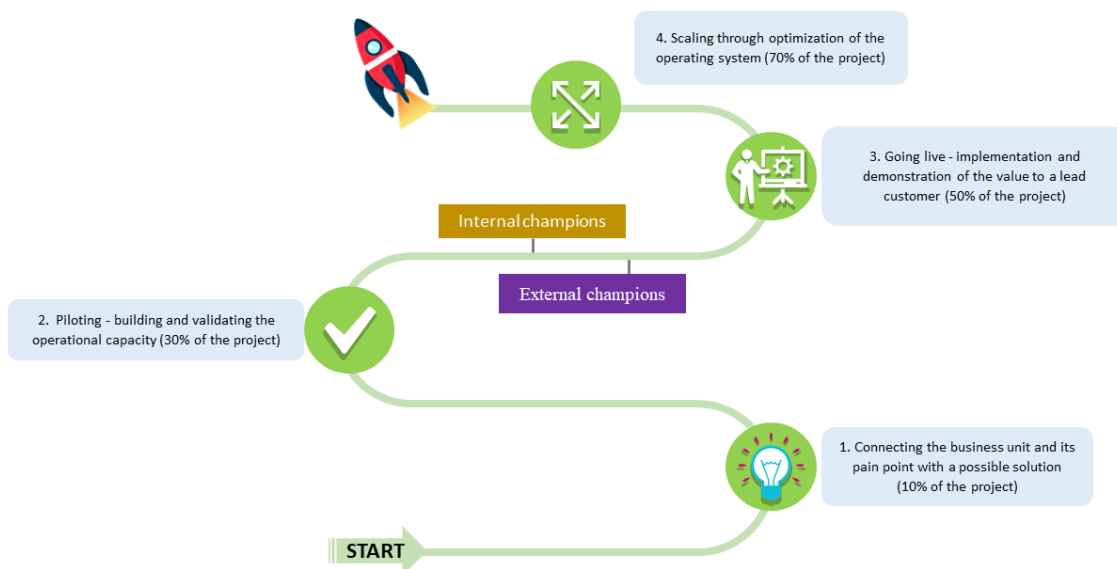


Figure 4 "Idea to scale" framework

To find and bring together potential internal (BUs) and external collaborators, the team organises and participates in various community events (e.g. the TechCrunch event in Shenzhen), organises showcases with startups and runs experiments—from running workshops (both internally and in other companies) to hackathons. Explorium particularly aims at collaborating with startups. It is assumed that the Group needs new ideas to grow. And since ideas nowadays often come in the form of startups, the goal becomes to utilize this potential through collaboration.

"Idea to scale" is one of the key design thinking practices in Explorium which addresses this problem, which follows a collaboration framework that facilitates business experimentation and learning through piloting new products, processes and business models in collaboration with external partners. It comprises a series of sub-practices which starts from the human and business "below the iceberg" needs identification and analysis, which the team helps to identify in conversations and interactions with relevant stakeholders through interviews, design thinking workshops and other activities (see Figure 4 for the different phases of the framework and Figure 5 for different roles).

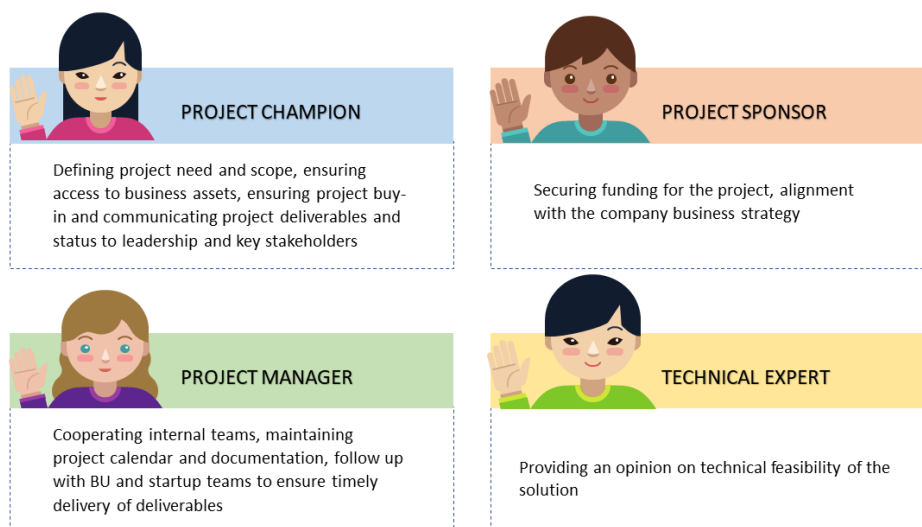


Figure 5 Different roles within the "Idea to Scale"

