

Core Values Matter

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This is one of a series of briefing papers on trends shaping the context for design in the coming decade. It is intended to inform design professionals and educators of processes and concepts addressed by successful design practices.

Audiences evaluate organizations based on consistency between their messages and the values expressed in their products, services, and/or social behavior. People connect emotionally with stories that are authentic reflections of an organization's ethos and show loyalty over time when ethical and humanistic values drive all aspects of operations. Models of design practice expand, with some aligning the interests of business with those of global society and meeting the highest standards of environmental responsibility and public transparency. And businesses and organizations increasingly recognize the value in social equity and inclusion, not only in their outward-facing messages, but also in their internal policies and practices. These models require new metrics for measuring impact and alternative economic strategies for sustaining work.

Social media shifted the power relationship between people and companies. People now share online what they like and don't like in their evaluations of products and services; 60 percent recommend companies they like and 42 percent criticize companies they don't trust. And advocacy is driven by digital technology as people rely more on their social networks than on organizations when forming opinions.

Research shows that *quality*, *reliability*, and *transparency* are the core values people around the world feel are most important for brands to embody. *Honesty* and *authenticity* are particularly important to younger audiences. However, people of all ages show increased concern for the environmental and social impact of the products they buy and for knowing about companies that make the products and services they use. Roughly two-thirds of consumers feel businesses are as responsible as government for driving positive change, and they believe companies can both increase profits and improve conditions in the communities where they operate. Eighty percent of those who use social media to comment on products and services report being more likely to buy from a company that is doing good things for the world.¹

Research, therefore, provides evidence that core values matter in shaping people's attitudes and behavior, regardless of the legal status of the organization (for-profit or nonprofit). This suggests that design can be a force for social change beyond projects labeled as "design for good." When faculty and students assign worthiness to work solely on the basis of obvious message content or self-declared client or designer intent, they not only overlook the daunting systems-level complexity underlying social and environmental problems, but also ignore the potential in every design project to "do good."

Evidence of the trend in practice

Values-driven businesses and B Corps — A study of business reporting from 1996–2010 found a positive relationship between corporate financial performance and corporate social performance; that is, between profit and how an organization responds to social demands.² Prevailing theories during this period assumed that socially responsible behavior came at a financial cost to the organization, but researchers found that companies that sought to reduce implicit costs by means of socially irresponsible behavior—for example, by ignoring environmental impact—eventually incurred greater explicit costs. On the other hand, many values-driven organizations seem to flourish, even when measured by the typical financial metrics for business success. Kotter and Heskett reported that over a 10-year period, values-driven businesses outperformed their competitors in stock price by a factor of 12.³

1. Havas Worldwide (with Market Probe International). (2016). "Project Superbrand." Retrieved in January 2018 from <https://www.marketingcharts.com/featured-65075>.

2. Bonaventura, J. et al. (2012). "Corporate Financial Performance and Corporate Social Performance." Revista Contrabilidade & Finanças.

3. Kotter, J. and Heskett, J. (1992). *Corporate Culture and Performance*. New York, NY: The Free Press.

Cohen and Warwick describe values-driven businesses as based on several premises:¹

- Employees are more productive and pay more attention to company profit when they are working for something they believe in, are treated with respect, and are well-paid;
- Customers are more loyal and willing to forgive errors when the company's dedication to products and services is obvious;
- Consumers often show a strong preference to do business with companies that demonstrate a commitment to their community and to the environment; and
- Companies are better prepared for the future and more likely to survive inevitable disruptions if they build strong relationships with employees, customers, suppliers, and community.

See also:

[Trend — Resilient Organizations](#)

Notably, these premises address both internal and external conditions and are not simply an expression of values in branding. Sherry Hakimi, in a 2015 *Fast Company* article, says, “An organization without purpose manages people and resources, while an organization with purpose mobilizes people and resources.” Using Google as an example, she emphasizes the importance of values-driven organizations creating a clear narrative that guides all activities. While Google may be known for its lively corporate culture in Silicon Valley, what drives its decisions is a mission to organize the world’s information, making it usable and accessible as a way to achieve equality.²

Everlane sells and distributes its own clothing designs online, although it has recently opened a brick-and-mortar store. Eliminating the expense of building and staffing a chain of retail stores and working directly with manufacturers, the company not only reduces costs but also ensures ethical practices in its factories. Everlane maintains low inventories to avoid over-production and never discounts, which it views as a practice that initially lies to customers about true costs. It markets through social media (with no print advertising) under a branding strategy of “radical transparency,” providing details on the sources and costs of manufacturing each item.

