Aligned design: exploring strategic alignment of design in large
firms

by

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Abstract

The alignment between design and business strategy in large firms is important because it enables designers to work more effectively with employees from various disciplines on sustainable opportunities, prioritize available resources to achieve objectives, and support distinctive value propositions.

The results of a literature review and responses to 11 questions provided by eight employees of four large firms (two retailers and two technology vendors) were used to: produce an alignment capability inventory – list of resources, processes and priorities that large firms employ to align design and business strategy, identify configurations of design and business strategy, and develop a model and propositions of the factors that affect design and business strategy alignment.

This research will be of interest to top management teams of large firms where the alignment between designers and strategists is low as well as researchers studying strategic alignment in large firms.

Keywords: strategic alignment, design, business strategy

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Chapter 1: Introduction

1.1 Motivation

The purported benefits of aligning a role, functional strategy, or intangible asset with a large firm's business strategy are numerous. These benefits include improvements to organizational efficiency (Papp, 2001; Wagner et al., 2014; Wu et al., 2015), improved financial performance (Papp, 1999; Heracleous & Werres, 2015; Sabherwal & Chan, 2001), and sustainable competitive advantage (Avison et al., 2004; Baker et al., 2011; Porter, 1996; Powell, 1992; Wagner et al., 2014). Moreover, the value of intangible assets (e.g., processes, intellectual property, human knowledge, software applications, design, and cognitive capability) is partly determined by the degree to which they are aligned with an organization's strategy. If firms wish to maximize the business value they realize from their intangible assets, they must maximize the alignment of those intangible assets with their business strategy (Henderson & Venkatraman, 1993; Kaplan & Norton, 2004).

This research addresses a knowledge gap identified in the literature: What large-firm capabilities are used to align design and business strategy? What are the design and business strategy configurations that can be observed in large firms? What factors increase alignment between design and business strategy for each observed configuration?

1.1.1 Large-firm capabilities to align design and business strategy

Little is known about the specific capabilities used to align design and business strategy in large firms and the factors that improve this alignment.

Organizational capabilities have been conceptualized in various ways (Hein et al., 2014). For the purpose of this thesis, we adopt the conceptualization of organizational capabilities offered by Christensen and Overdorf (2000) and Christensen and Kaufman (2008). Accordingly, a large firm capability refers to the three factors deemed to define what the organization can and cannot do: resources, processes, and priorities. Resources are "things" that are visible and often measurable in large firms such as people roles, equipment, technology, products, brands, information, cash, and relationships. Processes are the ways that organizations use to transform inputs into products and services of greater worth. Formal processes are explicitly defined, documented, and followed and informal processes are the ways of working that have evolved over time. Priorities are the things that need to be dealt first because they are deemed to be most important (Christensen & Kaufman, 2008; Christensen & Overdorf, 2000).

1.1.2 Relative arrangement of design and business strategy in large firms

The prevailing view is that business strategy directs design strategy and that design strategy directs design behaviour in large firms. Therefore, leaders in the field of design have encouraged designers to understand business strategy and align their work to it (Brown, 2009; Lockwood, 2010).

The prevailing view conceptualizes the role of design as aligned but always subordinate to business strategy much in the same way that the role of information technology has been considered to be aligned and subordinate to business strategy over most of the last 30 years (Bharadwaj et al., 2013). Recently, companies have been using design to direct business strategy as well as business ecosystems (Brown & Martin, 2015). Accordingly, conceptualizing the role of design as being both aligned and

subordinate to business strategy in all large firms may not be appropriate. The relative arrangement between design and business strategy in large firms has not been examined.

1.2 Goal, objectives, and outputs

The goal of this research is to improve how designers and strategists within large firms align their work.

The objectives of this research are to provide: 1) designers and business strategists in large firms with practical ways to improve how they align their work, and 2) researchers with insights on how design and business strategy are arranged in large organizations and insights that can be used to expand the current domain knowledge.

The outputs of this research are: 1) an alignment capability inventory -- a list of resources, processes, and priorities that large firms use to align design and business strategy, 2) relative arrangement of design and business strategy observed in large firms, 3) a model that identifies the factors that affect design and business alignment in large firms and a set of propositions anchored on the model.

1.3 Relevance

Top management teams, designers, design managers, and strategists will be able to use the alignment capability inventory to develop and maintain a record of the resources, processes and priorities used to adjust design decisions and business strategy decisions as well as identify the individuals and organizations responsible for maintaining them.

Top management teams will also be able to use the alignment capability inventory to mitigate organizational anxieties associated with the expansion of the role and

influence of designers in large firms. Often, the root cause of these anxieties is the fear that designers can contribute to strategic misalignment (Rauth et al., 2016).

Additionally, top management teams in large firms can use the model that identifies the factors that affect design and business alignment to determine what sorts of initiatives their organization should focus on to improve the strategic alignment of design behaviours and support different types of innovation.

Finally, researchers contributing to the advancement of the design thinking domain can test the propositions developed in this research and suggest future research efforts.

1.4 Contribution

This research contributes to interdisciplinary design knowledge and practice in at least five ways. Firstly, this research is a step towards filling an existing gap in the literature by examining the resources, processes and priorities used to align and integrate design and business strategy in large firms.

Secondly, the listing of capabilities that large firms use to align the actions of strategic planners with the actions of designers paired with the set of propositions for actions to align design decisions and business strategy in large firms, may provide insights for researchers and practitioners seeking prescriptive advice for aligning the work of creative professionals with business strategy.

Thirdly, the capability inventory framework may be useful for those seeking a resource to improve the alignment of design behaviours and strategic capability development.

Fourthly, the model of the factors that affect the alignment of design and business strategy may be helpful for those seeking to identify specific ways that strategic alignment of design can be improved at their large firm.

Lastly, it is hoped that this research will contribute to the continued adoption and influence of design practices outside of the studio by demonstrating how design practices can support business strategy execution and strategic capability development at large firms.

1.5 Organization

Chapter 2 reviews strategic alignment literature stream to identify the resources, processes, and priorities that large firms can use to align design behaviours and business strategy. Chapter 3 describes the methods used to carry out this research. Chapter 4 provides the results of this research and Chapter 5 provides a discussion of these results. Finally, Chapter 6 provides the conclusions, limitations of this research and suggestions for future research.

Chapter 2: Literature Review

Chapter 2 is organized into three sections. Section 2.1 provides a list of the resources processes, and priorities that large firms use to: i) enable their various parts to work in harmony and ii) align information technology and business strategy. The purpose of Section 2.1 is to establish the base upon which this research stands. Section 2.2 provides the lessons learned from reviewing the literature. Section 2.3 is a summary of Chapter 2.

2.1 Alignment capability inventory drawn from the literature review

The literature that examines the alignment of design and business strategy is small and underdeveloped. For this reason, two other larger and more mature literature streams were reviewed. The first examines a broader topic – the capabilities that enable parts of a large firm to work in harmony. This literature focuses on the alignment of design and business strategy. The word “harmony” better reflects the emerging relationship between design and business strategy than the prevailing view where design is subordinate to business strategy.

The second literature stream that was reviewed focuses on the alignment between the information technology (IT) function and business strategy given that this literature has grown considerably over the last 25 years (Coltman et al., 2015).

Sections 2.1.1, 2.1.2, and 2.1.3 identify the resources, processes and priorities used to enable parts of a large firm to work in harmony or align the information technology function with business strategy.

2.1.1 Resources that enable alignment

For each resource used to enable parts of a large firm to work in harmony or align the information technology function with business strategy that was identified in the literature, Table 1 identifies the purpose for which the resource is used as well as the appropriate reference.

	Resource	Resource is used to:	Reference
1	Balanced Scorecard	Measure performance by translating strategic objectives to individual objectives; measuring individual contribution to alignment via performance objectives; adding structure and consistency to strategic planning, and supplying a mechanism for strategy feedback and review.	<ul style="list-style-type: none">• Hoque, 2014, 34, 52-56.• Huang & Hu, 2007, 181-182.• Kaplan & Norton, 2006, 259-288.• Kaplan & Norton, 2007, 158.• Van Grembergen et al., 2004, 129-151.
2	Design Value Scorecard	Close communication gap between designers and their business management counterparts regarding the role and value of design within the firm and its business model.	<ul style="list-style-type: none">• Westcott et al., 2013, 12.
3	Enterprise architecture	Improve understanding of business operations across business functions and make process/systems integration and cross-training of employees easier.	<ul style="list-style-type: none">• Saat et al., 2010, 14-21.• Tamm et al., 2011, 145.
4	Enterprise-wide business terminology	Support understanding and the sharing of knowledge between various business domains.	<ul style="list-style-type: none">• Reich & Benbasat, 2000, 107-108.• Syrett, 2012, 80.
5	Informal networks and relationships	Facilitate communications, idea exchange, and co-creation as well as provide visibility and collaboration to achieve alignment between two or more business	<ul style="list-style-type: none">• Chan, 2002, 108-110.• Chan & Reich, 2007, 311-312.• Chen et al., 2010, 248.

		domains.	
6	McKinsey 7S Framework - strategy, structure, systems, shared values, skills, style, and staff	Examine likely effects of future changes within a company, align departments and processes during a merger or acquisition, and examine ways to implement a proposed strategy.	<ul style="list-style-type: none"> • Kaplan & Norton, 2006, 38. • Singh, 2013, 41. • Waterman et al., 1980, 18.
7	Owner of strategic alignment	Improve strategic alignment across the firm, ensure strategic alignment	<ul style="list-style-type: none"> • Chan & Reich, 2007, 311. • Gilbert, 2013, 4, 13-14. • Kaplan & Norton, 2006, 253-256. • Syrett, 2012, 57.
8	Playing to Win Toolkit	Formulate and implement strategy based on answers to five questions: <ul style="list-style-type: none"> • What is our aspiration? • Where will we compete? • How will we win? • What capabilities must be in place? What management systems are required?	<ul style="list-style-type: none"> • Lafley & Martin, 2013, 5-6.
9	Strategic Alignment Maturity Model	Assess the maturity of an organization's strategic alignment in terms of: communications, competency/value measurement, governance, partnership, scope/architecture, and skills.	<ul style="list-style-type: none"> • Luftman, 2004, 99-128. • Luftman et al., 2012, 87-101.
10	Strategic Alignment Model	Visualize and design business strategy, information technology strategy, business operations, and IT operations in a coordinated and aligned manner.	<ul style="list-style-type: none"> • Avison et al., 2004, 223-246. • Coltman et al., 2015, 92. • Henderson & Venkatraman, 1993, 4-16.
11	Strategy Map	Link strategic objectives to the actions of business domains and individuals throughout the firm. Improve the ability of individuals to	<ul style="list-style-type: none"> • Cheng & Humphreys, 2012, 918-921. • Chew & Gottschalk, 2009, 131-164. • Kaplan & Norton,

		understand how strategy relates to them and make decisions that are aligned with strategies connected to other business domains.	2000, 167-176. <ul style="list-style-type: none"> • Kaplan & Norton 2006, 140-147.
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Table 1: Resources that enable parts of a large business to work in harmony or align information technology function and business strategy

2.1.2 Processes that enable alignment

For each process used to enable parts of a large firm to work in harmony or align the information technology function with business strategy that was identified in the literature, Table 2 identifies the purpose for which the process is used as well as the appropriate reference.

