



Rotman School of Management
UNIVERSITY OF TORONTO

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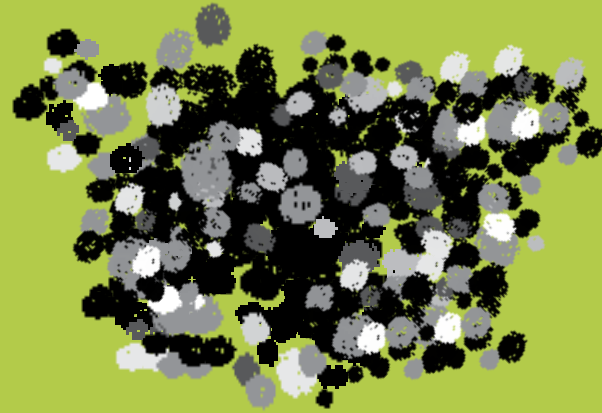
The Design of Business

Why Design Thinking is
the Next Competitive Advantage

Roger Martin, Dean

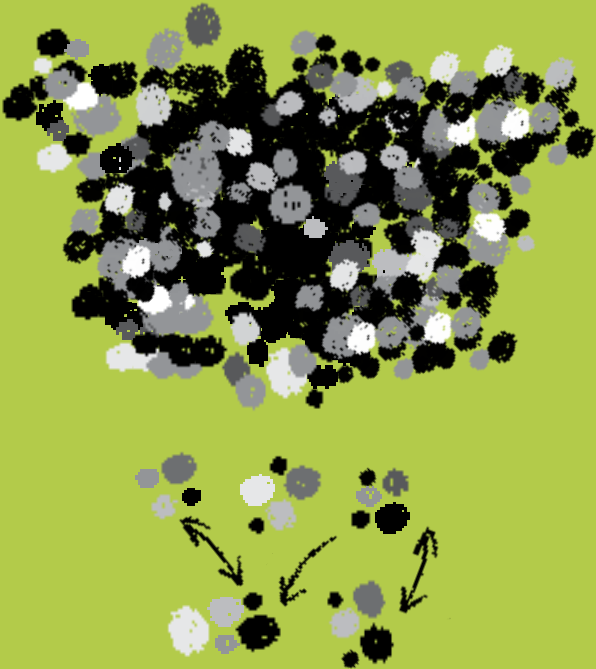
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Our Path of Understanding