Cultural aspects of adopting design practices

Projects example: Changing company culture through experimentation

The conversations within the Fung Group revolve how they can begin to redesign how the core business actually operates, how to start to redesign the nature of the work by changing underlying values, norms, and assumptions, components of organizational culture according to Schein (2010). At Fung Group, design thinking (DT) is viewed both as a philosophy (mindset) and a set of practices. It is a frame of reference for the world and it is seen as powerful because it is pulling lean, customer experience and similar topics into the “overarching thing”. However, there is an implicit notion that there is not much sense in “banging” about using the DT. The point is not to talk about it, but to do it, argue the interviewees and, then communicate the value of its output. The existing DT frameworks are seen as helpful in terms of how they codify simple steps, but it is not as important which one is used. Giving people a terminology, however, can have an effect that lighthouse projects have. DT is in GE and in IBM and other big companies, which enables people to say “Yeah, we’re adopting design thinking.” “Oh, we’re part of cool kids!” says Richard. Thus, what really matters is what gives people confidence that they can do something different.

In their research into the link between design thinking and organizational culture, Elsbach & Stigliani (2018) have discovered that there is a recursive relationship between the use of design thinking tools and the development of cultural values, norms, and assumptions. Such a reciprocal relationship is also evidenced by the example of the early rapid 3D printing retail experiment, the project which brought some awareness to the organisation that “There’s this team of people who can take a crazy idea, go and make it happen.” That is, early attempts at changing organisational practices started in the company with experimentation and prototyping.



Picture 6. 3D printing experiment for Toys "R" Us

In 2013, Victor Fung, chairman of the Group, wanted Richard and his team to start with 3D printing and soon an opportunity to do something meaningful arose in 2013 when a gigantic yellow inflatable duck was about to dock in Victoria Harbour, a floating sculpture designed by the Dutch artist Florentijn Hofman. The team created awareness in the organization that there is an event which brings “crazy bunch in town” and that they can do something about it, that they can respond by creating new product and experience before the duck leaves the harbour in four weeks.

They reacted quickly, they assembled a small team that created (prototyped and iterated) customized 3D-printed toys in a super-fast way and brought a toy duck to retailer Toys “R” Us. They. This project did not only show the people in the organization what is possible, but also enabled them to do three more 3D printing projects, and started the conversations around questions such as “What does digital manufacturing mean?” “What is AI?” “What do robotics and automation do?” “What does mass customization do?” In other words, the project has served as a catalyst for numerous other projects that would have never happened without that first project. Projects like these are often called lighthouse projects because their aim is to enable people in the

organization to point to it and say “We can be innovative! Oh, we can do that!”, and in that way build innovation confidence and trust in the organization.

Over time, the use of DT tools helped to build more customer and user-centric focused culture, more open to experimentation and adoption of new ideas. Overall, the group’s capability for innovation and change has increased, according to the observation of interviewees. Following this experiment, DT tools, such as rapid prototyping (from digital MVPs to role-playing to discovering service prototypes), started to become an integral part of the company culture. More recently, the operating groups have established “voice of the customer” KPIs (which had not been in place before). Richard and his team are as well refocusing back on “brainstorming” and on developing tools around re-framing and H(ow)M(ight)W(e).



Picture 2 AI-powered smart checkout machines (Image Fung Retailing Group)

One recent important project (which created a new value) came out of “Idea to scale” practice is the partnership between retailing giant JD’s AI lab and the Fung Retailing Group to create AI-driven retail system with embedded AI-image recognition technology to enable checkout processing across Circle-K stores. The aim of the project is to develop a new retail format for China and Asia that would utilise AI-based technology innovations and integrated platforms. The project is continuing the path of building the culture of experimentation and user-centricity, with a specific aim to allow consumers to try out Hong Kong’s first checkout experience based on AI-recognition and provide their feedback.

Challenges in adopting design practices

Cultural factors

Some challenges stem from social and cultural factors such as having permission and saving face, related to Confucian culture. On a practical level, however, simple things can be done, as going local in adopting DT. People should not be forced to run a brainstorm in English if they are more comfortable to do it in Mandarin. As well, instead of making a competition of writing post-its, a better approach would be to write ten post-its, put them up on the board and talk about them. It is necessary to understand, that the natural Western way of “I wanna share everything I’ve got about myself, it’s just not an Asian thing,” Richard stresses. However, bodystorming and prototyping are on the other hand easy to do here. Chinese people like a notion of play, which explains why karaoke is so popular here. He explains: “you get people to play a different role” and people will be like, “Oki, we`ll play that.”