	Process	Process is used to:	Reference
1	Business Process Management	Identify business processes and drivers of customer value creation across business functions; identify areas to improve integration, and prioritize alignment improvements.	<ul style="list-style-type: none"> • Bandara et al., 2015, 289-307. • Burlton, 2015, 45-78.
2	Cascade new strategic elements	Adjust missions, priorities, strategies, planning processes, metrics, and plans to ensure new elements are aligned with other new and existing strategic elements.	<ul style="list-style-type: none"> • Chan, 2002, 105. • Kaplan & Norton, 2006, 245-258. • Lafley & Martin, 2013, 14-18. • Syrett, 2012, 141.
3	Cross-functional skills development (e.g., develop information technology skills for line personnel, and business skills for information technology personnel)	Build empathy and understanding and improve communication and collaboration across functions as well as provide opportunities to cross-hire or integrate workforces.	<ul style="list-style-type: none"> • Chan, 2002, 105. • Chan & Reich, 2007, 312. • Luftman, 2015, 25-26.
4	Executive representation in operational teams and	Provide influence and exposure for domain	<ul style="list-style-type: none"> • Chan, 2002, 105. • Chew & Gottschalk,

	committees	executives in important decision making forums.	<p>2009, 149.</p> <ul style="list-style-type: none"> • Kaplan & Norton, 2006, 277-281. • Luftman, 2015, 24. • Reich & Benbasat, 2000, 105. • Wu et al., 2015, 511.
5	Governance that enables alignment	Identify initiatives that need to be aligned, establish alignment gates or check-points, share information among executives, and share risks, benefits, and accountability between domains.	<ul style="list-style-type: none"> • Chew & Gottschalk, 2009, 147-159. • Coltman et al., 2015, 96-97. • Kaplan & Norton 2006, 245-249. • Luftman, 2015, 23. • Luftman et al., 2012, 87-101. • Wu et al., 2015, 510-512.
6	Internal communications (vertical and horizontal) and share domain knowledge across functions	Share knowledge within and between business domains and establish a common understanding of business strategy across the firm.	<ul style="list-style-type: none"> • Chan, 2002, 105-110. • Chan & Reich, 2007, 311-312. • Gilbert, 2013, 3. • Kaplan & Norton, 2006, 79-81. • Luftman, 2015, 21-22. • Reich & Benbasat, 2000, 105. • Wu et al., 2015, 511.
7	Iterative work process with feedback (e.g. prototypes, Scrum showcases)	Create touchpoints with stakeholders where feedback can be elicited so alignment opportunities can be identified and adjustments can be made to improve alignment.	<ul style="list-style-type: none"> • Jenkin & Chan, 2010, 42. • Walter et al., 2013, 309.
8	Linked metrics and incentives	Drive behavior to attain collective goals.	<ul style="list-style-type: none"> • Chan, 2002, 105. • Kaplan & Norton, 2006, 263-277. • Luftman, 2015, 22-23.
9	Master Data Management	Establish common definitions, sources, and management of data	<ul style="list-style-type: none"> • Wagner et al., 2014, 197.

		across the firm (or value chain) to facilitate integration of business processes, systems, and roles across business domains.	
10	Project portfolio management	Align project scope and project resources with strategies, processes, technologies, organizational structures, or environmental factors.	<ul style="list-style-type: none"> • Kaiser et al., 2015, 132-135. • Meskendahl, 2010, 809. • Unger et al., 2012, 680-682.

Table 2: Processes used to enable parts of a large business to work in harmony or align information technology function and business strategy

2.1.3 Priorities that enable alignment

For each priority used to enable parts of a large firm to work in harmony or align the information technology function with business strategy that was identified in the literature, Table 3 identifies the purpose for which the process is used as well as the appropriate reference.

	Priority	Priority is used to:	Reference
1	Continuous improvement	Allocate time and resources to a program that seeks to improve alignment at all levels of the firm.	<ul style="list-style-type: none"> • Gilbert, 2013, 11. • Markovitz, 2016, 22. • Wagner et al., 2014, 197.
2	Culture of alignment from CEO to front-line workers	Influence employees' behaviours.	<ul style="list-style-type: none"> • Huang & Hu, 2007, 180. • Negoita et al., 2013, 3. • Trienekens et al., 2014, 6-7.
3	Learning by doing	Create a safe environment where integration and alignment are seen as dynamic learning activities.	<ul style="list-style-type: none"> • Gilbert, 2013, 7-8, 11-12. • Markovitz, 2016, 22.
4	Transparency	Make information and	<ul style="list-style-type: none"> • Gilbert, 2013, 11.

		processes open and available internally and selected external partners.	<ul style="list-style-type: none"> • Markovitz, 2016, 22. • Wagner et al., 2014, 196-197.
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Table 3: Priorities used to enable parts of a large business to work in harmony or align

information technology function and business strategy

2.2 Lessons learned from reviewing the literature

2.2.1 Knowledge gap identified

The extant literature that examines the alignment of design and business strategy is underdeveloped relative to the literature that examines the alignment between information technology and business strategy and the literature on how large firms make their parts work together harmoniously. Despite calls for designers to align their work to business strategy (Brown, 2009; Lockwood, 2010) the literature on the alignment between design and business strategy continues to be underdeveloped.

2.2.2 Capabilities that enable parts of a large firm to work in harmony

The capabilities that enable parts of a large firm to work in harmony identified from the literature review include 11 resources, 10 processes and four priorities. Of the 11 resources identified, five are management tools (Balanced Scorecard, Design Value Scorecard, Playing to Win Toolkit, Strategic Alignment Maturity Model, and Strategy Map); three are intangible enterprise assets (Enterprise architecture, Enterprise-wide business terminology, and Informal networks and relationships); two are management frameworks (McKinsey 7S Framework, and the Strategic Alignment Model); and one is an organizational role (Owner of strategic alignment).

Of the 10 processes used to support harmonious work among different part of the firm, six enable the pursuit of shared goals (Business process management, Cross-

functional skill development, Governance that enables alignment, Master data management, Project portfolio management, Iterative work process with feedback), three help employees develop a common understanding of their shared goals (Internal communications and share domain knowledge across functions, Cascading new strategic elements, Executive representation in operational teams and committees); and one measures performance (Linked metrics and incentives).

Four priorities that support parts of a large firm working in harmony were identified. Of the four priorities, three (continuous improvement, learning by doing, and transparency) create an innovation environment where individuals are enabled and encouraged to be innovative not just operate within existing formal structures or silos. The fourth priority is a culture of alignment which is recognized as being the most important to sustain the alignment over the long-term (Huang & Hu, 2007, 180).

2.2.3 Strategic alignment is more multidirectional than unidirectional

In unidirectional alignment, one business domain is considered superordinate and other subordinate business domains must align their behaviours to be in harmony with the superordinate domain. Strategic alignment, on the other hand is consistently referred to in a multidirectional context -- two business domains actively modify their behavior to align with the other (Chew & Gottschalk, 2009; Herderson & Venkatraman, 1993; Kaplan & Norton, 2006; Luftman, 2004). In the case of information technology (IT) strategic alignment, Huang and Hu (2007, 181) explain that “alignment is a two-way street: IT needs to be business savvy, and business has to become technology aware. Although the responsibility of informing and discovering innovative use of IT to enhance business rests

squarely on the CIO's shoulders, other executives need to routinely take IT into consideration when formulating and executing business strategies".

2.2.4 Strategic alignment is a dynamic, continuous journey

While some researchers have referred to strategic alignment as a static state, the prevailing view among researches is that strategic alignment is a dynamic, continuous improvement process that is analogous to a journey as opposed to having a fixed start and end (Benbya & McKeeverly, 2006; Chan & Reich, 2007; Herderson & Venkatraman, 1993; Jenkin & Chan, 2010; Luftman, 2015). In this way, strategic alignment is pursued (rather than achieved) as part of a formal or informal iterative and continuous improvement program (Chew & Gottschalk, 2009, p. 133; Pijpers et. al. 2008).

2.2.5 Strategic alignment is driven by individual decisions across the firm

Scholars conceptualize strategic alignment as the product that results from aggregating choices that individuals across the entire firm make within a dynamic environment (Coltman et. al, 2015; Kaplan & Norton, 2007; Syrett, 2012, 141). Strategic alignment necessitates influencing the behavior of a multitude of individuals throughout the firm, and not just executives.

2.3 Summary

Chapter 2 examined the literature to identify the capabilities that enable parts of a large business to work in harmony or align the information technology function with business strategy. A total of 25 capabilities were identified -- 11 resources, 10 processes and four priorities.

Chapter 2 also identified three key lessons learned from reviewing the literature.

Chapter 3: Research Method

Chapter 3 describes the approach and the method used to carry out this research and it is organized into four parts. Section 3.1 provides the rationale for using the qualitative approach in this research. Section 3.2 summarizes the research method. Section 3.3 describes each of the steps of the research method used. Section 3.4 provides a summary of Chapter 3.

3.1 Research approach

3.1.1 Approach

Given the exploratory nature of the research question, a requirement to engage in open-ended data collection became apparent so a qualitative approach to research design was selected (Bouma et al., 2012).

Both strategy and design are the product of a synthesis process which may take place partially or completely in the minds of individuals (Kolko, 2010). Therefore, observation is not an ideal approach to understanding how strategy is comprehended by designers, and design is comprehended by strategic planners. Additionally, document-based methods are ill-suited to this research given that a source of salient documentation (such as thought journals and existing transcripts of strategy or design workshops) is not publicly available.