B Corps are for-profit companies that meet specific standards of social and environmental performance, accountability, and transparency as certified by the nonprofit B Lab. In the United States, 33 states currently certify B Corps. Officers of these companies are required to maintain material positive outcomes. This requirement shifts the metric for measuring business success from one defined purely by profit or shareholders to one defined by its effect on society and the environment.

Patagonia became California’s first B Corps in 2012, with the goal of doing no unnecessary harm and using the business to implement solutions to the environmental crisis. One percent of the company’s revenue goes to grassroots

1. Cohen, B. and Warwick, M. (2008). *Values-Driven Business: How to Change the World, Make Money, and Have Fun.* Oakland, CA: Berrett-Koehler Publishers.

2. Hakimi, S. (2013). “[Why Purpose-Driven Companies are Often More Successful](#).” *Fast Company*. July 21, 2015.

groups fighting for the environment. In addition to selling outdoor gear and clothing, the company launched the Worn Wear (formerly Common Threads Initiative) to encourage people to repair, recycle, and resell garments. Patagonia's Sustainable Apparel Coalition is a cradle-to-grave online tracking tool that measures the impacts of materials, manufacturing, packaging, shipping, consumer use, and end of life for its products.¹

B Lab's Inclusive Economy Challenge defines an inclusive economy as "one that creates opportunity for all people of all backgrounds and experiences to live with dignity, to support themselves and their families, and to make a contribution to their communities." Metrics for the challenge include worker ownership, workforce and board diversity, inclusive governance, supply chain screening, living wage, schedule flexibility, and primary caregiver leave. In the 2017 pilot year, 154 B Corps companies reported improvement in at least one area—with the greatest gains in the diversity of the workforce—and 94 percent reported that they intend to continue the work they began as part of the challenge.²

Social innovation design — The Center for Social Innovation at the Stanford Graduate School of Business defines the practice as "a novel solution to a social problem that is more effective, efficient, sustainable, or just than current solutions...with value that accrues primarily to society as a whole rather than private individuals."³

Designer Ezio Manzini refers to social innovation design as "a constellation of design initiatives geared to making social innovation more probable, effective, long-lasting, and apt to spread." He characterizes it as using highly dynamic processes that are often contradictory; creative activities in which designers play a mediating role; and sustained participatory approaches that call for prototypes as means of reaching a consensus.

For Manzini, social innovation design can be a top-down or bottom-up process, depending on where change starts and who drives it; experts and decision-makers versus the people or communities involved. Top-down strategies recognize a real problem and the social resources needed to solve it. They propose and organize structures to activate resources and to replicate their effects over time and in other contexts. Top-down approaches build and communicate an overall vision able to connect and orient many local activities toward a common goal. Bottom-up strategies discover the power of cooperation and creatively recombine existing products, services, knowledge, and skills. They count on their own resources rather than wait for political, economic, or systemic change.⁴

Cheryl Heller, chair of the M.F.A. in Design for Social Innovation at the School of Visual Arts, describes social innovation design as working on people instead

1. Carus, Felicity. (2012). "[Patagonia: A Values-led Business from the Start](#)." *The Guardian*. July, 17, 2012.

2. B Lab. (2017). [Inclusive Economy Challenge 2017 Impact Report](#). Retrieved in January 2018

3. Phillips, J.A.; Deiglmeier, K.; and Miller, D.T. (2008). "[Rediscovering Social Innovation](#)." *Stanford Social Innovation Review*. Fall 2008. Palo Alto, CA: Stanford University.

4. Manzini, E. (2007). "[Making Things Happen](#)." Retrieved in January 2018.

instead of things—“at a systems level, at large scales, with complex levels of engagement, and on invisible as well as visible dynamics.”¹ She aligns this work with the things business needs to energize collective creative potential, saying that business start-ups behave more like design by iterating through action than by predicting futures through traditional business plans. Heller also argues that social innovation depends on redefining relationships and seeing unexpected connections among things, not on designing artifacts or the surface language of brands.

All of these definitions suggest that student projects in college programs must be grounded by the potential for sustainable impact in complex systems, not simply by worthy subject matter or the pro bono status of the project. They must be accountable to measures different from those of function, appearance, and client satisfaction. And they must recognize the processes for making change as interdisciplinary and collaborative, not as individual authorship.

