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Service design as an approach for recognizing blue ocean

Koskelo, Minna

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Service design as an approach for recognizing blue ocean

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Minna Koskelo

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This thesis aims to show that service design as an approach can be utilized for discovering new market space, referred as blue ocean and new business opportunities, and thus to show that service design can be seen as an approach for bringing the new logic for value creation into strategic level. From the field of strategic management the theory of blue ocean strategy was chosen for presenting the strategic outcome and further since there are similarities between blue ocean strategy approach and service design approach. Human@Work is used as case company.

The thesis consists of introduction, theoretical part, introduction of the case company, case study, results and conclusions. Theory discusses the paradigm shift in value creation, blue ocean strategy and service design. In the theoretical part the paradigm shift in value creation is introduced and, finally, blue ocean strategy is presented as well as service design as an approach for recognizing a blue ocean.

Service design approach was used primarily because it concentrates on understanding both the customers and the context that are central in the new paradigm shift for value creation. Hence the paradigm shift in value creation can be seen as a driver for using service design. Customer centricity and holistic view are among the main principles in service design. Throughout the process the focus was on the customers. The data concerning understanding customers and the context where the case company Human@Work aimed to operate was gathered using service design approach. Methods, such as online survey and expert interview and tools such as popular media search, trend scouting and brainwriting, were used. The data was analysed using tools such as affinity diagram and personas. Personas were chosen as the main tool from the field of service design, and thus they provided the lens through which the blue ocean for the case company was recognized and created. Stakeholders were engaged in an ideation workshop in which the understanding towards the field was further deepened and ideas for the blue ocean strategy were identified and generated. The blue ocean was recognized against the insights about the market and customers and tools, such as strategy canvas and four actions framework were used. While Human@Work as a company was launched using the strategic focus identified through this process, more expert interviews were done to gain feedback and to validate choices made since testing is essential in service design.

As an outcome this thesis presents blue ocean strategy canvas that primarily takes customers and the paradigm shift in value creation into account, for a case company Human@Work. This was done by using service design as an approach.

Key words: service design, value creation, blue ocean strategy

Minna Koskelo

Title of the thesis

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Opinnäytetyön päätavoitteena on selvittää ja näyttää miten palvelumuotoilua voidaan hyödyntää uuden markkinatilan ja strategisten liiketoimintamahdollisuuksien tunnistamiseen. Palvelumarkkinoinnin puolella on tutkittu arvon muodostumista ja opinnäytetyön tavoitteeseen on sisällytetty myös arvon muodostumisen viimeisimmän teorian tuominen strategiselle tasolle, jonka palvelumuotoilun käytännöllinen lähestyminen mahdollistaa.

Opinnäytetyö koostu johdannosta, teoreettisesta viitekehyksestä, esimerkkiyrityksen esittelystä, tutkimusmenetelmästä, tuloksista ja johtopäätöksistä. Teoreettinen keskustelu koostuu paradigman muutoksesta arvon luomisessa, sinisen meren strategiasta sekä palvelumuotoilusta.

Tavoitetta lähdettiin tutkimaan esimerkkiyrityksen kautta palvelumuotoiluajattelua hyödyntämällä. Esimerkkiyritys on Human@Work. Palvelumuotoiluajattelu on opinnäytetyössä sekä menetelmänä että teoriana. Palvelumuotoilussa huomioidaan viimeaikainen keskustelu arvon muodostuksesta ja lähestyminen on ennen kaikkea ihmiskeskeinen, joka on keskeistä arvon muodostuksen paradigman muutoksessa. Uuden markkinatilan tunnistamiseksi tutkittiin asiakkaiden arvon muodostusta ja tarpeita. Dataa kerättiin internet-pohjaisen kyselyn kautta, johon vastasi 28 henkilöä. Tämän lisäksi tehtiin työpöytätyöskentelyä. Data analysoitiin hyödyntämällä palvelumuotoilun työkaluja affinity diagramia ja persoonia. Tuloksien pohjalta järjestettiin ideointi-työpaja sidosryhmille ja potentiaalisille asiakkaille, jossa pyrittiin edelleen syventämään ymmärrystä asiakastarpeista ja toimialasta. Persoonat valittiin päätyökaluksi, sillä ne tarjoavat mahdollisuuden tarkastella uuden markkinatilan luomista asiakasnäkökulmasta käsin.

Opinnäytetyön lopputuloksena palvelumuotoiluprosessia hyödyntämällä Human@Workille tehtiin sinisen meren strategiaprofiili, jonka avulla uusi markkinatila tunnistettiin. Prosessissa huomioitiin arvon muodostuksen paradigman muutos ja sininen meri tunnistettiin asiakaslähteisesti. Human@Work lanseerattiin syksyllä 2012. Lanseerauksen jälkeen tehtiin vielä asiantuntijahaastattelut arvioimaan ja validoimaan tehtyjä valintoja palvelumuotoilun periaatteiden mukaisesti. Palvelumuotoilussa ajatellaan, että palvelu ei ole koskaan valmis, vaan sitä voi aina kehittää ja parantaa. Tätä näkemystä sovellettiin tässä opinnäytetyössä strategiaan.

Asiasanat: service design, value creation, blue ocean strategy

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1 Introduction

The future of business is about creating meaningful and engaging experiences for people (Solis, 2013, 29). The businesses should start designing experiences and outcomes for people according to their interests and behaviour instead of focusing on demographics. Further without empathy and deep customer understanding it is impossible to create meaningful experiences for customers. (Solis, 2013, 29.) A new discipline has been established to innovate and develop services, and thus experiences. It is called service design. Understanding users and customers is the starting point for service design. Additionally the recent development in value creation is taken into account in service design (See eg. Wetter-Edman, 2012, Sangiorgi, 2012). Furthermore, futurists Andersson and Kaivo-Oja (2012, 180) emphasize that design thinking and service design are essential strategic competences now and in the future and they will provide input for business development and growth.

One of the most significant propositions in the marketing and management field has been the presentation for new dominant logic, a service-dominant logic (Vargo and Lusch, 2004). The Finnish Funding Agency for Technology and Innovation has even named the logic as a driving force for future business success (Tekes, 2010, 9). Keränen and Ojasalo (2011, 4) state that during the 21st century the service-dominant logic has surpassed traditional goods-dominant approach, and thus transformed the business thinking. Service-dominant logic proposes that rather than goods service is the unit of exchange, and thus customers are always value co-creators (Vargo and Lusch, 2004, 1, 3, 15). Therefore it has become essential to understand the customers and the context where value co-creation happens. Also Prahalad and Ramaswamy (2004) have proposed a similar paradigm shift referred to as co-creation of value. According to them (2004) an individual's experience becomes the most important denominator for value. However, the latest theory has suggested that customer's role in value creation should be further emphasized, and thus a new logic, a customer-dominant logic has been introduced (Heinonen et al. 2010).

There is a need to explore value creation from the customer's perspective in strategic management (Priem, 2007). Indeed the paradigm shift in value creation suggests that the traditional approach for strategy need to be updated and further that the traditional approaches do not emphasize customer's role enough (Prahalad and Ramaswamy, 2004). In the strategic management field blue ocean strategy has been among the most popular approaches. However there seems to be no research on the theory and the paradigm shift in value creation. Interestingly in the field of service design Wetter-Edman (2011, 20) has suggested that design practice could be a way to realize service logic for the organization with the help of design-erly tools and methods.

For companies to truly become customer-centric and to be able to provide meaningful value and experiences co-creation of value needs to be taken into the strategic level. Service design offers companies concrete tools that enable taking the paradigm shift in value creation into strategic level.

1.1 Background and objective of this thesis

Traditionally it is recommended that research is systematic, and thus contains a set of actions and steps. Additionally the research has to be organized and there needs to be focus, structure and appropriate methods. The purpose of the research is presented through a question that is relevant, useful and important. (Collins, 2010, 10.)

This thesis is done as a development project of working life for a company called Human@Work co-founded by me. Human@Work was established in the end of 2011. I started first working with this thesis in the beginning of 2012 when the strategy was the greatest need for the company. I wanted to use topical approaches and theories from the area of service innovation and design for recognizing new market space and for creating the strategy. There are plenty of approaches available in the field of strategic management. Blue ocean strategy was chosen as an approach from the field as it is one of the most popular approaches to strategy today, and additionally Human@Work supported blue ocean strategy as an approach. On the other hand, in the literature of service design there is not much research or case studies for recognizing new market space, and thus creating a strategy by using service design. Furthermore I chose to utilize service design as a methodology as it is foremost human-centric as it will be explained in this thesis report.

The purpose of this thesis is to explore and answer how service design approach and especially its emphasis on customer understanding can be utilized for recognizing blue ocean for a company. Hence the focus is on customers and how they perceive value, which is an essential feature in the new logics for value creation.

Only one thesis was found that has touched the topic explored in this thesis 'Service-dominant logic for creating human-centred strategy - challenges of a small design agency' (Wiik, 2012) for Savonia university of applied sciences. The thesis explored strategic approaches for design agency to transform itself from a traditional design agency towards service design agency where blue ocean strategy with chosen tools was considered as one option. (Wiik, 2012.)

1.2 The theoretical framework

The theoretical framework is visualized in Figure 1. The theories were chosen mainly from the fields of Service Innovation and Design. To frame the focus and purpose in a simple way questions what, why and how can be answered. What is the aim of this thesis? The aim of this thesis is to utilize service design approach for recognizing blue ocean and integrate the new logic of value creation into strategic level. The final outcome is a strategy canvas for the case company. Why this topic? One can argue that service design is a new approach for designing services. New case studies and research about the field are presented continually. Since service design is customer-centric and acknowledges the new logic for value creation I wanted to see how service design methods and tools can be used for recognizing new market space for company, and thus create a strategy. Both service design and blue ocean strategy are aiming for innovation. Service design provides concrete methods and tools for a rather abstract theoretical discussion about value co-creation. How will the aim be achieved? The aim is achieved by using service design approach with chosen methods and tools as well as blue ocean strategy approach with chosen tools. These two are integrated in a case study.

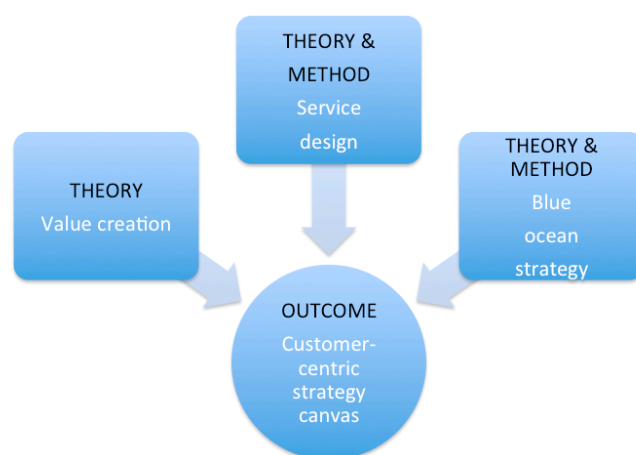


Figure 1: Framework for this thesis

1.3 The structure of this thesis report

This thesis report consists of a theoretical and empirical part with a case study. This chapter presents the background, objectives and delimitations of the thesis. The theory is presented in Chapter 2. Theory includes theory on value creation in the area of service marketing and management and then proceeds to discuss blue ocean strategy and service design. Following issues are covered: what is meant by paradigm shift in value creation, what can literature tell

about the paradigm shift at strategic level, what is blue ocean strategy and why it is an interesting approach, what is service design and why it is a good approach for recognizing blue oceans? Chapter 3 presents the case company for this thesis. Chapter 4 explains the process and methods of this thesis. Results of the process are discussed in Chapter 5, and finally Chapter 6 concludes and discusses how the aim of this thesis was achieved and presents suggestions for further research.

1.4 Delimitations of the thesis

This thesis explores utilizing service design approach for recognizing blue ocean through one case company and therefore it can't be generalized. The focus is on discovering the blue ocean. Execution including business model, competences and resources required are excluded since they contain delicate information. This thesis is a starting point for a wider research to combine paradigm shift in value creation, service design and blue ocean strategy. This thesis especially explores the use of service design at strategic level. Due to time and budget limitations innovative and ethnographic methods essential for service design (Hanington, 2003) could not be utilized. However the traditional methods combined in other service design tools provided deep understanding about the customers and context. Both blue ocean strategy and service design are processes including several steps and tools. These two approaches were integrated for the purpose of this thesis and only some of the steps and only some tools were utilized. The process with chosen methods and tools is only one option for approaching the goal. Methods and tools utilized in service design approach always vary according the designer's background and the aim. From the point of view of blue ocean strategy the main tools utilized were strategy canvas, four actions framework and ERRC grids. From the field of service design the main tool utilized was personas. The focus was primarily on understanding the customers and the context. Hence the first steps of service design were mainly utilized. In addition all the literature covering the topic is not included.