Interviews, on the other hand provide the best opportunity to explore how and individual thinks or feels (Bouma, et. al, 2012). By providing participants with a mechanism to communicate how they perceive and interpret business strategy and design, and how they feel business strategy and design should and do influence each other,

interviews represented the best chance of exploring the research questions around strategic alignment of design.

3.1.2 Convenience sample

This research uses convenience sampling, a non-probability sampling technique (Robinson, 2014). Subjects were selected because of their convenient accessibility and proximity to the researcher.

3.1.3 Study period

Data was collected through direct individual interviews occurring between December 6, 2015 and February 29, 2016. The interviews were conducted face-to-face, in a private room at the participant's place of work or over the telephone from the participant's location of choice.

3.2 Research method

Table 4 provides a summary of the six-steps of the method used to conduct this research.

Step	Dominant activity carried out	Outcome
1	Review the academic and professional literature in the strategic alignment literature stream.	List of resources, processes, and priorities that large firms use to align IT and business strategy, and/or enable different parts of the firm to work in harmony. Lessons learned from the literature review.
2	Develop interview guide comprised of questions addressed to employees of large firms in design and business strategy roles and secure Carleton University's approval.	Interview guide approved by Carleton University's Research Ethics Board (CUREB-B).

3	Identify designers and business strategists willing and able to participate in the research study.	Contact information of interview candidates.
4	Conduct in-person interviews with participants at their place of work or over the telephone.	Recordings of the interviews and a set of notes taken during the interviews.
5	Code and analyze the responses.	List of resources, processes, and priorities used to align design and business strategy in participating firms. Lessons learned from in person interviews that were not learned from reviewing the literature.
6	Assemble alignment capability inventory, identify design-business strategy arrangements in large firms, model of alignment factors and develop propositions.	Alignment capability inventory. Set of design-strategy arrangements. Model to align design and business strategy in large firms, and a set of propositions that can be used to examine the means to align design and business strategy in large firms.

Table 4: Summary of research method

3.3 Steps carried out to produce deliverables

3.3.1 Review the academic and professional literature

The strategic alignment literature was reviewed. The purpose of the literature review was to compile an inventory of large-firm capabilities used to enable a) parts of a large firm to work in harmony and the alignment between information technology and business strategy. The capabilities identified were organized into resources, process, and priorities (Christensen & Kaufman, 2008).

3.3.2 Develop interview guide

A semi-structured interview guide was developed with the support of the literature review Appendix A includes the interview guide. Questions were created to ensure that each interviewee could sufficiently explain: a) their firm's strategic planning process, b) how they interact with strategic planning processes, c) the role of design at their firm, d) how design and business strategy interact at their firm, and e) their opinions of whether this interaction creates value.

The outcome was an interview guide comprised of 11 questions that covered four areas of interest: strategic planning at the firm, design at the firm, execution of strategy at the firm, and strategic alignment at the firm.

3.3.3 Identify respondents

While CEOs and designers from major product and service firms like Apple, Google, Netflix, and Intuit would make ideal interview participants, they were simply inaccessible to the researcher.

Given the need to keep the potential sample population wide enough to ensure successful recruitment, but narrow enough to ensure valuable interview insights, a convenience sample was pursued. Table 5 outlines the steps taken to identify a convenience sample of qualified interview participants.

Step	Dominant activity carried out	Outcome
1	A list of all individuals in the researcher's professional network was compiled.	A list of everyone the researcher personally knows in a professional capacity.
2	Those individuals who were not currently or recently employed at a large (500+ employees) for-profit firm were filtered out.	A list of everyone the researcher personally knows in a professional capacity who currently or recently worked at

		a large firm.
3	An invitation e-mail was sent to the individuals currently or recently employed at a large firm (see Appendix B). A list of individuals who responded positively was compiled.	A list of individuals who responded positively to the solicitation e-mail.
4	Individuals who positively responded to the e-mail invitations were asked if they would be able to provide two interviewees from their firm: one designer and one individual who works with business strategy, such as an executive or strategic planner.	Four large firms were identified that were able to supply two qualified interviewees (see Table 6). The contact information of each qualified interviewee.

Table 5: Identifying qualified interview candidates

The details of each individual interview participant are outlined in Table 7.

Participants are identified by their job title only to ensure their anonymity (see section 3.3.4 for an explanation of why the identities of participants were kept anonymous).

3.3.4 Conduct interviews

All interviews began with a request for the participant to describe their current role and their professional history, as well as an explanation of their current employer's business strategy. Based on this initial response from the participant, probing questions were asked to reveal more detail on an area of interest. Once an area of interest was exhausted the researcher revisited the interview guide (see Appendix A) to select a high-level question that would initiate a new line of inquiry. This process was repeated until all areas of interest in the interview guide were covered.

All interviews were successfully completed within the scheduled of one hour time slot. Note taking and coding during the interviews was limited as the interviewer was focused primarily on understanding the responses of the participants, and ensuring that the conversation did not veer too far off topic.

All interviews were anonymized using pseudonyms for the participants and their employers during the interviews and in the production of the findings. Ensuring the strict anonymity of participants was essential to ensure there would be no negative impacts to their careers because of participating in this research. To achieve this both the interviewer's name and the name of their employer were anonymized.

All interviews were recorded using a digital audio recording device.

3.3.5 Analyze response from interviews

Recorded interviews were coded using ELAN media coding software (Brugman & Russel, 2004). While listening to the interviews "in vivo" codes were applied to applicable segments of the recording.

A second-level of coding was completed by extracting the codes from ELAN into spreadsheet software and then allocating the codes into ten "a priori" categories: actors, activities, artifacts, design, strategic alignment, business strategy, business strategy execution, supportive to strategic alignment of design (SAoD), and inhibits strategic alignment of design (SAoD). The codes and categories were then transposed into a mind map where similar or repeating codes were merged. See Appendix C for the second-level coding scheme.

A third-level of coding was then completed by grouping the codes in the mind map into four major branches: actors (roles and individuals), activities (events and processes), artifacts (tools), and (strategic alignment of design) themes. Four iterations were performed where codes within the four major branches were reevaluated and regrouped into sub-categories producing a final coding scheme (see Appendix D).

3.3.6 Assemble alignment capability inventory, formulate capability framework and develop propositions

An inventory of alignment capabilities (i.e., resources, processes, and priorities) that support the strategic alignment of design were identified from the actors, artifacts, and activity branches of the third-level coding (see Appendix D).

The elements of the alignment capabilities inventory were then re-framed through the themes identified in the coding schema (i.e. “themes” branch) to identify five factors that influence the strategic alignment of design. These five factors were then cross-referenced against the actors, artifacts, and activities in the interviews of each firm to determine how they uniquely impacted each firm. From this analysis, a generic model was extrapolated to outline how each factor contributed to the strategic alignment of design for each design-strategy arrangement identified.

Five propositions were then formulated based on how each factor was observed contributing to the strategic alignment in the four participating large firms.

3.4 Summary

This chapter outlined the research method employed for this research study. Interviews were selected as a suitable method to acquire information given the exploratory nature of the research question, and the lack of existing research artefacts (transcripts, recordings, etc.).

Interviewees were solicited and screened from qualifying large firms. All interviewees were recruited through the researcher’s professional network. Eight interview participants (four business strategists and four design thinkers) from four large

firms participated in anonymized individual interviews conducted face-to-face or over the telephone.

Recordings of the interviews were coded and analyzed to produce first-level coding which was then refined to second-level and third-level coding which were transposed into mind maps to support analysis by providing a more visual representation of the coding scheme.

A capability inventory for strategic alignment of design was developed from data captured in the actors, artifacts, and activities branches of the third-level coding scheme. Themes associated with the strategic alignment of design were also identified from the third-level coding and were combined with the capability inventory to establish a model of factors that influence strategic alignment of design and a set of propositions tied to the model.

Chapter 4: Results

Chapter 4 is organized into seven sections. Section 4.1 identifies the convenience sample used for this research. Section 4.2 provides the alignment capability inventory – a list of resources, processes and priorities that can be used to align design and business strategy identified from the interviews. Section 4.3 provides a capability inventory framework for aligning design decisions to business strategy in large firms produced by consolidating the results of the literature review reported in chapter 2 and the results obtained from the interviews presented in Section 4.2. Section 4.4 identifies the different ways that design and business strategy are arranged in the large firms that are part of the sample. Sections 4.5 and 4.6 develop a model of the factors that affect the alignment between design and business strategy and advance a set of propositions anchored around the model. Finally, Section 4.6 provides a summary of the results from this research.

4.1 Convenience sample

The convenience sample is comprised of eight responses to interviews conducted with two employees, one designer and one strategist, of each of four large firms.

Table 6 provides information on four attributes of the four large firms that agreed to participate in this research: i) structure and market; ii) revenue; iii) number of employees; and iv) ownership type. Pseudonyms instead of the actual company names are used to identify the four firms.

Pseudonym of large firm	Attributes	Information
Alpha Retail	Structure and market:	International Fortune 100 company operating in the retail sector
	Revenue (2015):	Over \$100 billion (USD)
	Number of employees:	Over 100,000
	Ownership:	Publicly traded
Beta Retail	Structure and market:	A Canada-based high-end fashion retailer with stores across Canada and the United States.
	Revenue (2015):	Undisclosed
	Number of employees:	Over 2,000
	Ownership:	Privately held
Gamma Software	Structure and market:	International firm that develops software for embedded computing systems
	Revenue (2015):	Undisclosed. Parent company has revenue of over \$50 billion (USD)
	Number of employees:	Approximately 2,000
	Ownership:	Wholly owned subsidiary of a publicly traded Fortune 100 company
Delta Software	Structure and market:	A Canada-based developer of enterprise software.
	Revenue (2015):	Over \$50 million (USD for 2014)
	Number of employees:	Over 500
	Ownership:	Publicly traded

Table 6: Overview of the four large firms from which the eight interviewees were drawn

For each of the four firms, Table 7 identifies the pseudonyms used to identify the employees interviewed and their job titles.