Transition design — Transition design is a practice that proposes design-led societal transition toward more sustainable futures. It examines the interconnectedness of complex social, economic, political, and natural systems, explaining the dynamics of change and challenging current approaches to solving problems. It engages in informed, iterative speculation about the future, advocating short-, mid-, and long-term visions that emerge from local conditions.

Carnegie Mellon University describes transition designers as working in three broad areas:

- Developing powerful narratives and visions of the future, based on the reconception of entire lifestyles as human-scaled, place-based, and globally connected in terms of technology, information, and culture;
- Amplifying and connecting the grassroots efforts of local communities; and
- Participating in transdisciplinary teams to develop innovative, place-based solutions for transition to more sustainable futures.²

This work is compatible with service and social innovation design. Transition design, however, extends the time and scale of design impact. It has a vision for large structural change through phased actions. A few small changes cascade throughout a system and transform how the system functions.³ It is clear, therefore, why transition designers value foresighting and systems thinking as essential skills.

1. Heller, C. (2014). “The Social Innovation Revolution.” *Print* magazine. July 21, 2014.

2. Carnegie Mellon University. (2015). “Transition Design.”

3. Tonkinwise, C. “[Design's \(Dis\)Orders and Transition Design](#).” *Medium*.

Design for equity — There is much concern regarding a lack of diversity in the design professions. This concern is not new—a 1991 AIGA conference asked, “[Why is graphic design 93 percent white?](#)” While the [2017 Design Census](#) data show some improvement—with the profession 73 percent white in 2017—an AIGA task force on design and inclusion strives for a practice that more closely mirrors the audience for design and that listens to many voices.¹

Microsoft has gone beyond simple standards for making the web more accessible. Its [online toolkits](#) include a downloadable manual, activity cards, and videos for integrating universal design principles and inclusivity into the design process.

However, the profession cannot change unless colleges and universities recruit and qualify more diverse student populations under new principles for practice. Design schools also need to recognize the diversity of people for whom their students design. The equityXdesign collaborative under the work of Caroline Hill developed a set of design principles for application in design education:²

- **Design at the margins** — Under the current social order, innovation conversations are exclusive and accessible only to those with power. Collaboration and collective responsibility between those in power and those at the margins—not work by the privileged on behalf of the margins—will be necessary to change this condition.
- **Start with yourself** — Our identities create our lenses on the world. When we design for people without understanding the impact of their histories, our understanding slips into paternalism. We must be aware of our own biases.
- **Cede power** — Designing for equity requires an action-oriented spirit of co-creation under which the designer/end-user dichotomy is no longer useful.
- **Make the invisible visible** — Underlying the relationships between people and problems are hidden assumptions that are exclusionary. Making these assumptions explicit and visible creates the opportunity for reflection and repair.
- **Speak to the future** — We will not find examples of equity in the work of the past. We have to replace our current discourse with a new discourse of transformation that will be uncomfortable and ambiguous. We cannot overlook the power of language to control ideas, beliefs, actions, and culture.

1. Miller, M. (2017). “[Survey: Design is 73% White](#).” *Fast Company*, January, 2017.

2. EquityXDesign. (2017). “[Racism and Inequity Are Products of Design: They Can Be Redesigned](#).” Retrieved in January 2018.

Core concepts and principles

See also:

[Trend — Resilient Organizations](#)

Types of values — Management advisor Patrick Lencioni identifies four types of values in business.¹ **Core values** are deep in the DNA of a company or organization and drive all decisions. **They often distinguish the organization from others and are never compromised.** In the early days of personal computing, for example, Microsoft valued having its products on everyone's desk. By contrast, the value that drove development at Apple was to make the best computer in the world. These different core values explain many of the decisions made by the two companies.

Aspirational values are those that the organization needs to meet changing conditions but currently lacks. Lencioni warns that aspirational values can dilute core values if not carefully managed. Too frequently, brand communications represent aspirational values rather than core values. When people discover the distance between the two sets of values, brand authenticity and trust become issues.

Permission-to-play values define the minimum standards applied to the work of any employee and tend to be similar across organizations with the same purpose. Anyone programming a website, for example, probably values accomplishing things through the most efficient code.

Accidental values arise out of particular circumstances, separate from leadership, and settle in over time. They can have positive or negative influences on the organization, depending on the degree to which they undermine core values. For instance, repeated use of one race or gender in advertising can create the impression that a company doesn't value diversity, despite its stated desire for inclusiveness.