2 Discovering new opportunities for value and business opportunities

This chapter will present theoretical discussion related to the topic. Theoretical discussion includes latest theory on value creation in the area of service marketing and management and then proceeds to discuss blue ocean strategy and service design. Following issues are covered: what is meant by paradigm shift in value creation, what can be found in the paradigm shift in strategic level from literature, what is blue ocean strategy and why is it an interesting approach, what is service design and why it is a good approach for recognizing blue oceans?

2.1 Paradigm shift in value creation

Value creation can be considered as the core purpose and central process for economic exchange (Vargo et al. 2008,145). The debate of value creation is ongoing between three logics: service-dominant logic, service logic and customer-dominant logic. Arantola-Hattab (2013, 32) has summarized the current discussion seen in Figure 2. The three logics use somewhat different terms. For instance depending on the logic the term for context varies. Furthermore the Figure 2 presents both the evolution of logics and definitions used for value-creation and the logic these definitions fall under. (Arantola-Hattab, 2013, 32.)

Logic	Service-dominant logic	Service logic	Customer-dominant logic
Definitions used for value creation	Value-in-use Value-in-context Value-in-social context Value-in-practise	Value-in-use Value-in-practise	Value-in-experience Value-in-life

Figure 2: Different logics' definitions for value creation (Arantola-Hattab, 2013, 32)

Grönroos (2011, 280) stresses that the difference and relationship between value creation and value co-creation, and thus potentially different roles in value creation have not been thoroughly discussed. The concept of value creation is very much discussed in the literature. Indeed there seems to be different perspectives in the literature on how value is created and the role of the service provider and the customer (Heinonen et al. 2013, 104). There is a mutual understanding in academics that both the customer and the service provider participate in some capacity in the value-creating process, and thus it can be said that the customer is always a co-creator of value (Grönroos, 2011, 280). However, Grönroos (2011, 280) continues that it is too simplistic as it is not clear what is meant by value creation.

In 2004 Vargo and Lusch (2004, 1) stressed that there was a need to explore new perspectives where instead of goods, service provision is fundamental for economic exchange. According to them (2004, 1) goods-dominant logic was based on actors exchanging goods, which are usually the end result of manufacturing. Furthermore they (2004, 1) continue that the view that value, the utility of a product was embedded in a product was inherited from economics into marketing. They introduced a new logic for value creation, a service-dominant logic, in which the value is defined by and co-created with the customer (Vargo and Lusch, 2004, 6). Thus, in service-dominant logic, service (knowledge and skills) is the basis of exchange and the customer is always a value co-producer. Companies can only make value propositions and the value is always determined in use. (Vargo and Lusch, 2004, 7.) Later Vargo and Lusch have

updated the term co-producer into co-creator. Figure 3 presents the differences between goods-dominant logic and service dominant logic on value creation.

	G-D logic	S-D logic
Value driver	Value-in-exchange	Value-in-use or value-in-context
Creator of value	Firm, often with input from firms in a supply chain	Firm, network partners, and customers
Process of value creation	Firms embed value in "goods" or "services", value is 'added' by enhancing or increasing attributes	Firms propose value through market offerings, customers continue value-creation process through use
Purpose of value	Increase wealth for the firm	Increase adaptability, survivability, and system wellbeing through service (applied knowledge and skills) of others
Measurement of value	The amount of nominal value, price received in exchange	The adaptability and survivability of the beneficiary system
Resources used	Primarily operand resources	Primarily operant resources, sometimes transferred by embedding them in operand resources-goods
Role of firm	Produce and distribute value	Propose and co-create value, provide service
Role of goods	Units of output, operand resources that are embedded with value	Vehicle for operant resources, enables access to benefits of firm competences
Role of customers	To 'use up' or 'destroy' value created by the firm	Co-create value through the integration of firm-provided resources with other private and public resources

Figure 3: Differences between goods-dominant logic and service-dominant logic on value creation (Vargo et al. 2008, 148)

Lusch et al. (2007, 5) argue that if companies want to compete through service, this view has to be adopted by the entire organization. Service-dominant logic is a logic that entails a promise to collaborate with customers, partners and employees, to serve them (Lusch et al. 2007, 5).

Vargo and Lusch (2008, 9) emphasize that service-dominant logic is for most a mindset and it provides a lens through which it is possible to look at social and economic exchange phenomena. Recently Wieland et al. (2012, 12, 13) have stressed the importance of including systems thinking and service ecology to service-dominant logic referred as actor-to-actor orientation, and thus paying attention how the entire service ecology with various actors affect to value creation. The Fundamental idea behind this is that all social and economic actors are aiming to create value for themselves and others. Hence it is reciprocal. (Wieland et al. 2012, 12.) Indeed shared experiences are essential in today's network economy (Solis, 2013, 39). And thus as Solis argues (2013, 39) networks constantly grow in influence. However, Grönroos (2011, 282) states that there is not much knowledge about the actual process of value creation, the starting point, what it includes, and when it ends.

Service-dominant logic is rooted to 10 foundational premises (Vargo and Lusch, 2008, 7):

- Service is the fundamental basis of exchange

- Indirect exchange masks the fundamental basis of exchange
- Goods are a distribution mechanism for service provision
- Operant resources are the fundamental source of competitive advantage
- All economies are service economies
- The customer is always co-creator of value
- The enterprise cannot deliver value, but only offer value proposition
- A service-centered view is inherently customer oriented and relational
- All social and economic actors are resource integrators
- Value is always uniquely and phenomenologically determined by the beneficiary

Recently four of the premises have been identified particularly foundational (Vargo, 2013, 6). They are FP1: "Service is the fundamental basis of exchange", FP 6: "The customer is always a co-creator of value" FP 9: "All economic and social actors are resource integrators" and FP 10: "Value is always uniquely and phenomenologically determined by the beneficiary".

Grönroos (2011, 283-284) argues that the term service-dominant logic can be seen confusing since ultimately everything is service. He (2011, 284) suggests that rather it is a logic of service, not a logic dominated by service. Hence this is another logic for value creation. Furthermore Grönroos and Voima (2013, 144) argue that value-in-use is customer driven and value accumulates over time in the customer's context. They (ibid.) also argue that ultimately value is the value-in-use created by the user. Hence Grönroos and Voima (ibid.) suggest re-considering the value related foundational premises of service-dominant logic.

Recently Heinonen et al. (2010) have proposed a customer-dominant logic, which is a third logic for value creation. In customer-dominant logic the focus is on the customer's value formation, which can be seen as multi-contextual, and thus involving the company (Heinonen, et al. 2013, 104). Hence Heinonen et al. (2010, 531) propose a shift to a customer-dominant logic. According to Heinonen et al. (2010, 531) both goods-dominant and service-dominant logic emphasize service provider, and thus can be perceived as provider dominance, where the emphasis is on the company's side. Also Strandvik et al. (2011, 132) present that there is a shift that customers will control value. They (ibid.) argue that customers and sellers are co-controlling value. According to Strandvik et al (2011, 133) terms such as offering and value proposition refers to the provider. Heinonen et al. (2013, 105) argue that there is a need to further investigate how value emerges for the customer, and not to have emphasis on the provider's perspective. Interestingly, Priem (2007, 227) suggests that customers with product-specific human capital gain more benefit while they interact with products or services compared to those who have less product-specific human capital. Hence previous experiences affect to value creation. Customer-logic could be seen as business logic (Heinonen et al. 2010, 531), and thus the whole organization could form itself accordingly. If customers were

the core management would start by exploring how the organization would be able to deliver customer satisfaction. The next step would be identifying the resources required. (Heinonen et al. 2010, 532.)

In customer-dominant logic the focus is also on the customer's intentions, and on perceiving the customer first and only then the service and how it fits to the customer's life. In other words the customer's total experience is perceived first, not the service itself. (Heinonen et al. 2010, 535, 543.) Furthermore Heinonen et al. (2010, 543) argue that the value is being created in experiences, and focusing only on value creation within interactions is not sufficient. Hence in experiences there might not be co-creation with the service provider. Heinonen et al. (2010, 543). Figure 4 presents the differences between provider-dominant and customer-dominant logics.

	Provider-dominant logic	CD logic
<i>Co-creation</i>		
Involvement	Customer involved in co-creation	Company involved in customer activities
Control	Company controls co-creation	Customer controls value creation
<i>Value-in-use</i>		
Visibility	Focus on visible interactions	Also considers invisible and mental actions
<i>Customer experience</i>		
Scope	Formed within the service	Emerges in customers' life
Character	Extraordinary and special	Also mundane and everyday

Figure 4: The provider-dominant versus customer-dominant logic of service (Heinonen et al. 2010, 542)

Only if service-dominant logic is applied at strategic level can business development happen according to it (Lüftenegger et al. 2012, Abstract). Lüftenegger et al. (2012, 6) have explored the use of service-dominant logic at strategic level and according to them (ibid.) research related to service-dominant strategy is rare. And by this they mean specifically service-dominant strategies. Also Karpen et al (2012, 21) point out that there is a need for empirical research on how to enable co-creation of value in managerial level in organizations. The next section will discuss the paradigm shift in value creation at strategic level.

2.2 Strategic management and paradigm shift for value creation at strategic level

According to Priem (2007, 233) having a focus on customers is vital for successful strategic management. Additionally, Priem (ibid.) stresses that strategy scholars work that complements traditional approaches with customer perspective on value creation is needed. In 1994 Prahalad and Hamel stressed that there was a need to re-examine traditional strategy paradigms (Prahalad and Hamel, 1994, 6). They listed number of drivers for change. One of them

being more demanding customers. They (ibid.) argued that many prevailing assumptions of traditional strategic concepts and tools of analysis created mainly during 1965-85 were outdated and needed to be re-evaluated. Furthermore they (ibid.) stated that it was a beginning for a search for new paradigms. Additionally they pointed out three areas of interest: industry transformation, changing the dominant logic of the firms and rethinking the unit of analysis for competitiveness. (Prahalad and Hamel, 1994, 9-10.) Already then it was presented that rather than taking industry boundaries as given managers were interested in how they could transform industries for their own benefit and researchers explored a new dominant logic (Prahalad and Hamel, 1994, 9). Foresight, resources and competences were also highlighted (Prahalad and Hamel, 1994). The assumptions that were re-evaluated were presented as follows: strategy as positioning companies in industries where structure is stable, strategy tools and analysis focusing on existing industries, business unit as the focus of analysis, economic analysis as the primary explanation for strategic outcomes and finally perceiving strategy mainly as organizational process. (Prahalad and Hamel, 1994, 10-11.)

The three leading schools of business strategy are industry based, competence based and resource based strategies. Additionally, the two leading marketing strategies are market oriented and relational market strategies. (Hunt and Derozier, 2004, 6.) See Table 1.

Business Strategy	Basic Idea
Industry based	Strategy is perceived as a result of external setup of industries and markets, and thus the overall appeal of an industry is the dominant variable for strategic decision-making (Beuker, 2010, 96).
Competence based	To be able to gain competitive advantage companies are identifying, seeking, developing, reinforcing, maintaining and leveraging specific competences (Hunt and Derozier, 2004, 11).
Resource based	To be able to gain competitive advantage, companies need to have resources that cannot be copied, or replaced and that are valuable, rare and imperfectly mobile. (Hunt and Derozier, 2004, 11).

Table 1: Three leading business strategies

Priem (2007, 219) states that Porter's strategic positioning and industry based view dominated the strategy research in 1980's. Porter (1996, 62) states that competitors can be outperformed by differentiation that is sustainable. Hence according to Porter (ibid.) a company has to be able to provide greater value to customers or create adequate value at lower cost, or provide both. Furthermore he (ibid.) argues that if a company succeeds in delivering greater value it is possible to charge a higher price. Beuker (2010, 96) argues that in this view service is seen as an attribute for products or transactions, hence a means for differentiation at most.