Pseudonym of large firm	Pseudonym of employee interviewed	Actual job title of the employee interviewed
Alpha Retail	Retail Executive	Director, Strategy and Business Development
	Retail Designer	Creative Director, Online Channel
Beta Retail	Fashion Executive	Senior Director of Operations
	Fashion Design Manager	Director, Internal Communications
Gamma Software	Software Product Manager	Product Manager
	Software Design Manager	Director of Engineering
Delta Software	Software Executive	Vice President of Marketing
	Software Designer	Senior Web Designer

Table 7: Pseudonyms and job titles of eight interviewees

4.2 Alignment capability inventory that resulted from interviews

Tables 8, 9, and 10 provide the resources, processes and priorities used to align design and business strategy that were identified from the analyses of the transcripts of the eight interviews (see Appendices C and D).

	Resources to align design and business strategy identified from interviews	Resource is used to:	Interview where resource was identified
1	Monthly video blog from CEO	Communicate business strategy to all staff including designers.	Delta Designer Delta Strategist
2	E-mail communications from vice president and general managers	Communicate business strategy to all staff including designers.	Gamma Strategist
3	One-pager poster with a high-level visualization of business strategy	Communicate business strategy to all staff including designers.	Alpha Strategist Delta Designer Delta Strategist
4	Strategic brief and proposals	Elicit proposals to deliver on corporate or departmental strategic objectives from design staff	Beta Designer
5	Training in business strategy, design strategy, business philosophy or design behaviour.	Establish a baseline across the firm regarding understanding of strategy and design	Alpha Strategist Delta Strategist
6	Integrated performance objectives for individuals	Influence the behaviours of individuals so that they	Beta Strategist Delta Designer

		make decisions that align with strategic objectives at the corporate, departmental, or team level.	Delta Strategist
7	Performance management systems	Track performance objectives and enforce the direct dependencies of Integrated Performance Objectives	Delta Designer Delta Strategist
8	In-house designers	Improve the strategic alignment of individual designers because in-house designers are deemed to have a better: understanding of business strategy, capability to execute business strategy, capability to contribute to business strategy, capability to contribute to fusing design and business strategy.	Delta Designer Beta Designer
9	Strategy as a decision-making tool	Use a tool that people can use to make individual decisions through the lens of business or design strategy.	Alpha Strategist
10	Playing to Win Strategy Framework	Formulate, communicate, and align business strategy.	Delta Strategist
11	A formal structure of three-tiered “scrum” meetings	Create a regular cadence of open forums at three levels of granularity where business or design strategy can be discussed by anyone in the firm, department, or team.	Alpha Designer Alpha Strategist Delta Designer Delta Strategist

Table 8: Resources used to align design and business strategy in large firms identified from interviews

	Processes to align design and business strategy identified from interviews	Process is used to:	Interview where process was identified
1	Participatory strategic planning	Ensure that corporate strategy and design strategy align with the firm's culture and capabilities and are not formulated in a vacuum.	Beta Designer Beta Strategist Gamma Designer Gamma Strategist Delta Designer Delta Strategist
2	Attract, retain, and grow in-house design capability	Improve the execution of business strategy and the fusion of design and business strategies.	Beta Designer Delta Designer
3	Transparent strategic and design planning	Provide designers and strategists with visibility into the work of their counterparts for the purpose of increasing their ability to understand, support and collaborate with each other.	Alpha Designer Gamma Designer Gamma Strategist Delta Designer
4	Integrative cascading	Govern the formulation of new strategy elements (e.g. decisions, plans, goals, etc.) to ensure that new strategy elements fit with existing strategy elements.	Alpha Strategist Beta Designer Beta Strategist Delta Strategist
5	Mapping design objectives, strategic objectives, and individual objectives to create a continuous "line-of-sight"	Establish a clear line-of-sight that connects business, design, and other salient objectives at the organizational and individual levels.	Beta Strategist Beta Designer Delta Strategist Delta Designer
6	Communicate internally	Distribute business and/or design strategies, ideas, and philosophies throughout the firm.	All
7	Design from the top	Enable CEO to lead the design business strategy.	Beta Designer Beta Strategist

Table 9: Processes used to align design and business strategy in large firms identified from interviews

	Priorities to align design and business strategy identified from interviews	Priority is used to:	Interview where priority was identified
1	Culture where designers are encouraged to access executive feedback through informal means as part of their work	Create frequent, informal dialogues that facilitate a co-understanding and cross-pollination of business strategy, design strategy, and design behaviour.	Alpha Designer Alpha Strategist Beta Designer Beta Strategist Delta Designer Delta Strategist
2	Attract, retain, and grow in-house designers	Increase capability to fuse design and business strategy.	Delta Designer Beta Designer

Table 10: Priorities used to align design and business strategy in large firms identified from interviews

4.3 Alignment capability inventory framework that resulted from consolidating the results from the literature review and the eight interviews

Table 11 provides the alignment capability inventory framework that results from consolidating the results of the literature review and the results obtained from analyzing the transcripts of the eight interviews (see Appendix D).

Resources, processes, and priorities		
	Enable parts of a large firm to work in harmony or alignment between design and business strategy identified from reviewing the literature	Enable alignment of design and business strategy identified from eight interviews
1. Resources		
1.1 Management tools	<ol style="list-style-type: none"> Balanced Scorecard Design Value Scorecard Playing to Win Toolkit Strategic Alignment Maturity Model Strategy Map 	<ol style="list-style-type: none"> Playing to Win Toolkit

1.2 Intangible enterprise assets	<ul style="list-style-type: none"> 6. Enterprise-wide business terminology 7. Enterprise Architecture 8. Relationships and informal networks 	<ul style="list-style-type: none"> 2. Monthly video blog from CEO 3. E-mails on strategy from vice president and general managers 4. One page poster that makes strategy visible 5. Events for executives, strategists, and designers to informally exchange and co-create information
1.3 Management frameworks	<ul style="list-style-type: none"> 9. McKenzie 7S Framework 10. Strategic Alignment Model 	<ul style="list-style-type: none"> 6. Integrated performance objectives 7. Strategy as a decision-making framework
1.4 Organizational roles	<ul style="list-style-type: none"> 11. Owner of strategic alignment 	<ul style="list-style-type: none"> 8. In-house designers
2. Processes		
2.1 Pursue shared goals	<ul style="list-style-type: none"> 1. Business process management 2. Develop cross-functional skills 3. Governance that enables alignment 4. Iterative work process with broad reach of feedback (e.g. prototypes, Scrum showcases) 5. Master data management 6. Project portfolio management 	<ul style="list-style-type: none"> 1. Design from the top 2. Train in business strategy, business philosophy, design strategy, or design behaviours
2.2 Understand shared goals	<ul style="list-style-type: none"> 7. Cascade new strategic elements 8. Executive representation in operational teams and committees 9. Share domain knowledge across the firm's domains 	<ul style="list-style-type: none"> 3. Integrative cascading 4. Participatory strategic planning 5. Strategic brief and proposals to deliver strategic objectives 6. Three-tier scrum meetings 7. Transparent strategic and design planning

2.3 Measure performance	10. Link metrics and incentives	8. Map design objectives, strategic objectives, and individual objectives to create a continuous “line-of-sight”
3. Priorities		
3.1 Innovation environment	1. Learning by doing 2. Continuous improvement 3. Transparency	1. Build in-house design capability
3.2 Commitment to culture of alignment	4. From CEO to front-line workers	2. Designers are encouraged to receive executive feedback through informal means as part of their work

Table 11: Alignment capability inventory that resulted from consolidating the results from the literature review and the eight interviews

The results shown in Table 11 suggest that the capabilities that large firms use to align design and business strategy can be organized into:

1. Four resource types: Management tools, intangible enterprise assets, management frameworks and organizational roles.
2. Three process types: Enable shared goals, understand shared goals, and measure performance.
3. Two priority types: Innovation environment and culture of alignment.

4.4 Results of examining the arrangement of design and business strategy

Examination of management structures and performance measurement processes discussed during the interviews led to the discovery that the four firms in the sample arranged design and business strategy in three different ways. Figure 1 illustrates the three arrangements of design and business strategy (design-business arrangements)

observed in the sampled firms. These arrangements are denoted: A. Design as subordinate to business strategy; B. Design as the core driver of competitive advantage; and C. Design business as the fusion of design and business strategy.

In Alpha Retail and Gamma Software, design behaviours are arranged to be subordinate to design strategy, and design strategy is subordinate to business strategy. The CEO champions the business strategy and design strategy emerges to support the business strategy. Design strategy then influences design behavior (i.e. how designers think and work), who in the firm employs design methods (i.e. design thinking), and the importance of design relative to business strategy within the firm.

At Delta Software, the CEO champions one or more specific “core” design behaviours (e.g. user-centered design, visual thinking, customer co-design). A design strategy is developed to integrate these design behaviours into all aspects of corporate culture, structures, and processes. A business strategy is then formulated where use of the “core” design behaviours drives competitive advantage.

In Beta Retail, the CEO has an acute understanding of how design creates value for the firm and contributes to competitive advantage. Design strategy and business strategy are fused and cannot be separated from each other. There is one strategy, the design business strategy. While executive leadership is committed to integrating design behaviours into all aspects of the firm, they are not committed to a single set of core design behaviours.

Figure 1: Three arrangements of design and business strategy observed in the sampled firms

4.5 Model of the factors that affect the alignment of design and business strategy

Five factors influencing the strategic alignment of design were synthesized from the resources, processes, and priorities identified in the interview data as enabling the alignment of design and business strategy and the “themes” branch of the final coding scheme (see Appendix D). Table 12 demonstrates how the nine groupings of resources, processes, and priorities that make up the alignment capability inventory were re-framed as five factors that affect the alignment of design and business strategy.

Factors influencing strategic alignment of design	Associated resource, process, priority
Governance	1.1 Management tools 3.2 Commitment to culture of alignment
Performance Measurement	1.3 Management frameworks 2.3 Measure performance
Dynamic inter-domain dialogue	1.2 Intangible enterprise assets 2.2 Understand shared goals
Design leadership	2.1 Pursue shared goals
Development and use of in-house design capability	1.4 Organizational roles 3.1 Innovation environment

Table 12: Five factors that influence strategic alignment of design

The five factors that affect the alignment of design and business strategy were not observed as having consistent impacts on the four participating large firms. It was observed that the factors contributed the strategic alignment of design in different ways based on which of the three design-business arrangements (see section 4.4) a firm had adopted. Table 13 outlines a model of how the five factors contribute to the strategic alignment of design in the three different design-business arrangements.