Further on, the particular non-disruptive notion of how things are done in Hong Kong, according to interviewees, influences how the problems should be approached. For example, trying to get people to start from a lean experiment about something completely disruptive would result in the answer "What's that got to do with our business?". In contrast, starting from a different place, like "Here's where we are. We've got ten choices. How do you prototype those?" would make them feel "Oh, we can do that!" Essentially, it is about how to find different ways of doing things that are actually the same.

In the Asian culture the disruption of balance, yin and yang of life, is not something which is often welcomed, says Richard. For this reason, Chinese innovations are often incremental and not disruptive. Richard explains, "That is why when you look at China, who is really disruptive?" Their natural inclination, he explains, is to take on a task, work on it and let the solution develop over time: "If you write in Chinese, right, you get little square blocks, and you do hours of characters. And, over time, your style comes out. But, it's emulating after 20,000 times doing the same thing. And, so, the natural idea of doing something completely new is hard. (...) "it is difficult to innovate here in an "IDEO kind of way" because people think that that's not their business.

Organizational structure and mindset

The hardest thing for most people is figuring out what the value is in various design practices in support of the innovation and how to make money out of them, because "What is the value created, it's not so visible and we need to make that invisible to come to the surface," says Richard. One of the keys is not so much to talk about innovation but always about growth. "And, that's the point, right?", says Richard, "both design thinking and innovation are just useless words. You talk about growth and changing the value, and that's all you do."

People are as well incentivised based on the year targets and not on how portfolio growth might look for the next ten years, which is what innovation is essentially about. The interviewees point out that employees are sometimes caught up in traditional, industrial logic-based thinking or too focused on a daily business and immediate concerns. Often BU "adhere very strongly to 'this is how we do this,'" especially in Hong Kong, says Peter, and training that muscle to be more flexible is the goal of his team. "Which brings those champions back in into the room, how to build on those champions that we know will be more open to ideas like this than the ones who won't," he says.

One other challenge is to work with "different customers, vendors, teams, cultures, time zones, which requires navigating through all these"; "what makes our job more exciting (...) is to constantly be with people, understand their pain points, apply the DT, and then see how we can customize for each customer," says Mara.

Discussion and learnings

To be competitive, service organisations such as Fung Group need to be able to create (radical) knowledge continuously (cf. Ahmed and Wang, 2003); in this case, with the aim of satisfying the needs of their business units, customers and partners. The present three-year plan (2017-2019) emphasizes the Fung Group efforts in embedding an institutionalized mechanism for the reinvention of their business as a way to "anticipate changes and have a system of governance and management that facilitates this." The establishment of Explorium and practices facilitated both by Explorium and Fung Academy can be seen as such mechanisms, with internal and external stakeholders becoming resource integrators in value co-creation.

Whereas the role of Fung Academy is internally driven—its main focus is to build the core capability of the BUs, to support learning and to empower the employees, Explorium is on the edge of the organisation, "where the skin is the thinnest", with the role of sensing the opportunities in the environment and tackling the hidden, "under the iceberg" problems of the organisation (absorptive practices) through collaboration with partners within the ecosystem and pilots (e.g. through the "Idea to Scale" practice) (collaborative practices). In the feedback loop, the learning facilitated by Explorium is fed back to the Fung Academy and business units (adaptive practices).

The critical role is played by the actors who are likely to act as champions when they need to implement the changes that break with institutionalized practices. Champions can help to implement the changes locally, in specific business units (internal champions) and in the community (external champions). These champions might be seen as institutional entrepreneurs, i.e. individuals on whom the company might rely to initiate and carry out the necessary changes (cf. Battilana, 2006). The company encourages a culture of autonomy—

continuous learning, taking risks and experimenting particularly with the help of these champions and entrepreneurial learners.

The design practices within Explorium and Fung Academy act as an integral part of the larger value ecosystem. Through absorptive, collaborative and adaptive practices, knowledge is continuously co-created with all the participating actors in the network and fed back into the sub-systems such as business units, and at the same time to the partners in the community within the ecosystem. For example, the knowledge and capabilities that start-ups gain through collaboration with the company can help in solving a BU's (and its customers') specific problems, but can also support its own growth and, in the long term, affect other stakeholders. In this sense, design practices are boundaryless (ecosystemic) and interdependent with the wider social and cultural contexts.

By looking into the identified practices and experiences in this paper, and recognizing the complex relationship between design practices on the one hand and the social and cultural structure within the organisation and the broader ecosystem, on the other hand, managers can find some inspiration for managing change. Since change involves breaking with the current institutionalised practices, managers are invited to recognise that it is necessary that the social structures or institutions support change. For example, incentivising the champions (institutional entrepreneurs) who support change locally and develop the value of "intrinsic 'I want to help the world, I want to help my partners' versus extrinsic 'I'm going to win a competition'", notes Richard.

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