1990's was dominated by resource based view. Lately there has been discussion around dynamic capabilities and firm-specific knowledge. (Priem, 2007, 219.) Indeed, resources are highlighted in service dominant logic (Nenonen and Storbacka, 2009, 6) and one of the founding premises of service-dominant logic states that: "All economic and social actors are resource integrators" (Vargo and Lusch, 2008, 7). Nenonen and Storbacka (2009, 6) continue that resources can be divided into operand and operant resources. According to them (ibid.) operand resources include generally tangible and static resources. Operant resources include generally intangible and dynamic resources. Furthermore operand and operant resources differ so that operant resources can create value where as operand resources require action in order to be valuable. (Nenonen and Storbacka, 2009, 6.) In addition, Helle (2010, 7) argues that actors impact each other and each other's resources, and thus the value co-creation. Also Prahalad and Ramaswamy (2004, 98) point out adaptation and rapid reconfiguration of resources according to customers and selectively activating competencies needed for personalized experiences.

Ojasalo and Ojasalo (2009, 101) argue that successful service organizations have a clear understanding about their vision, goals and strategies. To be able to exhibit a clear vision one has to understand the current state and how it was attained, who are the customers and what is the current offering. Other important things include the profitability, competitive landscape, competitive advantages and trends shaping the business environment (ibid.) However Ojasalo and Ojasalo (2009, 102) emphasize the importance of deeply understanding and knowing customers, as fundamentally they are the source of all revenue. Priem (2007, 219) proposes a customer perspective because ultimately the customer's experience about the company affects business success. He (2007, 220) further argues that the customer perspective does not exclude traditional strategic approaches instead they are complemented by linking strategic position and resource recombinations. Priem (2007, 219) also argues that when value is discussed in strategy distinction between value creation and value capture are often blurred. Even though it is evident that value capture is ultimately vital concerning profitability. (Priem, 2007, 221).

Lüftenegger et al. (2012) have created a framework for service-dominant strategy and a tool called service-dominant strategy canvas, which is a management tool for analysing and designing service dominant strategies. Competences and resources are essential in their framework. See the framework for the canvas in Figure 5. In addition to Lüftenegger et al. (2012) Nenonen and Storbacka (2009, 6) have proposed a framework for business model. Besides resources Nenonen and Storbacka's model include design principles and capabilities as components (Nenonen and Storbacka, 2009, 6).

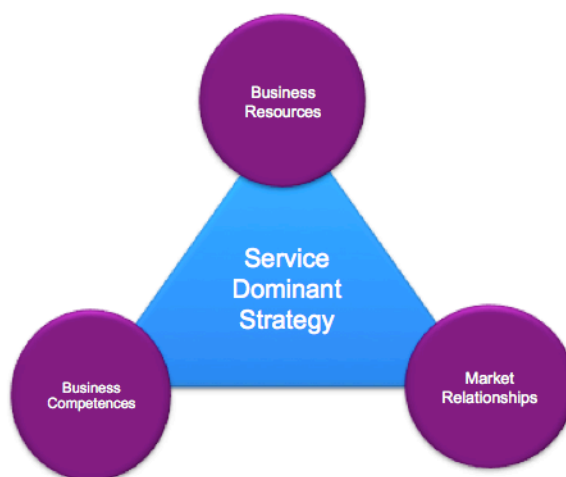


Figure 5: Framework for service-dominant strategy canvas (Lüftenegger et al. 2012, 13)

Lüftenegger et al. (2012, 2) argue that it is challenging for companies to choose and execute strategy derived from service-dominant logic as the current mindset and mental models of managers must be overcome. Resistance towards change is common. The mindset in many service companies is often still industrial. (Polaine et al. 2013, 34.) Indeed successful and innovative companies around the world have started to realise that service specific approach is needed (Mager, 2009, 30). Polaine, et al. (2013, 28) argue that some of the greatest opportunities lie in transforming business model from a product-centric to a service model.

The value creation has been debated along the years, and thus Prahalad and Ramswamy (2004) argue that there is a paradigm shift in strategic thinking, and the future of competition will be about co-creating value with customers. The traditional system for value creation has served business leaders for the past hundred years. In the traditional frame the idea is that the company creates value, and thus determines the value it is providing. (Prahalad and Ramaswamy, 2004, 12.) Despite the fact that service-dominant logic was introduced already in 2004 there have not been many works of service-dominant logic been carried out on strategic level (Lüftenegger et al. 2012). According to Prahalad and Ramaswamy (2004) the traditional view on strategy is based on 'Company Think'. In the new view, the focus is on individ-

uals. They (ibid.) refer to this as ‘Consumer Think’. One can argue that the ‘Company Think’ is somewhat in line with the ideas of goods-dominant logic and the ‘Consumer Think’ is somewhat in line with customer-dominant logic as Prahalad and Ramaswamy (2004, 12) argue that the focus is on individuals. In this view value lies in the co-creation experience of a specific person, at a specific point in time, in a specific location, in the context of a specific event (Prahalad and Ramaswamy, 2004, 10).

Co-creation of experience will become the basis of value (Prahalad and Ramaswamy, 2004, 14.) However Prahalad and Ramaswamy (2004) consider various of forms of collaboration as co-creation. For them (2004) for instance co-producing and value co-creation both fall under co-creation. According to Prahalad and Ramaswamy (2004, 195) strategy is ultimately about discovering new sources of value and new opportunities. The traditional assumption of the industrial system, value itself, the value creation process and finally the relationships between companies and consumers are changing (Prahalad and Ramaswamy, 2004, x). See Figure 6 presenting the new frame for value creation. Also Lüftenegger et al. (2012, 20) state that the strategic role of the firm changes as companies are becoming facilitators for value co-creation.

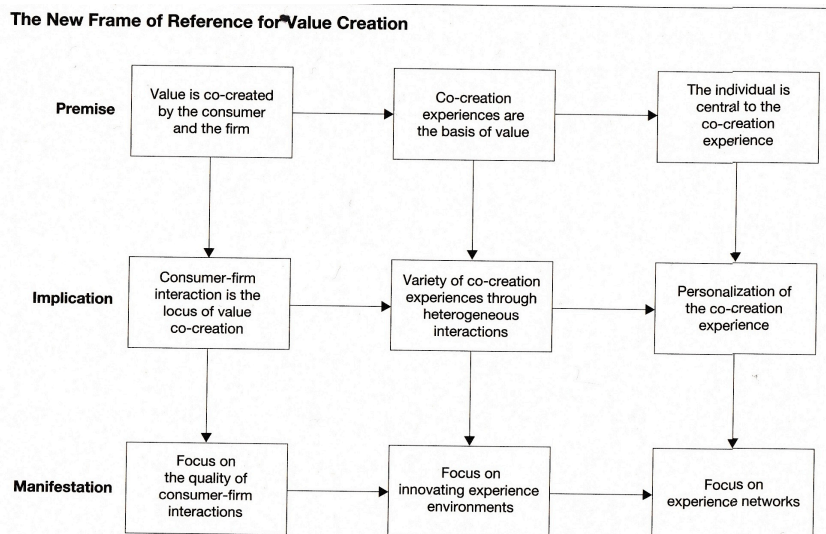


Figure 6: The new frame of reference for value creation enabling co-creation between customers and companies (Prahalad and Ramaswamy, 2004, 15)

Ultimately the market cannot be separated from the value creation process. (Prahalad, Ramaswamy, 2004, 122). See Figure 7. Prahalad and Ramaswamy (2004, 122) argue that: "Co-creation converts the market into a forum where dialogue among the consumer, the firm, consumer communities, and networks of firms can take place." Hence the market turns into a space of potential co-creation experiences (Prahalad, Ramaswamy, 2004, 122).

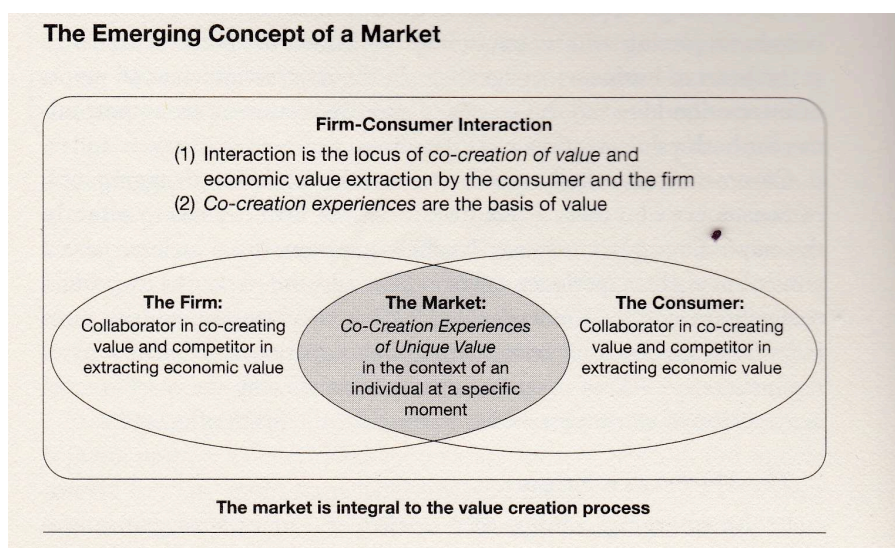


Figure 7: The emerging concept of a market (Prahalad and Ramaswamy, 2004, 122)

For enabling co-creation between companies and customers Prahalad and Ramaswamy (2004) suggest focusing on following issues:

- Building bridges between managers and consumers (ibid. 158)
 - Facilitating rapid knowledge creation (ibid. 150) - ensuring that DART (Dialogue, Access, Risk Assessment and Transparency) is the core of internal management (ibid.23)
 - Seeing strategy as discovery (ibid. 195) - Acknowledging consumers and employees as resources for co-creation. Strategy is continuous navigation as a team (ibid. 195)
 - Building new capabilities for the future - Deciding which capabilities are needed for the organization for the new competition space. (ibid. 153)
- (Prahalad and Ramaswamy, 2004)

Karpen et al. (2012, 21) stress that the organizational capabilities required enabling service-dominant logic to become strategic business logic have been missing from the literature. They propose six strategic capabilities needed: individualized, relational, ethical, empowered, developmental, and concerted interaction capability (Karpen et al. 2012, 21). Karpen et al. (ibid.) argue that it is possible to use service-dominant logic as a strategic business logic that derives from the idea that value is created with customers rather than for customers. Hence this can be seen as a source of competitive advantage for companies. In this approach strategy is about making choices that enable facilitation and enhancement for co-creating value. (Karpen et al. 2012, 21.)

In the next section blue ocean strategy will be presented. Interestingly considering the paradigm shift in value creation Aspara et al. (2008, 4) argue that the theoretical core for blue

ocean strategy could derive from the theory of value creation in business model transformation and especially from service-dominant logic. They (ibid.) argue that same premises can be seen between these two. Furthermore, they (ibid.) state that both approaches include following features on transforming business models:

- “acquiring the necessary information”
- “converting the information into knowledge”
- “designing value propositions consisting of novel and complex customer-enterprise exchanges based on this knowledge”
- “turning these value propositions bravely into action”

(Aspara et al. 2008, 4)

2.3 Blue ocean strategy

The theory of blue ocean strategy is based on over 15 years of academic research and testing in practice including studying over 150 blue ocean creations in over 30 industries (Kim and Mauborgne, 2005, x). However Aspara et al. (2008, 3) stress that the literature on blue ocean strategy does not have a sufficient scientific theoretical corpus. Kim and Mauborgne (2005, x) emphasize that the ideas, tools and frameworks of blue ocean strategy have been tested and refined in various companies in Europe, USA and Asia. According to Aspara et al. (2008, 3) it is not clear in which level of analysis blue ocean strategy function. They (ibid.) assume blue ocean is primarily a business model. Pitta and Pitta (2012, 44) argue that there is not literature on the level of sustainability of blue ocean strategies.