Arrangement of design and business strategy	Factor positively influencing strategic alignment of design	Contribution to strategic alignment of design
(A) Design as subordinate business strategy	Governance	<ul style="list-style-type: none"> • Ensure that design strategy and behaviour sufficiently support the business strategy. • Identify ownership for strategic alignment of design.
	Performance measurement	<ul style="list-style-type: none"> • Designers create performance objectives that directly support departmental and corporate business objectives.
	Dynamic inter-domain dialogue	<ul style="list-style-type: none"> • Designers have the training and regular communications required to understand a

		<p>changing strategic environment.</p> <ul style="list-style-type: none"> • Strategic planning is transparent to designers.
	Design leadership	<ul style="list-style-type: none"> • Designers help to realize the business vision of the CEO.
(B) Design as core driver of competitive advantage	Governance	<ul style="list-style-type: none"> • Ensure that “core” design behaviours are sufficiently engrained in business strategies and operations. • Identify ownership for strategic alignment of design.
	Performance measurement	<ul style="list-style-type: none"> • Designers create performance objectives that directly support departmental and corporate business objectives. • Designers are evaluated against their adherence to “core” design behaviours.
	Dynamic inter-domain dialogue	<ul style="list-style-type: none"> • Designers have the training and regular communications required to understand a changing strategic environment. • Designers participate in strategic planning. • Business leaders actively listen for strategic insights from designers.
	Design leadership	<ul style="list-style-type: none"> • Designers help CEO create a business vision.
	Development and use of in-house design capability	<ul style="list-style-type: none"> • Strengthening of competitive advantage.
(C) Design business as the fusion of design and business strategy	Governance	<ul style="list-style-type: none"> • Ensure that design behaviours and business operations are sufficiently integrated

		<p>and informed by each other.</p> <ul style="list-style-type: none"> • Identify ownership for strategic alignment (alignment to design is implicit).
	Performance measurement	<ul style="list-style-type: none"> • Success of designers is partially or entirely determined by commercial success of product/firm. • Design performance and business performance are inseparable.
	Dynamic intra-domain dialogue	<ul style="list-style-type: none"> • Design and business concepts inseparable, represent a single domain. Training augments skills to create a baseline in design and business literacy. • Strategy and business model are products of a continuous design process.
	Design leadership	<ul style="list-style-type: none"> • CEO is a designer/design thinker and embodies the design business strategy.
	Development and use of in-house design capability	<ul style="list-style-type: none"> • Strengthen competitive posture. • Strengthen capabilities across the firm (e.g. innovation, operations, project management, strategic planning).

Table 13: Model of factors influencing strategic alignment of design

4.6 Propositions for actions to align design and business strategy

Five propositions anchored on the model provided in Table 13 are advanced:

Proposition	
A	Executive ownership of the alignment between design and business strategy increases design-strategy alignment in large firms.
B	Greater relevance given to design in performance measurement systems increases the design-strategy alignment in large firms.
C	Greater number and diversity of conversations that stimulate change and progress increases the design-strategy alignment in large firms.
D	Strong in-house design capability increases the design-strategy alignment in large firms.
E	The configuration of design and strategy in large firms enables and constraints CEO's contributions to the design-strategy alignment.

4.7 Summary

This chapter provided the results of the eight interviews, the consolidation of the results from the literature review and the results from the interviews, the identification of alternative arrangements of design and business strategy in large firms, a model that identifies the factors that affect the alignment between design and business strategy, and a set of five propositions anchored around the model.

Chapter 5: Discussion of Results

This chapter is organized into four sections. Section 5.1 discusses the unexpected results that emerged from this research. Section 5.2 discusses results of the research that support existing research findings. Sections 5.3 and 5.4 discuss the practical and academic implications of this research. Finally, Section 5.5 provides a summary of this chapter.

5.1 Unexpected results

This research produced two unexpected results. Firstly, the discovery of different design-business arrangements was not anticipated. While it was anticipated that the profile of how each firm pursued strategic alignment of design would be unique given each firm's different operating models and distinct characteristics, it was assumed at the beginning of this research that design strategy would always be subordinate to business strategy. As the eight interviews were analyzed it became apparent that this initial assumption was not correct.

A second unexpected result was the importance of developing and employing in-house design capabilities as a factor contributing to the strategic alignment of design. The existing literature focused on the importance of collaboration within the firm or value chain as a factor contributing to strategic alignment. To the researcher's knowledge, the literature did not alert managers of large firms that outsourcing design would impede the alignment between design and business strategy.

5.2 Linking results to the literature

The results of this research have reinforced findings in the existing literature. Previous studies have identified governance (Chew & Gottschalk, 2009; Coltman et al., 2015; Luftman, 2015; Luftman et al., 2012; Wu et al., 2015), dynamic dialogue (Chan, 2002; Chan & Reich, 2007; Luftman, 2015; Reich & Benbasat, 2000; Wu et al., 2015), performance measurement (Chan, 2002; Hoque, 2014; Huang & Hu, 2007; Luftman, 2015; Van Grembergen et al., 2004), and leadership/culture (Chan & Reich, 2007; Huang & Hu, 2007; Negoita et al., 2013; Trienekens et al., 2014) as factors contributing to the strategic alignment of IT.

In addition, all eight interviewees suggested that strategic alignment of design was a worthwhile endeavor and a source of value creation. This sentiment by the interviewees echoes similar sentiments expressed in the strategic alignment of IT literature (Coltman et al., 2015; Luftman, 2015).

5.3 Practical implications

The results of this research provide an inventory of capabilities that large firms can pursue to align design and business strategy. This should lead to a greater recognition of the contribution that design can make to formulation and execution of business strategy of large firms.

5.4 Academic implications

The identification of the three design-business arrangements may introduce a new frame for studying strategic alignment. It is possible that various arrangements exist between business strategy and other domains (e.g. customer service, human resources,

risk management) and these arrangements will have implications on how various factors contribute to the alignment of that domain and business strategy.

This research is a step towards filling an existing gap in the literature by examining the resources, processes, and priorities used to align and integrate design and business strategy in large firms.

This research provides academics with propositions that can be used to test or advance theory.

5.5 Summary

This chapter discusses the results. The research results included both expected insights that re-enforce the results of existing literature and unexpected insights that may have both practical and theoretical implications in the future.

Chapter 6: Conclusion

6.1 Conclusions

This research began with a simple question: how can designers and strategists within large firms better align their work?

The results of this research have contributed an extension of the study of strategic alignment. Where Bharadwaj et al. (2013) suggested that in some circumstances the IT strategy and business strategy of a firm can become so intertwined they are fused into a single “digital strategy”, the results of this research suggest that the same can happen for design strategy and business strategy. No longer should it be assumed that design strategy is subordinate to business strategy. The fusion of design strategy and business strategy can be referred to as design business strategy and can spawn new business models.

6.2 Limitations of research

There are at least three limitations to this research. Firstly, the convenience sample of interview participants and participating large firms were elicited through the researcher’s own professional network. While the familiarity of the researcher with the participating firms is not considered to have contributed to any material bias, the sample size of eight interviewees from four large firms was relatively small. A larger sample, involving multiple designers and executives from each participating large firm would have been desirable.

Secondly, there was a geographic limitation as all interviewees were currently employed in Canada. A larger pool of participating businesses with a more diverse representation of cultures and geographies may have provided different findings.

Lastly, the lack of a standard universal definition for “strategic alignment” (Coltman et al., 2015) may have resulted in interview participants having inconsistent interpretations of this term or the interview questions in general. A standard definition was not provided to interviewees and not specifically requested by any interviewee. This limitation was accepted by the researcher as a limitation of the semi-structured research method.

6.3 Suggestions for future research

There are several areas where future research could build on the contributions made by this thesis. Firstly, this research only examined strategic alignment of design in large firms. Future research could consider methods for pursuing the strategic alignment of design in small and medium sized enterprises, start-ups, not-for-profit organizations, government organizations, or educational institutions.

Secondly, only two industries were represented in his study: retail and software. An investigation in to a broader set of industries, or a deeper dive within a single industry would be a welcomed extension to this research.

Thirdly, the alignment capability inventory, three arrangements of design and business strategy, model of factors affecting alignment of design and business strategy, and propositions introduced in Chapter 4 were not validated via observational or interventional research. Pursuing such research would contribute considerable understanding to the strategic alignment of design.

Lastly, a collection of historical case studies examining the consequences of strategically misaligned design would address an existing research gap. While case

studies demonstrating strategically well-aligned design are relatively common, converse studies demonstrating the antecedents and consequences of strategic misalignment could not be identified.

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Appendix A: Interview Guide

INTRODUCTION

Question 1: Please provide a brief description of your current job and your professional and academic history.

Question 2: What is your firm's business strategy?

AREA OF INTEREST: STRATEGY EXECUTION

Question 3?: Do you feel that a sound understanding of your firm's business strategy/strategic business objectives is a crucial driver of success for your role as a Design Manager (or for the designers/design thinkers at your firm)? Why do you feel this way?

Question 4: Can you please tell me how your firm's business strategy/strategic business objectives are communicated to yourself and your team (elicit artefacts/mediums and cadence)?

Question 5: Can you provide an example where a strong understanding (or misunderstanding) of business strategy had a materially positive (or negative) impact on a design project or creative activity?

AREA OF INTEREST: STRATEGY FORMULATION

Question 6: How is business strategy formulated at your firm?

Question 7: How well of a job does your firm do at formulating business strategy? What would you change (if anything) about how strategy is formulated at your firm?

AREA OF INTEREST: DESIGN

Question 8: How is Design employed at your firm?

Question 9: Is it underutilized? Why do you feel that way?

AREA OF INTEREST: STRATEGIC ALIGNMENT

Question 10: Do you think being strategically aligned is important for you to be effective at your job? What about [other] designers/creative-types?

Question 11: How is strategic alignment achieved (or pursued) at your firm? Do you feel this an effective and worthwhile practice?

Appendix B: Email Invitation to Participate in Research

Email Invitation: Sample

Subject: Invitation to participate in Master's research project on alignment of Design Strategy and Business Strategy within firms

Dear Sir or Madam,

My name is Jay Payette and I am a Master's of Design student in the School of Industrial Design at Carleton University. I am working on a research project under the supervision of Prof. WonJoon Chung.