Mystery

Our Path of Understanding

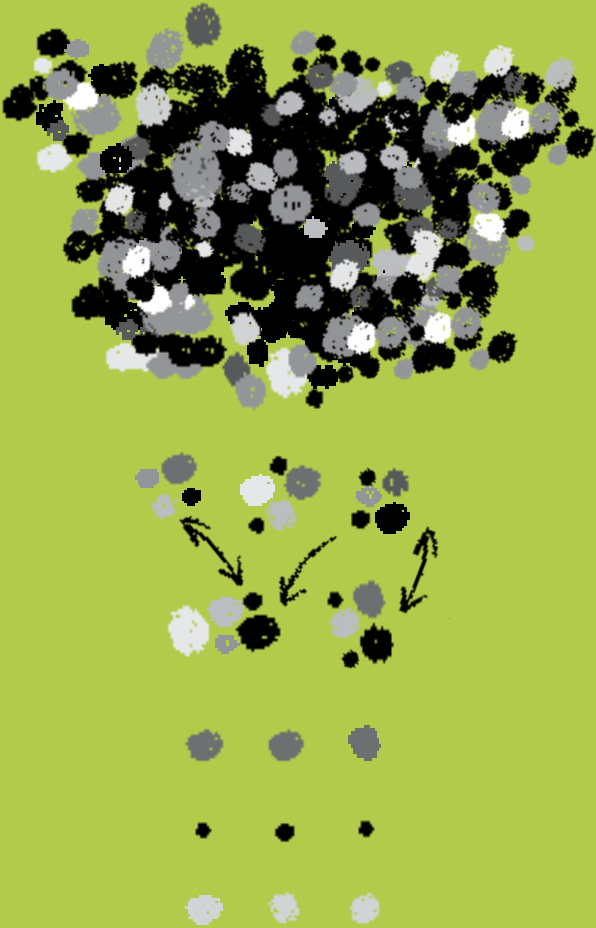


Mystery



Heuristic

Our Path of Understanding



Mystery

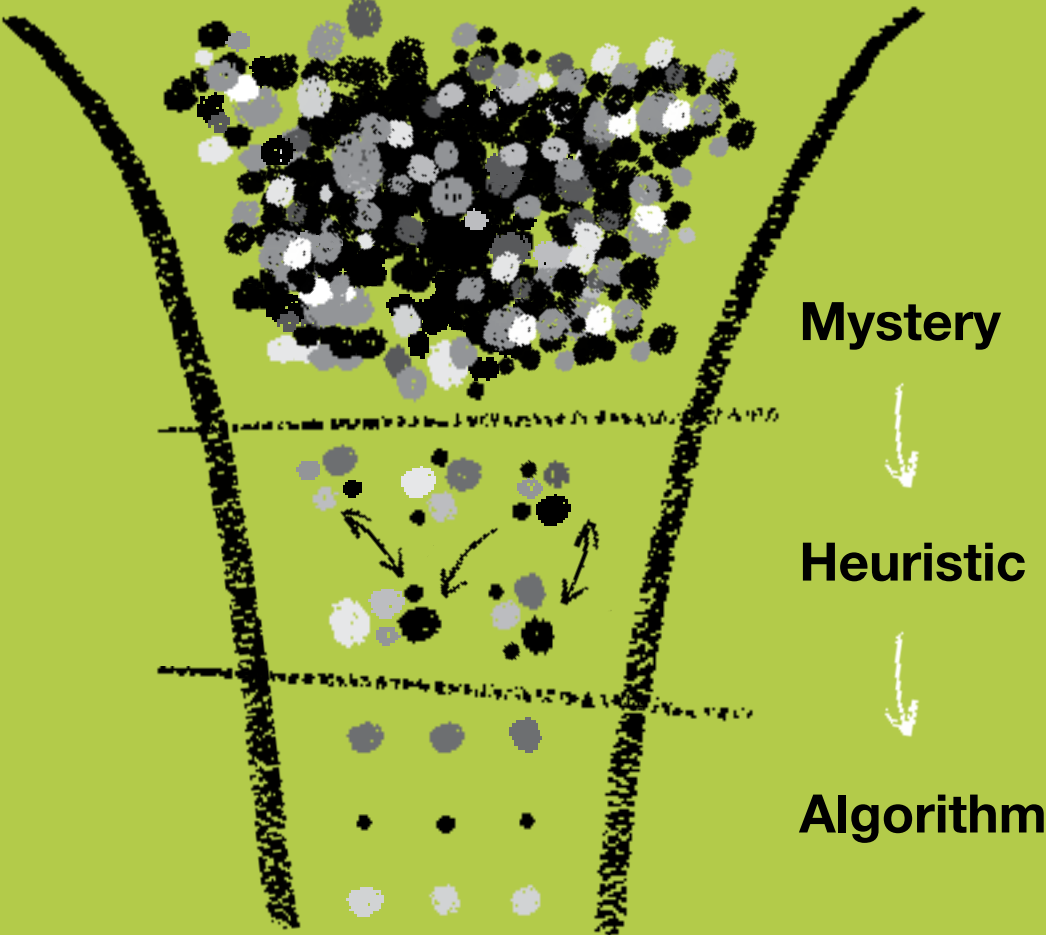


Heuristic

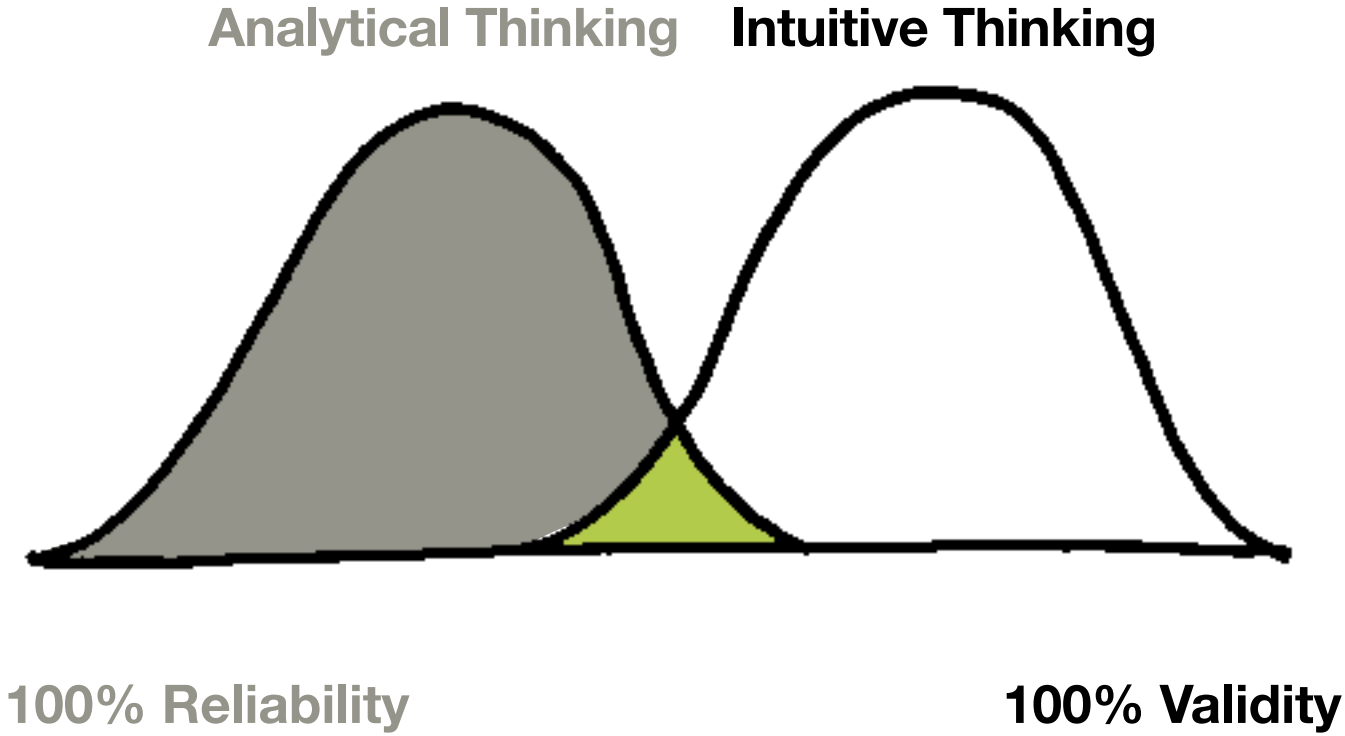


Algorithm

Our Knowledge Funnel



A Fundamental Predilection Gap



Analytical Thinking

● Purpose

Proof through induction and deduction

● Approach

Exploitation of current knowledge

Focus on data from the past

Administration of what is

Suppression of judgment

● Goal

Reliability: the production of consistent replicable outcomes

Intuitive Thinking

● Purpose

Knowing without reasoning

● Approach

Exploration of new knowledge

Focus on what might be

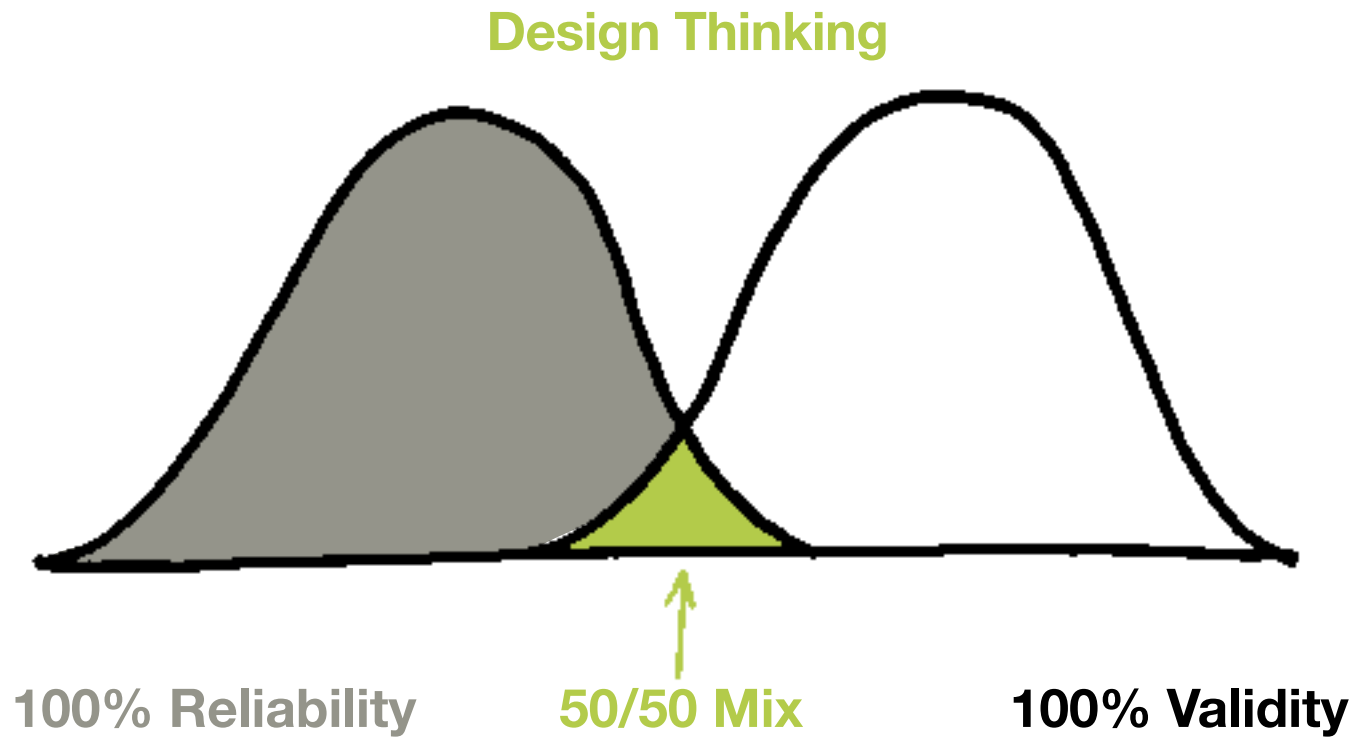
Invention of the future

Suppression of analysis

● Goal

Validity: the production of outcomes that meet objectives

Bridging the Fundamental Predilection Gap



Design Thinking

● **Purpose**

Balance through generative reasoning

● **Approach**

Respect for exploitation & exploration

Integration of future with past

Design of what should be

Integration of analysis & judgment

● **Goal**

Requisite reliability & validity to maintain
competitive advantage

Designing in **Hostile Territory**

5

productive steps

1. reframe extreme views as a creative challenge
2. empathize with your colleagues on the extremes
3. learn to speak the languages of both reliability and validity
4. step back from perfection to be understood
5. turn the future into the past