According to Kim and Mauborgne (2004, 77) there are two distinct spaces in the market, which they refer to as red and blue oceans. They (2004, 77) state that: “Red oceans represent all the industries in existence today-the known market space. In red oceans industry boundaries are defined and accepted, and the competitive rules of the game are well understood.” Hence in the red oceans competition is about outperforming competitors for gaining greater share of the existing demand. This, however, leads to a situation where there are more and more companies similar to one another in the same market space, and thus possibilities for profits and growth are decreased. The name red ocean refers to water that is turned bloody due to increasing competition. On the contrary blue oceans mean the unknown market space, where there is no competition. (Kim and Mauborgne, 2004, 77.) In blue oceans, demand is created rather than won from competitors. Hence the opportunities for rapid and profitable growth are endless. (Kim and Mauborgne, 2004, 78.) However, according to Burke et al (2009, 21) blue oceans are hardly ever purely blue, and thus there is also red water at all times. Indeed, they (ibid.) argue that competition cannot be done completely irrelevant by blue oceans.

Traditionally the literature covering strategy has focused on how to compete in red oceans. The roots of corporate strategy can be tracked into military strategy where fighting over one another and confrontations are typical. When one is putting efforts in the red oceans it is accepting the fundamental elements of war. That means limited space and the need to beat enemies to be able to succeed. (Kim and Mauborgne, 2005, 6-7.)

The idea of blue ocean has not been invented by Kim and Mauborgne (2005, 5), and thus there has been discussion about the approach before they introduced it (See eg. Burke et al. 2009). Furthermore as it was already stated they researched the creation of blue oceans for more than 15 years to identifying patterns. For instance Prahalad and Hamel (1994) have stressed the need for new strategic approaches. However the term blue ocean was new when Kim and Mauborgne first introduced it (Kim and Mauborgne, 2005, 5). Indeed if one considers the existence of different industries many of them did not exist a while back, and thus the new industries born can be seen as blue oceans. Kim and Mauborgne (ibid.) emphasize that the practical guidance for creating and executing blue ocean strategies have been missing and the focus has been on providing understanding about how to compete in red oceans.

According to Kim and Mauborgne (2005, 10) industries are not stable but rather continually being re-created and expanded. Hence the boundaries can also change because of individual actors. Indeed according to Kim and Mauborgne (2005, 10) it can be argued that neither the industry nor the company is an appropriate unit of analysis. Hence they (ibid.) argue that rather than the company or the industry the unit of analysis is the strategic move. A strategic move includes the set of actions and decisions by management for creating a business offering enabling blue ocean strategy (ibid.) Burke et al. (2009, 22) argue that innovation according to blue ocean differs from the traditional competitive strategy presented by Porter. According to them (ibid.) blue ocean strategy is not focusing on creating an improved product or service, and thus providing competitive advantage that way. Rather they (ibid.) state that blue ocean strategy is about innovating for finding new markets.

Considering the three leading business strategies described in the previous section it seems that Kim and Mauborgne (2005) refer to industry based view when they are describing red oceans. Hence it seems that they are not so much taking a stance on competence and resource based views. Furthermore after recognizing blue oceans the execution might require resource reallocation and new competences for executing blue ocean strategy. Hence Kim and Mauborgne (2005, 10) refer to this as a strategic move.

Indeed Kim and Mauborgne (2005, 12) state that value innovation is the cornerstone for blue ocean strategy. Instead of competing in red oceans companies that enter blue oceans have focus on making the competition irrelevant by creating unforeseen value both for the cus-

tomers and for the company and this results a new market space. Both value and innovation are essential features. (Kim and Mauborgne (2005, 12.) Value innovation can be seen more than an innovation, and thus as a strategy, since it includes the entire system of a company activities. When the whole system: utility, price and cost activities are properly aligned value innovation can be achieved. For creating a value innovation both company's functional and operational activities has to support it. (Kim and Mauborgne, 2005,17.) In blue ocean, and thus in reconstructionist view the value is created by driving costs down by eliminating and reducing factors that are mostly competed on and simultaneously driving buyer's value up by raising and creating not yet foreseen elements. (Kim and Mauborgne, 2005,16). Despite there might be similarities between blue ocean approach and service-dominant logic according to Aspara (2004) it seems however that in blue ocean strategy the emphasis is more on the company's side concerning value creation, and thus the company is creating the value for the customer. The value is seen mainly as reduced costs.

Kim and Mauborgne (2009, 73) refer to red ocean approach as structuralist strategy because traditionally it can be considered that structure shapes strategy. The blue ocean approach is called reconstructionist strategy, and thus it is considered that strategy can shape structure (Kim and Mauborgne, 2009, 74). Kim and Mauborgne (ibid.) state it is for companies to decide between competing in red oceans or innovating their way to blue oceans. Both are needed and reconstructionist approach might not be appropriate for all. However it is important to understand the differences and possibilities. (Kim and Mauborgne (2009, 74, 80.) There are three factors to consider when a company is deciding whether a structuralist or reconstructionist approach is more suitable. They are resources, capabilities and strategic mindset. If the market is crowded and profit margins are low a reconstructionist approach might be a wise move. On the contrary if the industry is attractive and a company contains right resources and capabilities a structuralist approach might work. (Kim and Mauborgne, 2009, 74.)

Blue oceans can be created in two ways. Either a company creates a completely new industry or transforms the boundaries of an existing industry within a red ocean, which is more common. (Kim and Mauborgne, 2004, 78.) The strategic alignment is to be done according to three strategic propositions: value proposition (utility for the user minus the price), profit proposition (profit the company receives after production and delivery costs) and people proposition (motivation and intensives for employees and stakeholders for executing the strategy). (Kim and Mauborgne , 2009, 76.)

For creating blue ocean strategies Kim and Mauborgne (2005) developed and tested practical methodologies. There are six principles for creating and executing blue ocean strategy. The first four concentrate on the formulation of the blue ocean and the last two on the execution.

1. Reconstructing market boundaries

2. Focusing on the big picture
3. Reaching beyond existing demand
4. Get the strategic sequence right
5. Overcoming key organizational hurdles
6. Building execution into strategy

(Kim & Mauborgne, 2005, 20-21)

While conducting their research Mauborgne and Kim (2005, 47) discovered clear patterns for reconstructing market boundaries, and thus they present six paths to re-determinating market boundaries. See Figure 8. The six approaches can be applied to all industries and furthermore Kim and Mauborgne (2005, 48) argue that they result in commercially viable blue ocean ideas. Traditionally companies tend to operate according to six fundamental assumptions, which Kim and Mauborgne (2005, 79) challenge.

	Head-to-Head competition	Blue Ocean Creation
INDUSTRY	Focuses on rivals within its industry	Looks across alternative industries
STRATEGIC GROUP	Focuses on competitive position within strategic group	Looks across strategic groups within industry
BUYER GROUP	Focuses on better serving the buyer group	Redefines the industry buyer group
SCOPE OF PRODUCT OR SERVICE OFFERING	Focuses on maximizing the value of product and service offerings within the bounds of its industry	Looks across to complementary product and service offerings
FUNCTIONAL-EMOTIONAL ORIENTATION	Focuses on improving price performance within the functional-emotional orientation of its industry	Rethinks the functional-emotional orientation of its industry
TIME	Focuses on adapting to external trends as they occur	Participates in shaping external trends over time

Figure 8: From head-to-head competition to blue ocean creation (Kim and Mauborgne, 2005, 79)

Kim and Mauborgne (2005) suggest looking beyond traditional boundaries and assumptions: across alternative industries, across strategic groups, across typical buyer groups, across complimentary product and service offerings, across functional and emotional appeal for buyers and finally across time. Value innovations are possible to create in the space between alternative industries. By mapping the strategic groups and understanding customer choices between these groups it is possible to breakthrough and create a blue ocean. Instead of assuming who the typical buyer is it is recommended to explore the chain of buyers and recognize purchasers, actual users and influencers, and thus their perception of value. Phases be-

fore, during and after using a service or product can be explored for finding out critical points since there might be blue ocean as the totality affects the value of a specific product or service. Usually industries are competing with either functionality or emotionality. New market space can be found when the orientation is challenged and finally the sixth path is to look across time, and thus explore trends as they might provide opportunities for creating blue ocean. (Kim and Mauborgne, 2005, 49-75.)

In this thesis service design methods were utilized and thus the aim was to discover the latent needs of the customers to be able to co-create relevant value for them. Later on in this thesis report service design approach is presented and thus there are lots of similarities between these approaches as it will be explained.

It is possible to discover the possibilities for blue oceans by following the six paths just described. The main tools for creating and presenting blue ocean strategy include strategy canvas, Four Actions Framework and The Eliminate-Reduce-Raise-Create (ERRC) Grid. (Kim and Mauborgne 2005.) The strategy canvas is a good tool for illustrating the current state of the industry, and thus focus on the big picture (Kim and Mauborgne, 2005, 82). Additionally it opens eyes for blue oceans. The strategy canvas serves two purposes. It is a diagnostic and an action framework. It illustrates the current state of the market and thus the red ocean. It enables understanding of the dominant factors in the market which are most competed. The horizontal axis shows the range of factors that are competed in the industry, and how much companies invest in those. Mapping the industry illustrates the strategy profile or value curve for the industry. See Figure 9. (Kim and Mauborgne, 2005, 25.)

Strategy Canvas

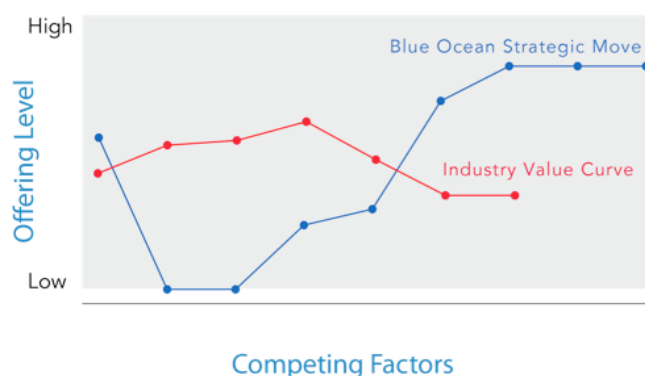


Figure 9: Strategy canvas (2013)

After creating a strategy canvas the next step for a company towards blue ocean and for providing unique value for the customers is to use four actions framework. To be able to create a new value curve and challenge the current strategic logic and business model of the industry one must answer four questions described in Figure 10. (Kim and Mauborgne, 2005, 29.) Finally after answering the questions one is able to create grid called eliminate-reduce, raise and create (ERRC-grid). The framework is meant for pushing companies to act based on the answers generated by using the four actions framework. (Kim and Mauborgne, 2005, 35.) Furthermore, it is important to consider three characteristics for a good strategy. Those are focus, divergence and compelling tagline. These provide a test to see if the ideas for blue oceans are commercially viable. (Kim and Mauborgne, 2005, 37, 41.) The value curve is to clearly show that a company has a focus. Hence the aim is to have a unique value curve. (Kim and Mauborgne, 2005, 39.) The final criterion is a compelling tagline. If the tagline is missing it might be that the strategy is internally driven. (Kim and Mauborgne, 2005, 42.)

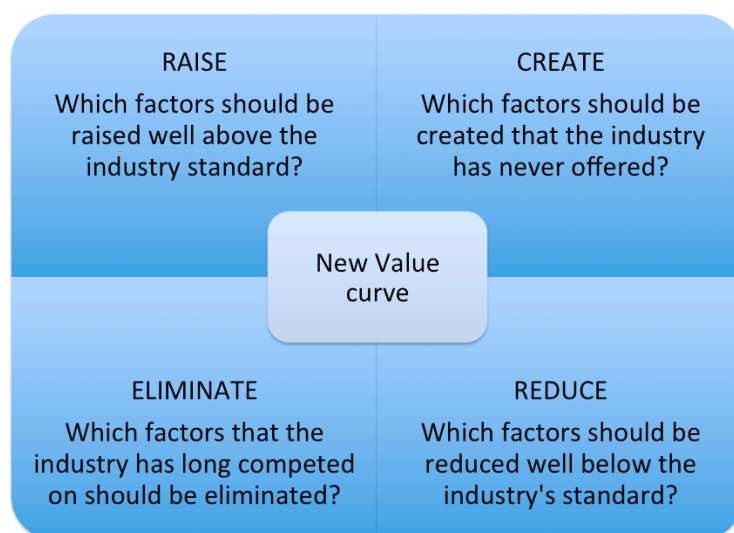


Figure 10: The four actions framework (Kim and Mauborgne, 2005, 29)

Additionally it is important to monitor the value curve. First it can be noticed early on if the value curve starts to look similar with competitors. On the other hand it is worth to notice if there is still profits to collect from the current blue ocean, and thus no need to for another value innovation. (Kim and Mauborgne, 2005, 188.)