I am writing to you today to invite you to participate in a study entitled "*Aligned Design: An investigation into approaches and challenges of aligning design outcomes and business strategy in firms*". This study aims to identify organizational and operational attributes of firms that inhibit or support the effective alignment of design outcomes to key strategic business objectives. Additionally, approaches to measuring and communicating the impacts of said organizational and operational attributes will be explored.

This study involves one 60 minute interview that will take place in a mutually convenient, safe location. With your consent, interviews will be audio-recorded. Once the recording has been transcribed, the audio-recording will be destroyed.

While this project does involve some professional and emotional risks, care will be taken to protect your identity. This will be done by keeping all responses anonymous via use of pseudonyms and allowing you to request that certain responses not be included in the final project.

You will have the right to end your participation in the study at any time, for any reason, up until October 30, 2015. If you choose to withdraw, all the information you have provided will be destroyed.

All research data, including audio-recordings and any notes will be encrypted. Any hard copies of data (including any handwritten notes or USB keys) will be kept in a locked cabinet at Carleton University. Research data will only be accessible by the researcher and the research supervisor.

The ethics protocol for this project was reviewed by the Carleton University Research Ethics Board, which provided clearance to carry out the research. (Clearance expires on: *[insert date here]*.) Should you have questions or concerns related to your involvement in this research, please contact the CUREB Chair Professor Shelley Brown (CUREB-B) at ethics@carleton.ca or at 613-520-2517.

If you would like to participate in this research project, or have any questions, please contact me at jaypayette@cmail.carleton.ca or 613-520-6606.

Sincerely,

Jay Payette

NOTE: This e-mail was only sent from the author's official university email address:

jaypayette@cmail.carleton.ca

Appendix C: Second-Level Coding

A-Priori Coding Category	Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Strategic Alignment		Think about strategy when you make everyday decisions	x							
Strategic Alignment		Redesign strategy so that it becomes a framework to be able to make decisions	x							
Strategic Alignment		Get people to understand not just strategy but strategic alignment	x							
Strategic Alignment		There is a cost associated with strategic alignment	x							
Strategic Alignment		Complexity requires better strategic alignment	x							
Strategic Alignment		Individual performance metrics linked to departmental strategies			x					
Strategic Alignment	Departmental/Business Unit sub-strategies	Departmental/Business Unit strategies must align to corporate strategy	x		x	x		x	x	
Strategic Alignment	Departmental/Business Unit sub-strategies	Corporate strategic decisions/objectives, lead to cascading decisions/objectives throughout the firm	x						x	
Strategic Alignment	Departmental/Business Unit sub-strategies	There is no governance around translating strategy from corporate to departmental			x					
Strategic Alignment	Departmental/Business Unit sub-strategies	Departmental strategies must be tightly integrated with each other (i.e. "interlock")						x	x	
Strategic Alignment	Departmental/Business Unit sub-strategies	Iteration required to refine Dept/BU strategies and ensure alignment							x	
Strategic Alignment		Quarterly goals for corporation and department tracked, tied to compensation							x	x
Strategic Alignment		Can resolve disputes regarding direction								x
Strategic Alignment		Can be used to justify a design decision								x
Strategic Alignment		Should be part of continual improvement initiative for design teams/departments							x	
Strategic Alignment		No formal mechanisms to pursue strategic alignment						x		
Strategic Alignment		Is bi-directional					x	x		
Strategic Alignment		Strategic alignment drives a more efficient design process			x					
Strategic Alignment		Aligning to strategy contributes to design quality		x		x				
Strategic Alignment		Three integrated tiers of strategic alignment: corporate, departmental, individual	x	x		x				x
Strategy Execution		Is driven by capital allocation	x					x		
Strategy Execution	Strategic projects/initiatives	Less than 20 vs. 200+ for non-strategic	x							
Strategy Execution	Strategic projects/initiatives	Strategic initiatives list are a prioritized listing of bottom-up initiatives from the departments			x	x				
Strategy Execution		Corporate strategic decisions/objectives, lead to cascading decisions/objectives throughout the firm	x						x	
Strategy Execution		Training for Managers on Corporate Strategy and Culture	x							
Strategy Execution		CMO issues a creative brief with business objectives and each team must go away and come back with their plan to deliver on those goals				x				
Strategy Execution		Defined process for "off-cycle" strategic proposals				x				

A-Priori Coding Category	Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Business Strategy		3 and 5 year strategic plan	x							
Business Strategy		Is composed of strategic objectives	x							
Business Strategy		Driven by growth and profit targets	x							
Business Strategy		Monthly meeting for VPs and above where business strategy is discussed/debated	x							
Business Strategy		Understanding strategy can be difficult if you haven't been employed at the firm very long	x			x				
Business Strategy		Strategy becoming more complex and business environment becomes more complex	x							
Business Strategy		Following "best practices" is not a strategy				x				
Business Strategy		1 and 5 year strategic plan (semi-annual "seasonal" strategy for some departments).			x	x				
Business Strategy		Our strategy revolves around how we create a unique customer experience and value proposition			x					
Business Strategy	Business Philosophy	A business philosophy which defines the firm's identity and informs strategy	x		x					
Business Strategy	Business Philosophy	Business philosophy Has been "baked" into the organization for 20 years	x							
Business Strategy	Business Philosophy	Training on business philosophy is required of all managers	x		x					
Business Strategy		Understanding business strategy allows designers to be proactive in proposing solutions						x		x
Business Strategy		Good business strategy is easily actioned								x
Business Strategy		Business strategy helps prioritize multiple demands on limited resources								x
What hinders SAoD?		Organizational Hierarchy		x						
What hinders SAoD?		Rigid lines of communication		x				x		
What hinders SAoD?		Misunderstanding of strategy at the Director level	x							
What hinders SAoD?		Formulating strategy in a vacuum					x	x		
What hinders SAoD?		Vague or inconsistent communication about business strategy, especially from Senior Executives					x			
What hinders SAoD?		Communicating strategy via PowerPoint					x			
Wht helps enable SAoD?	Transparency	Being transparent with strategic planning process		x			x	x	x	x
Wht helps enable SAoD?	Transparency	Should include retrospectives to explain which strategies performed well and which ones did not					x			
Wht helps enable SAoD?		Weekly open-forum meetings at firm, business unit, and team level	x	x					x	x
Wht helps enable SAoD?		Understanding what's going on in other parts of the firm	x	x						
Wht helps enable SAoD?		Being able to ask questions about strategy and get a direct response	x	x						
Wht helps enable SAoD?		Strategy coaching	x			x				
Wht helps enable SAoD?		Informal, face-to-face dialog regarding strategy	x			x				x
Wht helps enable SAoD?		Marketing, product design, and store design report directly to CEO				x				
Wht helps enable SAoD?		Good strategy communication			x					

A-Priori Coding Category	Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Wht helps enable SAoD?	Performance metrics	Map individual objectives to departmental and corporate strategic objectives (i.e. line-of-sight)			x		x	x	x	x
Wht helps enable SAoD?	Performance metrics	Enforce alignment of personal objectives via performance management software							x	
Wht helps enable SAoD?	Performance metrics	Management by Objectives							x	
Wht helps enable SAoD?		Direct access to VP of Marketing							x	x
Wht helps enable SAoD?		A consistent business rhythm that enables strategic alignment course correction (i.e. monthly or quarterly)							x	
Design		Is very iterative (do-learn-adjust)		x		x		x		x
Design		Must be very agile				x		x		x
Design		Strategic alignment drives a more efficient design process				x			x	x
Design		Strategic alignment leads to better design		x		x	x	x		
Design		Design briefs are important, they should explain business strategies and strategic objectives				x			x	x
Design		Requires subjective decision-making				x				x
Design		Design cannot be pursued merely for the sake of change or novelty		x					x	x
Design		Creates something new or novel		x		x				x
Design		Prototyping		x		x				
Design		Embrace risk or the unknown		x		x				x
Design		Creates business value through abductive thinking				x				
Design		Understand the user		x		x		x		x
Design		Eliciting emotion								x
Design		Use visualizations								x
Design	In-house design	Kept creative in house because it allows designers to be immersed in a single business strategy				x				
Design	In-house design	The first round of creative work is of higher quality and on-point when done in-house				x				x
Design	In-house design	Influencing behaviour				x				
Design	In-house design	Influencing behaviour				x				x
Artifacts		Budgets/financial plans	x				x	x		
		Project portfolios	x		x					
Artifacts	Strategy communication	Explain strategy on corporate intranet	x							
Artifacts	Strategy communication	Monthly video blog from CEO							x	x
Artifacts	Strategy communication	E-mail communications from VPs and GMs					x			
Artifacts	Strategy communication	One-pager poster	x						x	x

A-Priori Coding Category	Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Activities	Strategy communication	Open-forum meetings at firm, business unit, and team level	x	x					x	x
Activities	Strategy communication	VP Strategy presents strategy directly to peers, ask participants "now that you know about the strategy, how will you use it to make more strategic decisions?"	x							
Activities	Strategy communication	The people involved with formulating strategy are best positioned to communicate it	x							
Activities	Strategy communication	As the business pivots the requirement to continually communicate strategy increases	x							
Activities	Strategy communication	Regular Corporate and Departmental Plenaries				x	x	x	x	
Activities	Strategy communication	Product Manager meets with VP once a week to discuss business strategy execution					x			
Activities	Integrate sub-strategies	Ensure departmental and regional strategies don't develop in silos, ensure they are aligned	x							
Activities	Strategic planning	Identify corporate aspirations								x
Activities	Strategic planning	Identify what is obstructing aspirations and develop strategies to mitigate them								x
Activities	Strategic planning	Playing to Win Framework								x
Activities	Strategic planning	10, 3, and 1 year goals with performance metrics								x
Activities	Strategic planning	Process has oscillated over years depending on leadership						x		
Activities	Strategic planning	Top-down and market driven						x		
Activities	Strategic planning	5 and 10 year strategy developed by Executives team					x			
Activities		Innovation forum						x		
Actors	Creative director	Needs to anticipate executive expectations		x						
Actors	Creative director	Needs to translate corporate and departmental strategies and objectives into design objectives							x	x
Actors	Creative director	Is responsible for ensuring the strategic alignment of design work				x			x	x
Actors	Creative director	Coach designers on how to communicate with and navigate the rest of the business								x
Actors	Designers	Need to understand what and why they are designing		x				x		x
Actors	Designers	Need to understand the business philosophy more than the 1 and 5 year strategic plans			x					
Actors	Designers	Live and die by our seasonal strategies			x					
Actors	Designers	Need to speak to the rest of the business in the business' language								x
Actors	Designers	Given SMART goals that directly drive measurable metrics							x	
Actors	Designers	Must interface with all salient SME to refine understanding of business needs							x	
Actors	Senior executives	Responsible for formulating business strategy		x	x		x		x	
Actors	Senior executives	Need to make strategic decisions in a relatively timely manner		x						
Actors	Senior executives	Must give teams clear objectives and then step back and allow them to "do their thing"				x			x	
Actors	Senior executives	Judge the strategic alignment of design work				x			x	
Actors	Senior executives	Judge if a project/initiative qualifies for "strategic" label and the associated resources and executive focus	x		x					