Brand authenticity — Brand authenticity is the perceived consistency between the values-driven behavior of a company or organization and its representation in communications, products, and services. Research at the Universities of Lausanne and Bern in Switzerland and Concordia and l'Université du Québec in Canada produced a scale for measuring brand authenticity:²

- Continuity (brand being faithful to itself)
- Credibility (being true to its consumers)
- Integrity (motivated by caring and responsibility)
- Symbolism (supporting consumers in being true to themselves)

See also:

[Trend — Resilient Organizations](#)

The study shows that authenticity is a driver of peoples' brand choices. This is confirmed in a survey by Cohn & Wolfe, which found that 87 percent of global consumers felt it was important for brands to "act with integrity at all times," and ranked authenticity above innovation and product uniqueness. Researchers attribute much of this shift in favor of authenticity to millennials, who have \$200 billion annual spending power and who are suspicious of being sold to. They are 50 percent more likely to buy from a company that supports a cause they care about.³

1. Patrick Lencioni. "[Make Your Values Mean Something](#)." *Harvard Business Review*. July 2002.

2. Marsden, P. (2010). "[Brand Authenticity Definition and Measurement Scale](#)." Retrieved in January 2018.

3. Dudler, R. "[The Age of Authenticity: Why Brands Need to Get Real](#)." *Frontify*. Retrieved in January 2018.

Marketing vice president Ashley Deibert explains that humans seek the security of knowing “there is an underlying foundation of mutual respect, honesty, and trust between them and the establishments they associate with.”¹ Deibert contrasts this position with previous values of *cleverness* and *wit* in branding, saying that today’s consumers don’t value these traits if *honesty* and *trust* are missing. She also warns that consumers expect personalization and that today’s data gathering means there is no excuse for not tailoring communications to where people are in the process of researching and buying products. Studies show that 83 percent of consumers say they like it when a brand responds to them through social media.²

See also:
[Trend — Complex Problems](#)

Change — Values-driven practices seek change in complex systems. Core 77 publisher Allan Chochinov says designers “think that we’re in the artifact business, but we’re not; we’re in the consequence business.”³ There are fields of inquiry that study the nature of change, but in general, it is important to acknowledge that all design operates on some theory of change, whether acknowledged or not. In explicitly adopting a theory of change and the role design plays in bringing about that change, designers can facilitate discussions of possible and preferred futures. In a 2015 article, authors Christine Gaspar and Liz Ogbu delineated a language of design for equity:⁴

- **Diversity** means having representation of all groups (race, ethnicity, physical ability, socio-economic status, gender, sexual orientation, field of study, type of expertise, and other factors). The call for diversity is based on the belief that real barriers keep talented people from pursuing the field of design.
- **Equality** is defined by access to opportunity. Giving everyone equal access to something only works if everyone starts from the same place.
- **Equity** is concerned with more than opportunity. It acknowledges barriers that make access to opportunities unequal. Gaspar and Ogbu argue that equity has implications for how we engage with communities other than our own, how we recruit and treat employees, how we share credit for work, and how we measure impact. It is about alleviating access discrepancies.
- **Privilege** is an unearned set of advantages that informs our actions. Acting on privilege means actively doing something to address inequality and equity—for example, acknowledging that a community isn’t in a position of power to push back when design doesn’t reflect their input.
- **Power** is related to privilege. The authors remind designers that they have power in a skill that not everyone has. Decisions are often made about groups that have no place at the table.

1. Deibert, A. (2017). “Why Authenticity in Marketing Matters Now More than Ever.” *Forbes magazine*. May 26, 2017.

2. Dudler, R. “[The Age of Authenticity: Why Brands Need to Get Real.](#)” *Frontify*. Retrieved in January 2018.

3. Chochinov, A. (2014). “[1000 Words: A Manifesto for Sustainability in Design.](#)” Core 77. Retrieved in January 2018.

4. Gaspar, C. and Ogbu, L. (2015). “[Using Our Words: The Language of Design for Equity.](#)” Retrieved in January 2018.

This clarification of terms is useful when talking with students about framing problems and engaging people as partners in the design process. There are ample resources on convivial research methods for designing *with* rather than *for* people. Students should be familiar with these methods and use them frequently in class assignments. Critiques that encourage opinions from a variety of users also reinforce students' accountability for equitable design solutions. For faculty, these conceptual distinctions are also important in recruiting and teaching students. Admissions criteria, for example, may be equal but not equitable for all groups. Faculty privilege may not acknowledge the difficulty some groups have in asking questions or speaking up in critiques.