Beuker (2010, 100) argues that service design can be seen as a key facilitator for creating blue ocean strategy, and thus as a means, not an end as it is positioned in the traditional management models. Also Fraser (2010, 314) argues that in the times of change, design practices offer companies an opportunity for cultural transformation and strategic growth as the aim of design is to create new economic and human value. Furthermore, she (2010, 314)

stresses that design can offer highest value when design thinking is been applied to strategy and business development. The next chapter presents service design.

2.4 Service design

Service design is a relatively young and emerging multidisciplinary approach for designing services. It is still establishing itself as a practice and academic discourse (Moritz, 2005, 167; Stickdorn and Schneider, 2010, 18; Miettinen, 2012, 6). Service design was established as a field of research and instruction at Köln International School of Design (KISD) in 1994 (Mager, 2004, 3). Since then it has rapidly evolved (Moritz, 2005, 8). There are experts in the field that consider themselves design thinkers, design strategists or new service marketers rather than service designers (Stickdorn and Schneider, 2010, 18).

It is common that the word design is being used to refer to the appearance or styling of a specific product or outcome (Stickdorn and Schneider, 2010, 14). According to Moritz (2005, 32) design has traditionally been considered at the very end of a process. Design has often been seen as graphic design, fashion design or product design. Nowadays the situation has changed. The meaning is much broader and design is taken into consideration in a more holistic way. (Moritz, 2005, 32.) Service design is rather designing than an outcome (Stickdorn and Schneider, 2010, 14). Furthermore there is no specific form for the outcome of a service design process. The end result can have various forms depending on the project. It might be rather abstract such as organizational structures or service experiences. (Stickdorn and Schneider, 2010, 14.) The shift in mindset from designing things to designing services is bigger than many realize (Polaine et al. 2013, v). Service design is already being utilized in organizations for shifting industrial mindset into service mindset as a lot of service designer's work goes into that (Polaine et al. 2013, 40). Indeed the approach supports service-dominant logic. And further as it was stated service design can be approached as an action of designing.

Even though the preeminent perception of service design might not be considering it as a strategic approach, there are some references of service design and strategic management. Moritz (2005, 13) state that service design is a field in which user oriented strategies and concepts are designed to improve services from both the organization and client perspective By using service design it is possible to gain competitive advantage and ensure quality experiences for clients (ibid). Fraser (2010, 314) argues that it is not common to perceive design thinking as a method for strategic planning but she points out that by applying design thinking into strategy and business development is where it brings the highest value. However she (2010, 315) points out that this is not yet how design is usually being interpreted. She (2010, 328) continues that the more companies understand that design thinking could be embedded to the organization's strategic planning the more companies there are enabled to gain com-

petitive advantage in the market because of it. Additionally, by applying design thinking there will be innovative strategies and business models that will result in greater economic and human value. What is seen as unique and providing value from the customer's perspective can be that for the company as well. (Fraser, 326, 328, 2010.)

Also Beuker (2010, 100) suggests bringing service design and management thinking closer to each other. Furthermore he (2010, 98) states that the traditional view about the cost leadership and differentiation places service at the end of the value chain. He (ibid.) continues that the dominant strategic models carried out in the three strategic levels (corporate, business, operational) prevent a culture enabling service design, and thus that is the biggest obstacle for utilizing service design in strategic level. However Fraser (2010, 315) argues that those companies who discover the advantages will benefit. Further Polaine et al. (2013, 38) highlight that instead of adding service design on top of a business proposition it can offer a paradigm shift in corporate culture and provide sustained value and innovation. Also Liedtka (2010, 296) states that design can provide versatile possibilities for considering the strategy formation. Wetter-Edman (2012, 111) stresses that management perceives users as subjects rather than partners, which is how they are perceived in design practice. And thus the focus is more on the rationales than in relations (Wetter-Edman, 2012, 112).

Kimbell (2010, 50) continues that the focus of service design is on humans, and thus helping organizations and stakeholders to co-create value. According to Sangiorgi (2012, 98) service design aims to search for opportunities to improve 'value in use' by exploring and trying understand value co-creation in its real context. In service design the focus is on understanding how the customer perceives value and how the value is being created in services. In order for service designers understand the value creation they must understand the reality the customers live in, and thus the context. (Tuulaniemi, 2011, 71.) Hence value and creating value are in the core of service design. And furthermore it seems that the paradigm shift in value creation is already taken into account in service design.

Service design focuses on understanding people and their actions, needs, emotions and motives (Miettinen 2011, 13). Thus service design can be approached also as service design thinking as Stickdorn and Schneider (2010) present. According to Moritz (2005, 4) service design combines management, research, marketing and design. According to Kimbell (2009, 4) the academic knowledge in the field of service design is mostly derived from management disciplines especially from services marketing. She (2010, 46) states that: "Marketing is about organizations creating and building relationships with customers to co-create value; design aims to put stakeholders at the centre of designing services and preferably co-design team."

Being multidisciplinary, service design applies methods and tools from many disciplines (Stickdorn and Schneider, 2010). Tuulaniemi (2011, 12) highlights that service design is combining old in a new way. Hence this might be the reason why it is difficult to define the discipline (Tuulaniemi, 2011, 12) or to build a common theoretical framework (Polaine, 2012, 160). Different disciplines and their methodology and theoretical framework are employed in service design (Polaine, 2012, 160). And thus the debate of what is service design (Polaine, 2012, 160), and even if the title is service design, design for services or service thinking seems endless (Sangiorgi, 2012, 98-99).

According to Moritz (2005, 42) the following make service design unique:

- Service design truly represents the clients perspective
- Service design addresses the unique features of services
- Service design expertise from different disciplines
- Service design is interactive
- Service design is ongoing

Furthermore Mager (2009, 39) presents following principles for service design: holistic view, interdisciplinary, co-creative work, visual thinking and radical approach. She (2009, 39) states that those principles enable free flowing energy and motivation for change. Hence Stickdorn (2010, 34) adds user-centricity, sequencing nature of services and refers visual thinking as evidencing. In service design the invisible is being made visible by showing for instance what is happening in the lives of customers (Polaine et al. 2013, 31). Prototyping and testing ideas are also essential feature in service design as it enables service designers to learn about what needs for instance further explaining when one is developing a service (Polaine et al. 2013). Through prototyping it has also become evident that often people say one thing and do the other (Polaine et al. 2013, 13). Prototyping can also help to shift the cultural mindset towards service orientation within a company (Polaine et al. 2013, 15). Since services are usually complex and include heavy infrastructure, the ability to develop prototypes with low cost as early as possible can save organizations a lot of money. (Polaine et al. 2013, 33.)

2.4.1 Approaching relationships and experience

Polaine et al. (2013, 80) present that traditionally the relationship between customers and companies are seen very one-sided. In this perception the basic actors are the enterprises and the agents providing products and services and the customers who return value back to the enterprise, usually money. (Polaine et al. 2013, 80.) This can be seen as 'Company Think' (Prahalad and Ramaswamy, 2004) or 'Goods-Dominant Logic' (e.g. Vargo and Lusch, 2004).

However Polaine et al. (2013, 82) present a more detailed model of the service relationship including more exchange. See Figure 11.

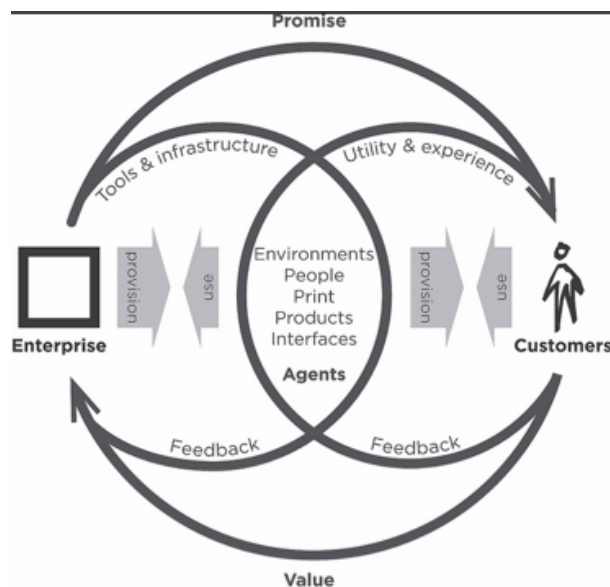


Figure 11: A detailed model of the service relationship (Polaine et al. 2013, 82)

In this approach there is co-operation between enterprises and customers. There are activities across channels that provide utility and experience for the customers. (Polaine et al. 2013, 82.) Customer experience is a fundamental element in service design. Customer is always part of the service and every time the customer interacts with the service provider the experience takes new forms. (Tuulaniemi, 2011, 26.) Besides money customers create value to the enterprise through collaboration. Hence they provide information and feedback. For the enterprises to be able to collaborate and to deliver utility for customers they need tools and infrastructure. All this has to be designed for a good service delivery. (Polaine et al. 2013, 82.) Service design differs from traditional approach of perceiving the relationship between organizations and clients (Moritz 2005, 173). Hence it can be seen operating as a mediator between organizations and clients (Moritz 2005, 152-153). See Figure 12. Understanding value and the relations between different actors have been acknowledged essential when designing services (Kimbell, 2010, 51).

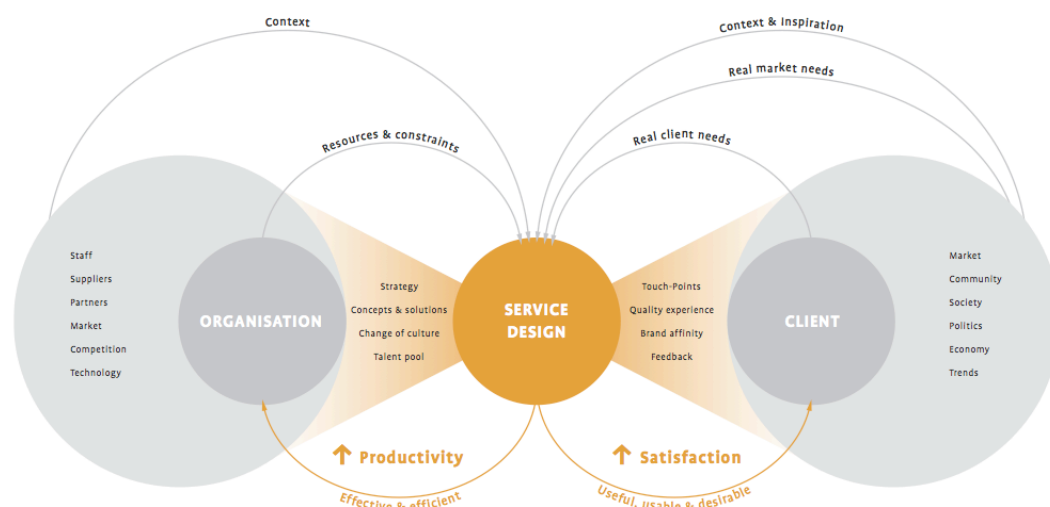


Figure 12: Service design as a mediator (Moritz, 2005, 152-153)

2.4.2 Service design is human-centric

In the core of services there is always a human being (Tuulaniemi, 2011, 71; Polaine et al. 2013, 36). As Polaine et al. (2013, 41) argue service design is designing with people rather than designing for them. Service design takes users and stakeholders into the process by using co-creational practices and participatory design approaches (Wetter-Edman, 2011, 20). User-centricity in service design refers to co-creation and participatory approach (Wetter-Edman, 2012, 107). Wetter-Edman (2012, 107) highlights that users have an essential role in realizing services. And thus according to service-dominant logic services are co-created together with service provider's resources and the situational context. It can be stated that organizations can only have some control, and thus deep understanding of users is vital (Wetter-Edman, 2012, 107).

Involving users and customers enable gaining empathy and inspiration for the service design process. The aim for involvement is users feeling empowered, and thus resulting control and ownership of the situation and information. (Wetter-Edman, 2012, 112.) In the service management discourse co-operation with users is considered if it provides something valuable for the company such as innovation and it can be measured quantitatively (Wetter-Edman, 2012, 112). Customers can be considered as a valuable and productive asset for companies instead of anonymous consumers (Polaine et al. 2013, 23).