A-Priori Coding Category	Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Actors	Strategic planning team	Supports the development of 3 and 5 year strategies	x							
Actors	Strategic planning team	Supports the development of rolling 1 and 5 year strategies			x					
Actors	Strategic planning team	Conduct competitive analysis	x		x	x	x		x	
Actors	Strategic planning team	Supports strategic projects	x		x					
Actors	Strategic planning team	Can help coach those developing departmental or regional strategies	x							
Actors	Strategic planning team	Can ensure departmental and regional strategies don't develop in silos, ensure they are aligned	x		x					
Actors	Strategic planning team	Communicate business strategy	x							
Actors	Strategic planning team	Support financial planning	x				x	x		
Actors	Internal communications	Support communicating the Corporate Strategy			x					
Actors	Director-level roles	Where "broken telephone" of strategy communication happens	x				x	x		
Actors	Director-level roles	Where consistency of strategy execution most often occurs	x				x	x		

Appendix D: Third-Level Coding

D.1 Final coding scheme

Artifacts	Strategy communication	Corporate strategic plans Dept/BU strategies Corporate objectives Individual objectives			
	Design brief Business philosophy Strategic plans				
Actors	Creative director				
	Designers Senior executives Strategic planning team Director-level roles				
Activities	Create Strategy	Integrative cascading Influencing Behaviour Budgeting/financial planning Define and deliver strategic initiatives Understand strategy	Strategy comprehension Strategy communication	Principles of good communication Mediums of communication	Non-interactive Interactive
	Align to strategy				
Themes	In-house design				Training Meetings and presentations
	Culture of frequent, informal dialogue Importance of director-level role Transparency of strategic planning supports SAoD SAoD drives efficiency and effectiveness of design Three tier model of Strategic Alignment Individual decisions drive strategic alignment and strategy execution Strategic alignment is continuous				

D.2 Coding Category: Artifacts

Coding Sub-Category	Coding Second Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
		Budgets/financial plans	x				x	x		
Strategy communication		Explain strategy on corporate intranet	x							
Strategy communication		Monthly video blog from CEO							x	x
Strategy communication		E-mail communications from VPs and GMs					x			
Strategy communication		One-pager poster	x						x	x
Design brief		CMO issues a creative brief with business objectives and each team must go away and come back with their plan to deliver on those goals				x				
Design brief		Design brief must contain salient business strategy and strategic objectives				x			x	x
Business philosophy		A business philosophy which defines the firm's identity and informs strategy	x		x					
Business philosophy		Business philosophy Has been "baked" into the organization for 20 years	x							
Business philosophy		Training on business philosophy is required of all managers	x		x					
Strategic plans		Strategic objectives	x		x		x		x	
Strategic plans	Corporate strategic plans	10 year plan					x		x	
Strategic plans	Corporate strategic plans	5 year plan	x		x		x			
Strategic plans	Corporate strategic plans	3 year plan	x						x	
Strategic plans	Corporate strategic plans	1 year plan	x		x		x		x	
Strategic plans		Portfolio of strategic initiatives	x		x				x	
Strategic plans	Dept/BU strategies	Departmental/ business unit sub-strategy	x		x		x		x	
Strategic plans		Seasonal strategies (semi-annually)			x	x				
Strategic plans		Must integrate (or "interlock") with other Departmental/BU strategies							x	
Objectives	Corporate objectives	Should be easily actionable						x		
Objectives	Corporate objectives	Are a component of business strategy	x		x		x		x	
Objectives	Dept/BU objectives	Must Map to Corporate Objectives	x		x		x		x	
Objectives	Dept/BU objectives	Must integrate (or "interlock") with other Departmental/BU strategies							x	
Objectives	Individual objectives	Mapping to Departmental/BU and Corporate objectives enforced by performance management software							x	
Objectives	Individual objectives	Are important for strategic alignment			x		x	x	x	x

D.3 Coding Category: Actors

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Creative director	Needs to anticipate executive expectations		x						
Creative director	Needs to translate corporate and departmental strategies and objectives into design objectives							x	x
Creative director	Is responsible for ensuring the strategic alignment of design work				x			x	x
Creative director	Coach designers on how to communicate with and navigate the rest of the business								x
Designers	Need to understand what and why they are designing		x				x		x
Designers	Need to understand the business philosophy more than the 1 and 5 year strategic plans			x					
Designers	Live and die by our seasonal strategies			x					
Designers	Need to speak to the rest of the business in the business' language								x
Designers	Given SMART goals that directly drive measurable metrics							x	
Designers	Must interface with all salient SME to refine understanding of business needs							x	
Designers	Benefit from informal, face-to-face dialog with executives/strategic planners regarding strategy	x			x				x
Senior executives	Responsible for formulating business strategy		x	x		x		x	
Senior executives	Need to make strategic decisions in a relatively timely manner		x						
Senior executives	Must give teams clear objectives and then step back and allow them to "do their thing"				x			x	
Senior executives	Judge the strategic alignment of design work				x			x	
Senior executives	Judge if a project/initiative qualifies for "strategic" label and the associated resources and executive focus	x		x					
Senior executives	Should be transparent with strategic planning process				x	x	x	x	x
Senior executives	Should run retrospectives to explain which strategies performed well and which ones did not					x			
Senior executives	ague or inconsistent communication about business strategy, especially from senior executives hurts strategic alignment					x			
Senior executives	SAoD improved when marketing, product design, and store design report directly to CEO				x				

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Strategic planning team	Supports the development of 3 and 5 year strategies	x							
Strategic planning team	Supports the development of rolling 1 and 5 year strategies			x					
Strategic planning team	Conduct competitive analysis	x		x	x	x		x	
Strategic planning team	Supports strategic projects	x		x					
Strategic planning team	Can help coach those developing departmental or regional strategies	x							
Strategic planning team	Can ensure departmental and regional strategies don't develop in silos, ensure they are aligned	x		x					
Strategic planning team	Communicate business strategy	x							
Strategic planning team	Support financial planning	x				x	x		
Strategic planning team	Should be transparent with strategic planning process				x	x	x	x	x
Strategic planning team	Should run retrospectives to explain which strategies performed well and which ones did not					x			
Director-level roles	Where "broken telephone" of strategy communication happens	x				x	x		
Director-level roles	Where consistency of strategy execution most often occurs	x				x	x		
Director-level roles	Misunderstanding of strategy at the Director level contributes to strategic misalignment in a material way	x							

D.4.1 Coding Category: Activities > Strategy formulation

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Strategy formulation	Identify corporate aspirations							x	
Strategy formulation	Identify what is obstructing aspirations and develop strategies to mitigate them							x	
Strategy formulation	Playing to Win Framework							x	
Strategy formulation	Innovation forum						x		
Strategy formulation	Process has oscillated over years depending on leadership						x		
Strategy formulation	Top-down and market driven						x		
Strategy formulation	Driven by growth and profit targets	x							
Strategy formulation	Strategy becoming more complex and business environment becomes more complex	x							
Strategy formulation	Complexity requires better strategic alignment	x							
Strategy formulation	Our strategy revolves around how we create a unique customer experience and value proposition			x					
Strategy formulation	Following "best practices" is not a strategy				x				
Strategy formulation	Good business strategy is easily actioned						x		
Strategy formulation	Formulating strategy in a vacuum hinders strategic alignment					x	x		

D.4.2.1 Coding Category: Activities > Strategy formulation > Align to strategy > Integrative cascading

Coding Second Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Integrative cascading	Ensure departmental and regional strategies don't develop in silos, ensure they are aligned	x							
Integrative cascading	Departmental/Business Unit strategies must align to corporate strategy	x		x	x	x		x	
Integrative cascading	Corporate strategic decisions/objectives, lead to cascading decisions/objectives throughout the firm	x						x	
Integrative cascading	There is no governance around translating strategy from corporate to departmental			x					
Integrative cascading	Departmental strategies must be tightly integrated with each other (i.e. "interlock")						x	x	
Integrative cascading	Iteration required to refine Dept/BU strategies and ensure alignment							x	
Integrative cascading	Corporate strategic decisions/objectives, lead to cascading decisions/objectives throughout the firm	x						x	
Integrative cascading	Marketing, product design, and store design report directly to CEO improved SAoD				x				

D.4.2.2 Coding Category: Activities > Strategy formulation > Align to strategy > Influencing behaviour

Coding Second Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Influencing behaviour	Quarterly goals for corporation and department tracked, tied to compensation							x	x
Influencing behaviour	Map individual objectives to departmental and corporate strategic objectives (i.e. line-of-sight) to improve SAoD			x		x	x	x	x
Influencing behaviour	Enforced alignment of objectives via performance management software							x	
Influencing behaviour	Management by Objectives							x	

D.4.2.3 Coding Category: Activities > Strategy formulation > Align to strategy > Budgeting/financial planning

Coding Second Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Budgeting/financial planning	Strategy execution is driven by capital allocation	x					x		
Budgeting/financial planning	Prioritizes multiple demands on limited resources					x			

D.4.2.4 Coding Category: Activities > Strategy formulation > Align to strategy > Define and deliver strategic initiatives

Coding Second Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Define and deliver strategic initiatives	Less than 20 vs. 200+ for non-strategic initiatives	x							
Define and deliver strategic initiatives	Strategic initiatives list are a prioritized listing of bottom-up initiatives from the departments			x	x				
Define and deliver strategic initiatives	Defined process for "off cycle" strategic proposals				x				
Define and deliver strategic initiatives	Develop cultural imperatives to enable strategy execution								x

D.4.2.5.1 Coding Category: Activities > Strategy formulation > Align to strategy > Understand strategy > Strategy comprehension

