What is design management?

In Europe design management is a documented and proven career. Not so in Australia.

Many Australian design studio owners remain unconvinced a design manager can add value.

They're confused about the role and its responsibilities.

It's no wonder there is confusion:

» in a large studio, design management tasks may be done by a **general manager**.

» in a mid-sized studio, design management tasks may be done by a **studio manager**, and

» in a smaller studio, design management tasks may be done by a **studio owner**.

» in other studio structures, design management tasks may be done by someone sharing a **client service** role.

During this program, we will use the inclusive term *design manager* to describe all these roles.
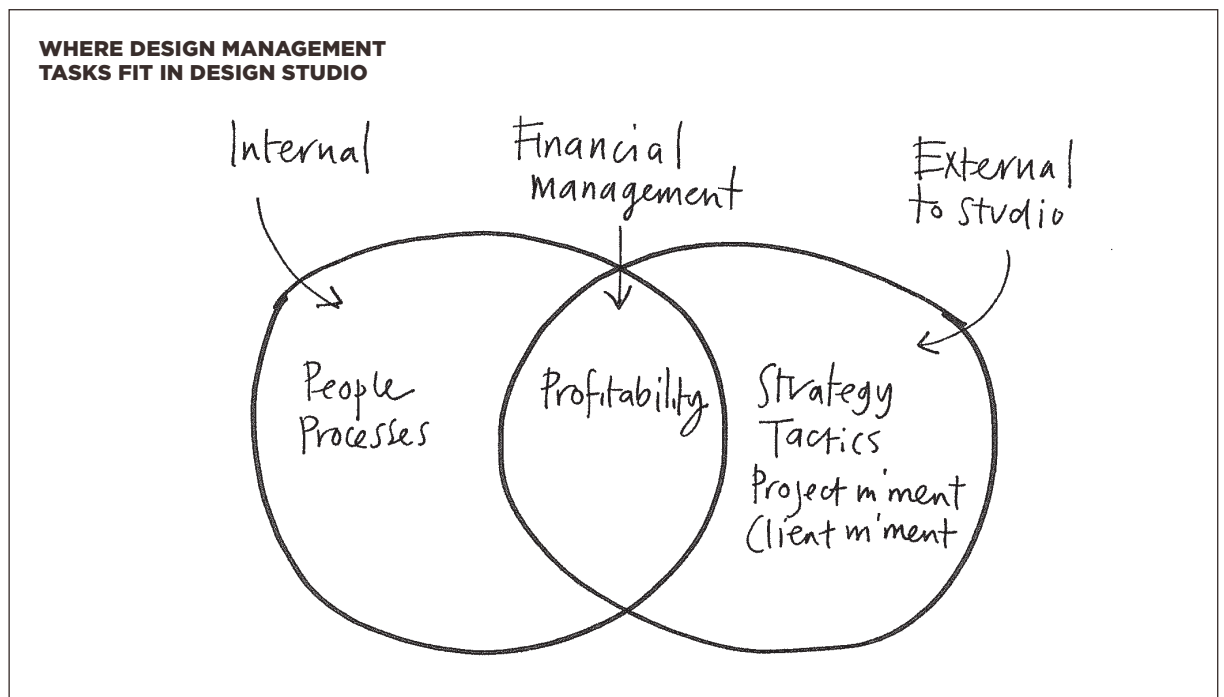
Defining design management.

The Design Management Europe website definition:
"Design management is the cultural, strategic and operational use of the design resources (internal and external) available to an organisation, directed towards the creation and attainment of business and organisational objectives."

The Design Management Institute definiton:
"Design management encompasses the ongoing processes, business decisions, and strategies that enable innovation and create effectively-designed products, services, communications, environments, and brands that enhance our quality of life and provide organizational success."

Neither of these is a practical definition that helps a studio owner explain and sell design management to clients. A better explanation begins by understanding design management operates on two levels: internal and external. Underpinning both is the financial aspect which ensures that design management is productive and profitable for the studio and its clients.

**WHERE DESIGN MANAGEMENT
TASKS FIT IN DESIGN STUDIO**

Internal

Financial Management

External to studio

People Processes

Profitability

Strategy Tactics Project m'ment Client m'ment

Internal design management.

The internal role of a design manager can be divided into two levels: administrative and management.

Management tasks include:

» helping to define a studio's vision, mission, values and purpose.
» defining roles and responsibilities by writing and maintaining employment contracts
» creating a team culture
» measuring and tracking the financial viability of the studio by determining hourly rates, setting profit margins and calculating value add
» collaborating on new business strategy and tactics for gaining, retaining and growing clients.

Administrative tasks include:

» tracking productivity and the progress of jobs, to ensure they stay within budget
» measuring client satisfaction at the end of a project
» maintaining human resources records.

External design management.

A design manager must understand business. Their role is to represent the clients' business interests within the design process. This means they understand the strategy behind projects and the process of delivering that strategy.

Design managers understand tools such as customer journey mapping and empathy mapping and they have the ability to develop a value proposition. They are able to introduce design thinking into a clients' business and assist them to innovate.

Their role is to help improve a clients' business.

Design managers also excel at project management. They know how to reduce costs, add value in the process, manage the players in the project and exceed client expectations.

And then there are the financial skills.

Design managers have the ability to develop budgets, make cash flow projections, manage the finance of a new project and gain a return on investment.

A design manager has responsibility for all these tasks in a design studio but it's important to note that responsibility does not imply implementation. They may delegate tasks to others and manage remotely.