2.4.3 Service design is holistic - perceiving the big picture

In service design it is essential to form a big picture of all the elements having an effect on a service (Tuulaniemi, 27). Deep diving into the service ecologies is essential in service design. Perceiving the holistic usually requires multidisciplinary approach (Polaine et al., 2013, 86). Services and products can be seen as systems, as they belong to a larger system of offerings, organizations, and markets (Kumar, 2013). Kumar (2013) continues that those who understand how the entire system works are able to create and deliver offerings that provide high value. Seeing the wider context in which the service takes place can be seen the aim for a service designers (Stickdorn, 2010, 44). Here service design brings value for the theory presented in chapter 2 as it provides tools for understanding the system as a whole.

2.4.4 Service design process

Service design is a systematic way to develop business, and thus a process combining various fields of expertise, tools and methods (Tuulaniemi, 2011, 27). There are many processes available in the field of service design and design thinking.

Stickdorn (2010, 122-123) introduces a framework for service design including four phases: Explore, Create, Prototype and Implement including different tasks. This can be seen as a very basic approach for service design (Stickdorn, 2010, 126). See Figure 13.



Figure 13: service design process (Stickdorn, 2010, 122-123)

The first phase named 'explore' is about discovery. It is learning about the users. Insights are best attained by immersing oneself into the lives of the customers, employees, managers or even competitors. Since insights gathered in this phase form the foundation for the entire project. It is important to utilize tools that enable intimate and engaging results. (Van Dijk et al. 2010, 149.)

The second phase named 'create' is about creating and visualizing solutions to problems identified and insights gained in the exploration phase (Van Dijk et al. 2010, 149). For gaining holistic and sustainable solutions all the main stakeholders are recommended to involve to work with multidisciplinary teams consisting of customers, employees and management among others. According to the service design thinking principles: holistic view, co-creation and user-centricity are important. (Stickdorn, 2010, 131.)

The third phase named 'reflection' is about prototyping and testing the ideas and concepts created in the previous phase (Van Dijk et al. 2010, 149). Stickdorn (2010, 132) states that like physical products are being tested and retested, service design shares the same iterative approach. Prototyping of services require distinctive methods since services are intangible and cannot be placed in front of an audience for testing and feedback. In order for customers to understand the service idea and for the designers to gain constructive opinions about the concept customers need a good mental picture of the intended service. (Stickdorn (2010, 132.) Prototyping enables quick interventions, improvements and retesting (Stickdorn, 2010, 133).

Finally after testing and reflecting, the last phase is 'implementation'. Stickdorn (2010, 134) highlights that when a new or improved service is being implemented it includes a process of change. Therefore some principles of change management are required. Involving employees from the beginning and throughout the process is essential, since they are the ones providing the service, and thus their motivation and engagement are central. Ensuring that the employees understand the concept is mandatory, thus there are tools that help in communication. Since services are never ready, another exploration is about to start to evaluate the process after implementation. Hence service design is iterative. (Stickdorn, 2010, 134-135.)

It is important to understand that at every stage it might be necessary to take steps back or even to start again, thus one might go back and forth several times (Stickdorn, 2010, 126). Most iteration takes place between exploring and reflection, in which there is the creation phase. Testing and retesting of service ideas provide valuable feedback. One of the main features of service design thinking is to embrace learning by doing, and it is essential to learn from the mistakes of the iteration. (Stickdorn (2010, 126.) According to Stickdorn (2010, 130) designers are not to fear mistakes but rather to explore as many as possible. Hence when mistakes are done early on they provide lessons to learn before implementation. It is much more expensive to adjust mistakes after the launch. Iteration occurs within each phase in addition to the iteration that happens during the presented process. (Stickdorn, 2010, 126, 130.)

All of the processes share the same approach and mindset, though wording and the amount of steps differ. When a service design project starts, the first thing to design is the process it-

self. (Stickdorn, 2010, 126.) It is important first to identify and determine the problem that needs to be solved (Stickdorn 2010, 128). The process can be seen as a rough framework (Stickdorn, 2010, 126; Tuulaniemi, 126). Suitable tools and methods are selected to each service design project depending on the project at hand (Moritz, 2005, 121).

Service design process begins by understanding customers with their different mindsets, and thus their needs, dreams and hopes (Hämäläinen et al., 2011, 61). An approach where the customer is at the centre allows a common language for all stakeholders and that is the service user's language (Stickdorn, 2010, 37). The purpose of customer understanding is to generate insights about customer needs and behaviours that enable forming a solid foundation for the project and robust ideas for relevant value propositions (Polaine et al. 2013, 40). Research is meant to both inspire imagination and enable intuitiveness (Hämäläinen et al. 2011, 61).

In addition to processes, there are plenty of methods and tools available (See eg. Stickdorn and Schneider, 2010; Moritz, 2005). Polaine et al. (2013, 50) recommend trying out methods, and thus if the method does not provide the kind of insights needed then trying another one. In the end all that matters are the results. (Polaine et al. 2013, 69).

British Design Council's model is called Double Diamond diagram (2005). See Figure 14. It is a simple visualization of the design process (2013). And thus the diamond shape model illustrates divergence and convergence. Divergence and convergence are central elements of creative problem solving. Divergence is about generating ideas without any constraints. It is about imagining what could be possible. On the contrary convergence is analysing and eliminating. Divergence and convergence follow each other and they are meant to be sequencing. Iterative development contains divergence and convergence repeatedly. These three are central for service design. (Tuulaniemi, 2011, 113.)

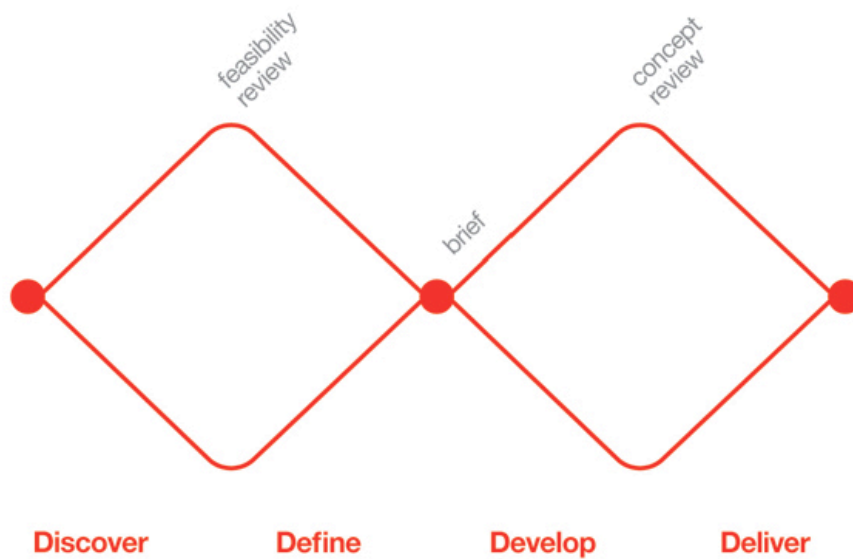


Figure 14: Double diamond diagram (Design Council, 2005)

Kimbell and Julier (2012, 10) suggest process phases to be replaced with four modes they have identified. They present a framework for designing that includes four modes with different tools. The modes are Explore, Make sense, Propose and Iterate. Also Kimbell and Julier (2012, 14) emphasize that there are many ways to utilize the tools. How a designer uses methods and tools depends on the project, the mode and the backgrounds both personal and professional of people who are involved in the project. Furthermore Kimbell and Julier (2012, 14) recommend one to appropriate the methods and tools and to decide when to use them and even creating one's own terminology. They (ibid) stress that even though there are recommendations of the use and combination of the methods with other methods they are only recommendations and it is for the designer to decide how to use them. Even though service design processes are described visually as linear, the process is usually iterative and complex. See Figure 15 for how complex and messy the process can turn out to be in practice. (Kimbell and Julier, 2012, 10, 14.) Also Kumar (2013) propose a framework with seven different modes of activity instead of phases. They are Sense intent, Know context, Know people, Frame Insights, Explore Concepts, Frame Solutions and Realize Offerings. Research, Analysis, Synthesis and finally Realization are included as well as quadrants (Kumar 2013).

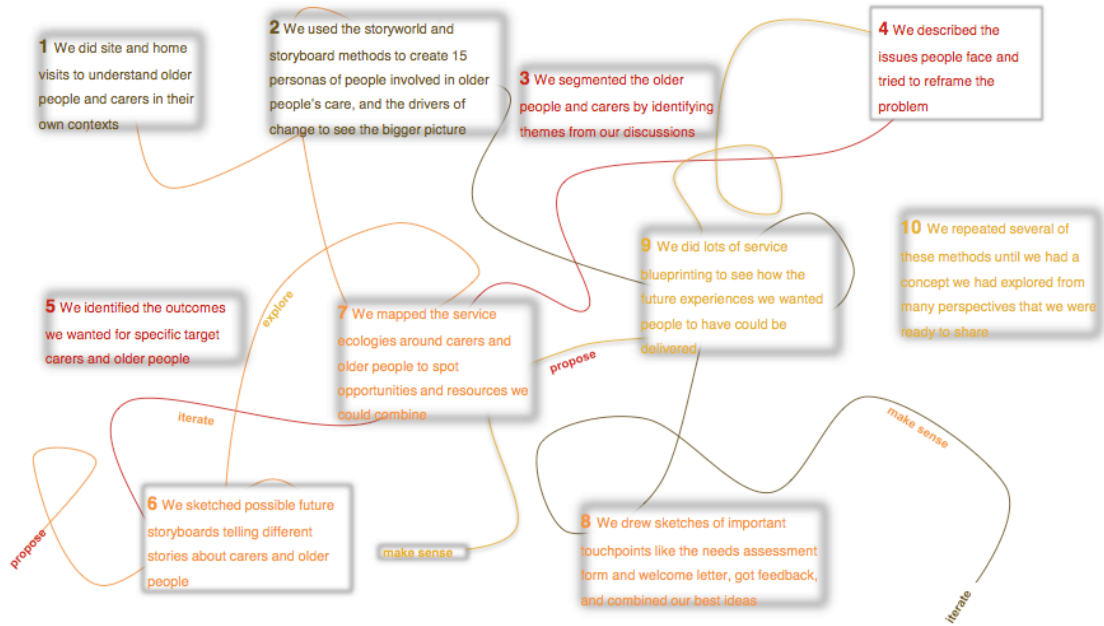


Figure 15: The modes in practise - A loopy model based on a real project (Kimbell & Julier, 2012, 13)

Moritz (2005, 123) presents a framework including four stages with six tasks. Moritz (2005, 120) was convinced that most of the frameworks including four steps did not cover all the important areas for service design such as strategic thinking and planning. The six tasks include different goals that need to be undertaken in different stages. The process includes following stages: Research, including Service Design Understanding and Service Design Thinking as tasks, Concept Design including Service Design Generating, Service Design Explaining and Service Design Filtering as tasks, Design including Service Design Realizing as a task and finally Operation without any further tasks. (Moritz, 2005, 123.) See Figure 16. Also Moritz (2005, 120-121) emphasizes that the framework serves as a starting point for developing tools and services that can help practitioners understand and utilize service design in organizations.



Figure 16: service design process (Moritz, 2005, 123)

Fraser (2010, 315, 316) presents a more strategic approach for the purpose of applying design methods in strategic planning. It is called ‘three gears of design’. See Figure 17. It includes three phases. However, as common with design processes it is not a linear process. The phases are Empathy and deep user understanding, Concept design and Strategic business design. In this approach the first step is to perceive and reframe the business through the eyes of the users. This is done using empathic methods. The next phase is the concept design, which is inspired by the deep understanding of human needs. Fraser (2010, 321) states that there is no better way to approach ideation than to explore how to provide solutions to the human needs discovered by using empathy. Finally strategy is a summation of tangible concepts that solves the needs discovered. It is then important to define capabilities required to execute the strategy. Fraser also emphasizes prototyping and testing the concepts. Prototyping helps to consider the whole system and possible pitfalls early on. (Fraser, 2010, 315-324.)