Coding Third Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Strategy comprehension	Understanding strategy can be difficult if you haven't been employed at the firm for very long	x			x				
Strategy comprehension	Strategy is becoming more complex as the business environment becomes more complex	x							
Strategy comprehension	Misunderstanding of strategy often occurs at the Director level	x							
Strategy comprehension	Being transparent with strategic planning process leads to better understanding of strategy		x			x	x	x	x
Strategy comprehension	Being able to ask questions about strategy and get a direct response improves strategic alignment	x	x						
Strategy communication	The people involved with formulating strategy are best positioned to communicate it	x							

D.4.2.5.1.1 Coding Category: Activities > Strategy formulation > Align to strategy > Understand strategy > Strategy comprehension > Principles of good communication

Coding Fourth Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Principles of good communication	The people involved with formulating strategy are best positioned to communicate it	x							
Principles of good communication	As the business pivots the requirement to continually communicate strategy increases	x							
Principles of good communication	Rigid lines of communication inhibit the free flow of strategy communications		x				x		
Principles of good communication	Vague or inconsistent communication about business strategy, especially from Senior Executives, can lead to confusion and anxiety					x			
Principles of good communication	Good strategy communication supports strategic alignment			x					
Principles of good communication	Communicating strategy via PowerPoint is not effective					x			

D.4.2.5.1.2.1 Coding Category: Activities > Strategy formulation > Align to strategy > Understand strategy > Strategy comprehension > Mediums of communication > Non-interactive

Coding Fifth Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Non-interactive	Explain strategy on corporate intranet	x							
Non-interactive	Monthly video blog from CEO							x	x
Non-interactive	E-mail communications from VPs and GMs					x			
Non-interactive	One-pager poster	x						x	x

D.4.2.5.1.2.2.1 Coding Category: Activities > Strategy formulation > Align to strategy > Understand strategy > Strategy comprehension > Mediums of communication > Interactive > Training

Coding Sixth Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Training	Strategy coaching improves strategic alignment	x			x				
Training	Training for all employees on Business Philosophy is required			x					
Training	Training for Managers on Corporate Strategy and Culture is required	x							
Training	Being able to ask questions about strategy and get a direct response (SAoD+)	x	x						

D.4.2.5.1.2.2.2 Coding Category: Activities > Strategy formulation > Align to strategy > Understand strategy > Strategy comprehension > Mediums of communication > Interactive > Meetings and presentations

Coding Sixth Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Meetings and presentations	VP Strategy presents strategy directly to peers	x							
Meetings and presentations	Regular Corporate and Departmental Plenaries to present business strategy				x	x	x	x	
Meetings and presentations	Open-forum meetings at firm, business unit, and team level	x	x					x	x
Meetings and presentations	Product Manager meets with VP once a week to discuss business strategy execution					x			
Meetings and presentations	Being able to ask questions about strategy and get a direct response improves strategic alignment	x	x						
Meetings and presentations	Monthly meeting for VPs and above where business strategy is discussed/debated	x							
Meetings and presentations	Retrospectives to explain which strategies performed well and which ones did not would help everyone understand strategy better					x			

D.5.1 Themes > In-house design

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
In-house design	Kept creative in house because it allows designers to be immersed in a single business strategy				x				
In-house design	The first round of creative work is of higher quality and on-point when done in-house				x				x
In-house design	99% of design is done in-house today				x				
In-house design	Faced problems of strategic alignment when working with outside agency				x				x
In-house design	Understanding strategy can be difficult if you haven't been around very long	x			x				
In-house design	Misunderstanding of strategy often occurs at the Director level	x							

D.5.2 Themes > Culture of frequent, informal dialogue

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Cluture of frequent, informal dialogue	Organizational Hierarchy inhibits strategic alignment		x						
Cluture of frequent, informal dialogue	Rigid lines of communication inhibit strategic alignment		x				x		
Cluture of frequent, informal dialogue	Misunderstanding of strategy at the Director level	x							
Cluture of frequent, informal dialogue	Communicating strategy via PowerPoint is not effective					x			
Cluture of frequent, informal dialogue	Weekly open-forum meetings at firm, business unit, and team level improve strategic alignment	x	x					x	x
Cluture of frequent, informal dialogue	Direct access to VP of Marketing improves SAoD								x
Cluture of frequent, informal dialogue	Marketing, product design, and store design report directly to CEO which contributes to SAoD				x				
Cluture of frequent, informal dialogue	Informal, face-to-face dialog regarding strategy improves strategic alignment	x			x				x
Cluture of frequent, informal dialogue	Strategy coaching improves strategic alignment	x			x				
Cluture of frequent, informal dialogue	Being able to ask questions about strategy and get a direct response improves strategic alignment	x	x						
Cluture of frequent, informal dialogue	Creative directors coach designers on how to communicate with and navigate the rest of the business								x

D.5.3 Themes > Importance of director-level role

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Importance of director-level role	Creative directors coach designers on how to communicate with and navigate the rest of the business								x
Importance of director-level role	Where "broken telephone" of strategy communication happens	x				x	x		
Importance of director-level role	Where consistency of strategy execution most often occurs	x				x	x		
Importance of director-level role	Misunderstanding of strategy at the Director level has a material negative impact on strategic alignment	x							
Importance of director-level role	Where "broken telephone" of strategy communication happens	x				x	x		
Importance of director-level role	Where consistency of strategy execution most often occurs	x				x	x		
Importance of director-level role	Misunderstanding of strategy at the Director level inhibits strategic alignment	x							
Importance of director-level role	Creative director contributes to SAoD		x		x			x	x

D.5.4 Themes > Transparency of strategic planning supports SAoD

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Transparency of strategic planning supports SAoD	Should include retrospectives to explain which strategies performed well and which ones did not					x			
Transparency of strategic planning supports SAoD	Understanding what's going on in other parts of the firm help designers to strategically align their work	x	x						
Transparency of strategic planning supports SAoD	Direct access to VP of Marketing improves SAoD								x
Transparency of strategic planning supports SAoD	Good strategy communications improves SAoD			x					
Transparency of strategic planning supports SAoD	Being able to ask questions about strategy and get a direct response improves strategic alignment	x	x						
Transparency of strategic planning supports SAoD	Being transparent with strategic planning process improves strategic alignment		x			x	x	x	x
Transparency of strategic planning supports SAoD	Informal, face-to-face dialog regarding strategy improves strategic alignment								
Transparency of strategic planning supports SAoD	Should include retrospectives to explain which strategies performed well and which ones did not					x			
Transparency of strategic planning supports SAoD	Understanding what's going on in other parts of the firm improves strategic alignment	x	x						
Transparency of strategic planning supports SAoD	Direct access to VP of Marketing improves strategic alignment								x
Transparency of strategic planning supports SAoD	Good strategy communication improves strategic alignment			x					
Transparency of strategic planning supports SAoD	Informal, face-to-face dialog regarding strategy improves strategic alignment	x			x				x
Transparency of strategic planning supports SAoD	Being able to ask questions about strategy and get a direct response improves strategic alignment	x	x						
Transparency of strategic planning supports SAoD	Being transparent with strategic planning process improves strategic alignment		x		x	x		x	x

D.5.5 Themes > Transparency of strategic planning supports SAoD

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
SAoD drives efficiency and effectiveness of design	Strategic alignment drives a more efficient design process with less rework			x	x			x	x
SAoD drives efficiency and effectiveness of design	Aligning to strategy contributes to design quality		x		x				
SAoD drives efficiency and effectiveness of design	Understanding business strategy allows designers to be proactive in proposing solutions						x		x
SAoD drives efficiency and effectiveness of design	Strategic alignment can resolve disputes regarding direction								x
SAoD drives efficiency and effectiveness of design	Strategic alignment can be used to justify a design decision								x
SAoD drives efficiency and effectiveness of design	Design cannot be pursued for the sake of change or novelty		x					x	x
SAoD drives efficiency and effectiveness of design	Design brief must contain salient business strategy and strategic objectives				x			x	x
SAoD drives efficiency and effectiveness of design	Strategic alignment leads to better design		x		x	x	x		
SAoD drives efficiency and effectiveness of design	Designers need to understand what and why they are designing		x				x		x
SAoD drives efficiency and effectiveness of design	Designers need to understand the business philosophy more than the 1 and 5 year strategic plans			x					
SAoD drives efficiency and effectiveness of design	Designers live and die by our seasonal strategies			x					
SAoD drives efficiency and effectiveness of design	Designers must interface with all salient SME to refine understanding of business needs								x

D.5.5 Themes > Three-tier model of strategic alignment

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Three tier model of Strategic Alignment	Three integrated tiers of strategic alignment: corporate, departmental, individual	x	x	x					
Three tier model of Strategic Alignment	Weekly open-forum meetings at firm, business unit, and team level contribute to strategic alignment	x	x					x	x
Three tier model of Strategic Alignment	Mapping individual objectives to departmental and corporate strategic objectives (i.e. line-of-sight) improves strategic alignment			x		x	x	x	x

D.5.6 Themes > Individual decisions drive strategic alignment and strategy execution

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Individual decisions drive strategic alignment and strategy execution	Mapping individual objectives to departmental and corporate strategic objectives (i.e. line-of-sight) improves strategic alignment			x		x	x	x	x
Individual decisions drive strategic alignment and strategy execution	VP Strategy presents strategy directly to peers, ask participants "now that you know about the strategy, how will you use it to make more strategic decisions?"	x							
Individual decisions drive strategic alignment and strategy execution	Think about strategy when you make everyday decisions	x							
Individual decisions drive strategic alignment and strategy execution	Individual performance metrics linked to departmental strategies			x					
Individual decisions drive strategic alignment and strategy execution	Redesign strategy so that it becomes a framework to be able to make decisions	x							
Individual decisions drive strategic alignment and strategy execution	Direct access to VP of Marketing improves strategic alignment decisions								x
Individual decisions drive strategic alignment and strategy execution	Good strategy communication improves SAoD			x					

D.5.7 Themes > Strategic alignment is continuous

Coding Sub-Category	Code	Alpha Strategist	Alpha Designer	Beta Strategist	Beta Designer	Gamma Strategist	Gamma Designer	Delta Strategist	Delta Designer
Strategic alignment is continuous	Strategic alignment should be part of continual improvement initiative for design teams/departments								x
Strategic alignment is continuous	A consistent business rhythm that enables strategic alignment course correction (i.e. monthly or quarterly) improves strategic alignment capability								x