Ethics — Much has been said about ethics, ranging from issues of intellectual property rights to honesty in advertising. AIGA publications *Design Business and Ethics* and *Ethics and Social Responsibility* as well as articles on topics such as spec work and debates over designer complicity in the unethical behavior of clients can be found on the AIGA website. While it is easy to ignore these issues in schools where doctrines of fair use and hypothetical projects abound, or to paint them with a broad brush that tacitly labels commercial work as “selling out” and socially-focused projects as inherently “good,” faculty have an obligation to engage students in nuanced discussions about where ethical dilemmas for designers are likely to reside. And as technology moves faster than law, professional designers must frequently rely on their moral compasses rather than clearly defined legal precedents. These circumstances make it important to monitor ethical practices under shifting professional contexts.

Challenges for designers

One challenge for social innovation designers is to develop economically sustainable professional practices. If designers want to innovate outside the typical client-based model, they must find ways to support their work. Colleges that promote social innovation as an employment outcome owe students examples of strategies for funding social and environmental initiatives.

College programs must also resist over-compartmentalizing “design for good” from other kinds of work, tacitly suggesting to impressionable students that commercial work is “not for good.” All design should be accountable for producing positive social and environmental consequences and students should be held to high standards in critiques.

At the same time, the field needs new measures for design success, beyond short-term profits for clients and appearance awards for designers. Issues of resource consumption, lifespan, and equal access to information, products, and services require a long view of benefits arising from design decisions.

Competencies:

College student competencies:

- **Students should describe various models of professional practice and the worldviews they represent.** They should assess the value systems that underlie various companies and their representation as brands.
- **Students should identify the social and ethical responsibilities of designers and clients in addressing design challenges, even in cases where the primary purpose of the organization is not social innovation.** The social, environmental, and economic consequences of their work should be part of the ongoing dialogue with students in framing and solving design problems. Students should identify opportunities to innovate socially and environmentally within a variety of organizational structures.
- **Distinguish and resolve competing priorities among stakeholders and between stakeholders and society.** Students should employ convivial methods that engage stakeholders in the design process. They should be inclusive in their definition of participants and seek solutions that are equitable.
- **Evaluate design solutions in terms of their social, cultural, technological, economic, and environmental impact.**

Professional continuing education should address:

- Clarifying organizational and stakeholder values, and envisioning socially and environmentally responsible futures;
- Developing pathways to transition organizations from current practices to aspirational futures;
- Reflecting design concern for the lifecycle of products and services, from the identification of people's needs to when they discard the object, abandon the environment, or discontinue the service;
- Designing messages that connect values with products and services;
- Developing economically viable models of social practice; and
- Promoting strategies of inclusion and social equity in the operation of their practices and in work for clients.

Resources

Candy, S. Meadows, D. (2008). *Thinking in Systems*. VT: Chelsea Green and the Sustainability Institute.

Microsoft. (2017). [Inclusive Design](#).

Shea, A. and Lupton, E. (2012). *Designing for Social Change: Strategies for Community-Based Graphic Design*. New York, NY: Princeton Architectural Press.

Smith, C. (2007). *Design for the Other 90%*. New York, NY: Cooper Hewitt, Smithsonian Design Museum.

Meadows, D. “[Leverage Points: Places to Intervene in a System](#).” Donella Meadows Institute.

Papers on transition design

Irwin, T. “[Transition Design: A Proposal for a New Area of Design Practice, Study, and Research](#).” *Design and Culture*. Sept. 2015.

Irwin, T., Kossoff, G., and Tonkinwise, C. “[Transition Design: An Educational Framework for Advancing the Study and Design of Sustainable Transitions](#).” For the 6th International Sustainability Transitions Conference, University of Sussex, UK, August, 2015.

Irwin, T., Kossoff, G., and Tonkinwise, C. “[Transition Design: The Importance of Everyday Life and Lifestyles as a Leverage Point for Sustainability Transitions](#).” For the 6th International Sustainability Transitions Conference, University of Sussex, UK, August, 2015.

Kossoff, G. (2011). “[Holism and the Reconstitution of Everyday Life: A Framework for Transition to a Sustainable Society](#).” *Grow Small, Think Beautiful*. Stephan Harding (ed.).

Tonkinwise, C. “[Design for Transitions—from and to what?](#)” For a Symposium on Futuring at Rhode Island School of Design, May, 2015.

Tonkinwise, C. “[Design's \(Dis\)Orders and Transition Design](#).” *Medium*. August, 2014.

Websites

[Be the change](#)

[How Do You Design the Future?](#)

[Fit Associates](#)

[LEAP Dialogues](#)

[Social Design Pathways](#)