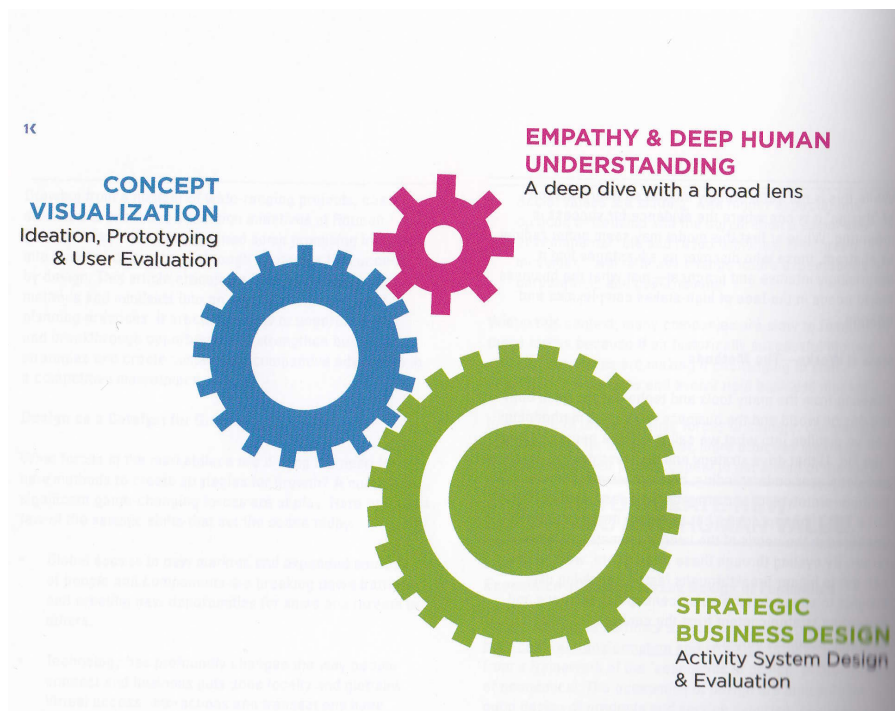


Figure 17: The three gears of design (Fraser, 2010, 316)

2.4.5 Research methods for human-centred design

As stated already there are lots of methods and tools in the field of service design. The main challenge is to make a purposive connection to goals in the design and research process (Hanington, 2003, 12). Service design derives from human-centered design traditions. In addition methods from social sciences are used to gather insights about people's experiences, desires, motivations, and needs. (Polaine et al. 2013, 38.) Also Hanington (2003, 17) proposes that research adapted from other human-centric fields such as anthropology and ethnography seem to be the most appropriate for design. Including people in the early stages of design have become more common (Hanington, 2003, 10). This can be seen as a good thing especially at the beginning of the project designers do not know the users (Hanington, 2003, 11). Hanington (2003,10) argues that user research includes such methods as interviews, conversations, business or facility tours, work observations, sketching and photography. Hanington (2003, 17) points out that integrating a scientific approach to justify design research is expected to be waning.

Human-centred design includes traditional, adapted and innovative methods. See Figure 18. According to Miettinen (2009, 66) innovative methods are an interesting area and new innovative methods supporting service design process are continuously being developed.

A Nomenclature of Research Methods for Human-Centered Design

Traditional	Adapted	Innovative
Market research	Observational research	Creative/Participatory
Focus groups	Participant observation	Design workshops
Surveys	Still, video documentation	Collage
Questionnaires	Ethnographic methods	Card sorting
Interviews	Video ethnography	Cognitive mapping
Unobtrusive measures	Beeper studies	Velcro modeling
Archival methods	Experiential sampling	Visual diaries
Trace measures	Cultural inventory	Camera studies
Experiments	Artifact analysis	Document annotations
	HCI	
	Thinkaloud protocol	
	Heuristic evaluation	
	Cognitive walkthrough	

← Interpretation and analysis tends toward: →	
Counts	Content analysis
Statistics	Categories
Spreadsheets	Patterns, Themes
Graphing	Affinities, Clusters
Verbal + numerical information	Visual + verbal information

Figure 18: Research methods for human-centred design (Hanington, 2003, 13)

Traditional quantitative methods can be considered good for creating knowledge. However quantitative data is difficult to translate into action. Qualitative studies bridge this gap. Additionally qualitative research inspires problem solving immediately. (Polaine et al. 2013, 3-4.) The customers and users need to be put at the centre of the service design process. This requires a genuine and deep understanding of the customers that is not possible to gain through statistics and empirical analyses. Methods and tools that allow designers to slip them selves into customer's shoes are required. (Stickdorn, 2010, 36-37.) And thus context is extremely important in research. If context is ignored in research it results misunderstanding and misrepresentation (Mariampolski, 1999, 83).

The needs and experiences of customers and users are the starting point. Furthermore, observation and interpretation of requirements and behavioural patterns are required. These are then transformed into possible future services (Mager, 2009, 35). Meroni and Sangiorgi (2011, 38) highlight emphatic methods for understanding experiences. Co-designing with users is essential in service design. Methods where users are included regularly and enabled to influence the process are being utilized in service design, and thus new innovative methods

that enable inclusion, creativity and engagement with users are being developed continuously. (Miettinen, 2012, 7.)

To make sure that there will be creative ideas service designers consciously generate an environment that facilitates ideation within heterogeneous stakeholder groups. Facilitating co-creation is a central part of design thinking and fundamental part of service design. There are different methods to choose from to be able to gain genuine insights from different kinds of users in order to create, develop, prototype and test service concepts. By utilizing co-creation it is possible to get the customers add value early on to the service together with the service provider. The more customers are involved the more likely there is a perception of co-ownership, which will create customer loyalty and long-term engagement. (Stickdorn, 2010, 38-39.)

The next chapters will present how is it possible to recognize new market space by using service design. A step-by-step process will be presented through a case company.

3 Case company and designing for employee wellbeing

Human@Work is a start-up founded in the end of 2011. The original idea for the company was to create a wellbeing online media targeted for women focusing on holistic wellbeing and self-development. Human@Work's mission was at that point to increase the happiness of women through new online service. There were five partners when this thesis project was started. The competences included strategic thinking, strategic marketing, branding, advertising, conceptualizing, trends, media, buying and selling, digital business, customer understanding, wellbeing, positive psychology and coaching among others. The experience in working life varies between partners from 10 years to 35 years. Some were experienced in founding companies as they had already established a few during the years. However, one of the partners left the company while the work for this thesis was still ongoing. As I am one of the partners and was studying service innovation and design, it was decided to utilize service design for identifying new market space and business opportunities. Soon after establishing the company, three focus groups were organized in December 2011 to engage customers and for identifying customer needs. Focus groups revealed that the burning question for most of the women was the challenging working life and how to stay inspired and motivated and to keep up in the ever-increasing phase in working life rather than everyday wellbeing and self-development.

With these findings Human@Work at that time called Hyvän Elämän Huone decided to shift the focus to working life and employee wellbeing. The focus changed from business to customers into business to business. Thus the business category for Human@Work was working

life. With all the partners having background in strategic business development and marketing, it was clear that the competences of strategic consulting and branding would be somehow utilized. Additionally one of the partners is a life coach who joined the company especially for her abilities concerning coaching as it includes positive and cognitive psychology. Positive psychology was already in the first phase identified as being an emerging trend. As a recently founded company Human@work still needed to develop business strategy and relevant offering. From the beginning it was decided that the customers would be the starting point, and thus service design was primarily chosen as an approach for gaining deep customer and context understanding since Human@Work as a newly established company was still exploring strategic business opportunities. Traditionally start-up companies have a differentiating idea first. On the contrary, Human@Work had a mission to increase happiness in working life but they lacked the answer to the question how to do it and what would be the relevant focus and the blue ocean for the company since there are many options. In addition the professional network of the partners is wide since there are experienced experts. Human@Work had a mission according to Sinek (2009) that presents that people will commit to companies that have a higher purpose. We were five enthusiastic women all having life situations that enabled exploring new business possibilities. As the initial idea to build an online wellbeing service for women was abandoned, service design approach was used to discover the latent needs of people in the working life, and thus for recognizing new market space, referred as blue ocean.

While the company was established some desk research had already been done. In addition three focus groups had been arranged as stated already. It was identified that there is constantly headlines about early retirements, depression, stress related diseases, burnouts, long sick leaves etc. All these are having a negative effect on both business economics and on employees and their families. It seems that people are wearing themselves out in workplaces. In Finland the age of retiring was raised in 2012, and thus there is a need to consider ways how to make sure employees are motivated and able to work until retirement.

During the fall 2011 when, the company was established, a few important insights were recognized. Employee wellbeing seemed to be an emerging area. Indeed in Finland there are many different projects concentrating on the future of work or leadership. Hence the amount is increasing. Aura et al. (2011, 52) argue that employee wellbeing is a question of billions of euros. Every year approximately 24 million euros are lost due to premature retirements (Aura et al. 2011, 52).

From the group discussions held we found out that some people are feeling helpless and unhappy at work places. Even capable and successful women did not know how to improve their wellbeing at work. The core insight for Human@Work's initial business idea was derived from

a research conducted by Lyubomirsky et al. (2005). According to them (2005, 112, 113) a genetically determined set point, or set range for happiness have been determined and it is argued that for each person there is a chronic or characteristic level of happiness. Lyubomirsky et al. (2005, 116) present a chart describing the elements of chronic happiness level. See Figure 19.

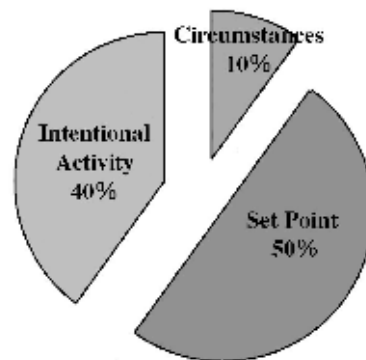


Figure 19: Three primary factors influencing the chronic happiness level (Lyubomirsky et al. 2005, 116)

Based on existing research about the genetics and circumstances 40 % is left for intentional activities (Lyubomirsky et al. 2005, 116). Many times the efforts to increase happiness are focused on changing circumstances. However, the weight of those actions is not much, only 10 %. People cannot change their set point for happiness (chronic or characteristic level of happiness) but the 40 % is something everyone can influence every day. The 40 % refers to people's daily thoughts and actions. (Lyubomirsky, 2009, 31.) Furthermore as Lyubomirsky et al. (2005, 116) argue that focusing on intentional activities provides potential route for long-term happiness.

This means that even though one might have a bad starting point for happiness (genetics) it is possible to influence the level of happiness by focusing on intentional activities on a daily basis. Hence the idea for the wellbeing media was to empower women and provide them tools for learning to train the mind for being happier, and thus focus on the 40 %. This information would be beneficial in the context of work places as well. Everyone probably has experiences where there would have been need for changing the mindset into positive instead of negative. One of the goals for Human@Work was to empower individuals in working life. This finding meant that we can influence greatly on how we feel.

Furthermore, rush and uncertainty have become a norm in the modern working life (Hakanen,

2011, 5). Hakanen (2011, 17) argues that the discussion of employee wellbeing or working life is too much focused on the problems. He (2011, 5) suggests that there is a need to focus also on how the working life and the circumstances of people at work could be improved. Hakanen (2011, 6-7) emphasizes work engagement as a means for employee wellbeing, quality working experience as well as increasing profitability. Definitions used for employee wellbeing also include work wellbeing, work satisfaction or on the contrary stress, exhaustion and burn out (Hakanen, 2011, 6). It is only until now that the study and research about work engagement has begun to emerge (Bakker et al. (2008, 188). Furthermore positive psychology has arisen in popularity during the 21st century. In positive psychology the focus is on positive matters. Concerning work the emphasis is on the organizational strengths, possibilities and things that are functioning. (Hakanen, 2011, 11) Employees who experience work engagement feel themselves energetic and instead of stress perceive their work as challenging. (Bakker et al. (2008, 188).

Traditionally employee wellbeing has been reactive and the attention has been more on how to handle issues that are already straining the organization such as increasing sick leaves and stress. Hence the solutions have concentrated on providing occupational health care for employees. (Hakanen (2011, 138.) Challenges arising from the prevailing uncertainty and constant change cannot be solved by using old models. There is a need for new models and new thinking considering employee wellbeing. (Hakanen, 2011, 18.) However, investing in work engagement has a much broader effect than just the occupational health. Work engagement can be considered as a factor for increasing the competitiveness and at best it leads to competitive advantage (Hakanen, 2011, 138). Work engagement represents the orientation of positive psychology (Hakanen, 2011,11). It is a moderately recent approach. The pioneers in the area are Danish researchers of work and organizational psychology Wilmar Schaufeli and Arnold Bakker. (Hakanen, 2011, 38.) In USA it's been estimated that bore outs cost companies approximately 300 billion dollars every year. There are no comparative figures concerning Finland. (Hakanen, 2011, 138.)

4 Service design process for this thesis

This section presents the case company and the process and methods that were utilized to explore the question how service design can be utilized for recognizing blue ocean for the case company Human@Work. The final section presents conclusions.

The starting point for the blue ocean strategy is the customers. Customers were mentioned in the creation of blue ocean strategy but just as one path (Kim and Mauborgne, 2005). And furthermore in blue ocean strategy the idea is primarily to focus on non-customers for recognizing blue oceans. In service design approach it is aimed to understand customer's latent needs

for finding new possibilities to create value. Hence the approach differs from service design. According to the suggestion of Heinonen et al. (2010) management the first task is to identify how the organization can deliver such value for the customers that they would be satisfied and then create processes that enable it and finally identify resources needed. Understanding context is also essential as the context and various actors affect to value creation. (See eg. Heinonen et al. 2010; Wieland et al. 2012; Kim and Mauborgne, 2005) The chapter 2.4 explained how service design process and methods consider customers and context, and thus why service design can be considered as a good approach for recognizing blue ocean. As service design is customer-centric and holistic it can be seen as a perfect approach for blue ocean, and further for recognizing and creating a customer-centric blue ocean strategy.

Figure 20 presents the process designed for this thesis. As it was already stated earlier the first thing to do is to design the process itself (Stickdorn, 2010, 126). Ideas from the service design processes explored for this thesis were utilized and finally a design process was designed including four steps considered important for the purpose of this thesis. Those are Empathy and deep customer understanding (Fraser, 2010, 315), Ideation, referred to instance as Creation (Stickdorn, 2010) or Service design generating according to Moritz (2005, 123), Realisation (Moritz, 2005, 123) and finally Operation (Moritz, 2005, 123). Making sense (Kumar, 2013) and Filtering (Moritz, 2005, 123) are also included as converging modes. Prototyping and testing was excluded from this thesis even though they are essential features of service design (See eg. Stickdorn, 2010, 132). However some feedback were gathered along the way. I used the diamond shape symbols according to Design Council for the first two phases since they illustrate well the idea of divergence and convergence. Divergence and convergence are central elements of creative problem solving as it was explained in Chapter 2.4.4. (Tuulaniemi, 2011, 113.)

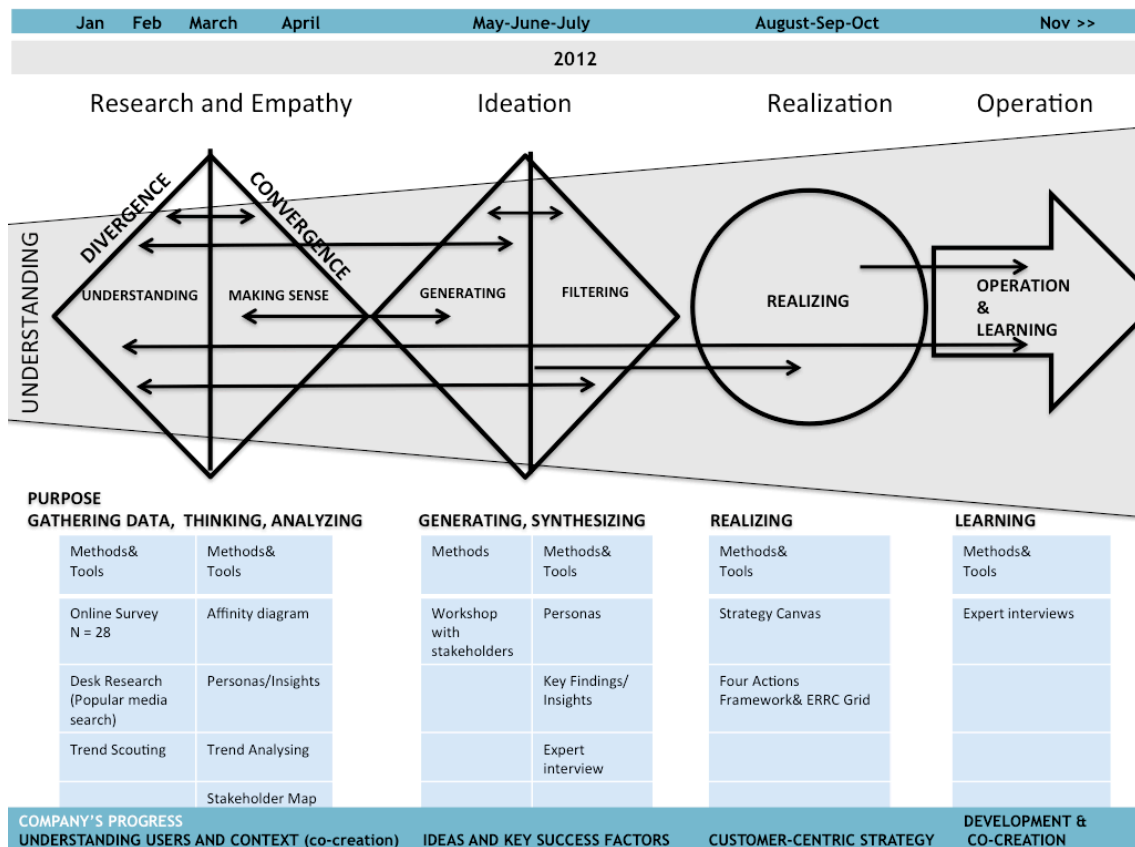


Figure 20: Service design process for this thesis

Even though it is possible to describe service design as a linear process, there is iteration. See Figure 20 describing service design process in reality. Already in understanding phase some ideas were generated and further tested for feedback among possible users. Understanding is ongoing as the people are the core in service design. Hence it is shown in Figure 21 how understanding of the customers and context increases along the way. Successful service design requires a deep understanding of the situation from the perspective of existing and potential customers. Further in-depth insights about customer needs, true motivations and expectations are required. (Stickdorn, 128.) The first phase research and empathy included online survey, trends scouting and popular media search for gathering data. While converging and processing the data affinity diagram, personas, stakeholder mapping and trend analysis were utilized. Furthermore it was decided to use personas as the main tool, and thus the outcomes were crystalized through personas. Hence this enabled keeping the customer focus all the time.

In ideation phase co-creation workshop with stakeholders was organized since as it is stated in both service-dominant logic and customer-dominant logic that networks affect to value. Therefore it can be seen important to work together with the network and perceive them as resources and partners. Participatory methods and tools were utilized in ideation, and thus

divergence is important. After ideation when there are lots of ideas, it is necessary to filter them. For filtering personas and determining key findings were chosen. In this phase steps were also taken backwards and the data gathered in the understanding phase were again looked. After creating the final personas and determining the key findings for blue ocean, strategy canvas, four actions framework and ERCC-grid were used, and thus a strategy canvas and value curve for Human@Work was created. The company was launched in November 2012. In the operation phase two expert interviews were done to get feedback and to continue developing the offering since services are never ready and they can always be improved (Moritz, 2005, 145). When the issue has not been clearly defined service design methods and tools can be used to learn what is meaningful for people. Additionally service design methods and tools can encourage taking a completely different approach. (Kimbell and Julier, 2012, 14.) The following chapters will present in detail the process with chosen methods.

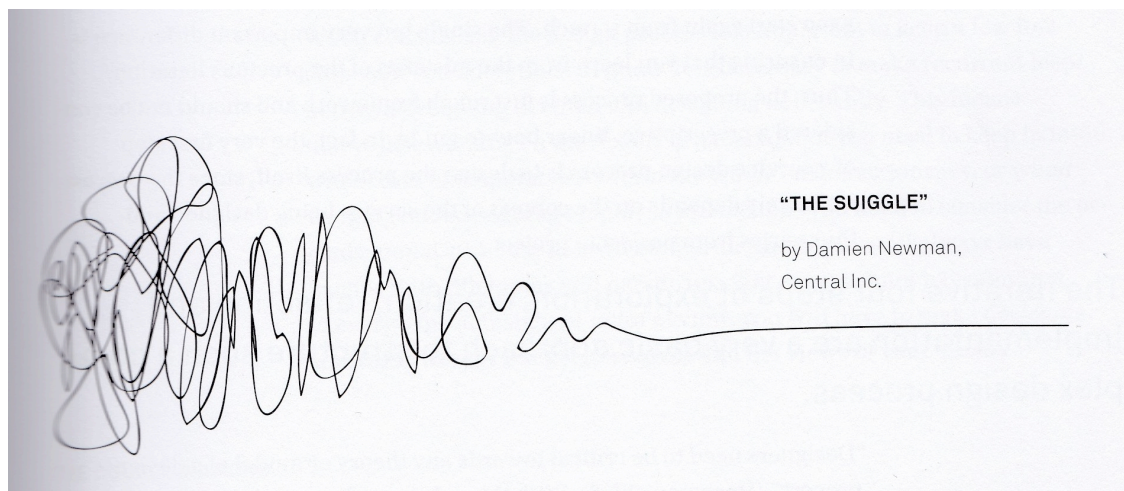


Figure 21: The suiggle (Damien Newman in Stickdorn and Schneider, 2010, 125)

4.1 Research and empathy - understanding customers and context

In service design it is really important to get a deep understanding about the customers and the context. This includes gathering data and insights to find out possibilities, problems, resources and constraints. Service design understanding includes understanding clients, contexts, providers and relationships. (Moritz, 2005, 124-127.) For most service design understanding is finding out and learning about customer's latent and conscious needs and the context of the service (Moritz, 2005, 124).

Traditional market research and quantitative methods provide data that is hard to turn into solutions (Moritz, 2005, 125). It is important to find out the underlying reasons Polaine et al.

2013, 38). Designers prefer qualitative methods. Qualitative research enables diving deeper and understanding emotions and chaos. People's needs, behaviours and motivations are the basis for solutions as it is possible to focus on the right things when they are understood. (Polaine et al. 2013, 40.) In service design instead of numbers and masses the focus is on individuals (Polaine et al. 2013, 38). In the research and empathy phase both primary and secondary data was gathered. The ultimate aim for research and empathy phase was to identify what kind of personas can be identified and what are their needs and concerns, and thus in what kind of context these personas exist, what kind of actors there are? What kind of resources might be needed to be able to create value for the customers in the field of employee well-being?

However even though the rigor of research methods is important in service design the goal is usually not a published research. Rather, the goal is to gain actionable insights that bring value for the team. Furthermore, any insight is better than none. (Polaine et al. 2013, 48.)

4.1.1 Popular media search

For exploring the context Kumar (2013) suggest popular media search, in which anything new arising in the media landscape is being explored. A wide array of media sources are being looked up, such as newspapers, broadcast media, web content, bookstores and magazines. Additionally information is being gathered through scouting, web-based search and library scans. The aim is to understand industries, companies, trends, competitors and state of the art among others. (Kumar, 2013.) Also Moritz (2005, 196, 194) recommends Reading and Net scouting. Moritz (2005, 196) points out that reading might be an obvious but it is still an important source of knowledge. Reading provides deep understanding about the context. However Moritz (ibid.) highlights the importance of bear in mind the objectives and not losing the bigger picture. (Moritz, 2005, 196.)

Kumar (2013) suggests approaching popular media search including five steps: 1) Identify topics most relevant to the project - It is important to frame the search
 2) Identify sources of insightful information - who are the industry experts? Who are popular bloggers? What publications one needs to cover?
 3) Conduct searches -It is recommended to collect and share results for team members
 4) Review, extract, and document observations - As data starts to accumulate, it is recommended to write notes and summarize key points and discuss them
 5) Cite sources - Anchor the point of view
 (Kumar, 2013)

The popular media search was done according to the five steps presented by Kumar (2013). The topics most relevant for the project were recognized as well as the burning questions in

working life and in employee wellbeing. This was also benefiting the explorative online survey presented later in this thesis report. The relevant sources in the field were identified by asking people and by searching from the internet. As Human@Work wants to increase happiness in working life the starting point was happiness and work.

4.1.2 Stakeholder map - taking a holistic view

In service design understanding the context is essential since the services are usually produced or used together with other services. Therefore it is important to understand how the service might be attached to other services and actors and how they support each other. (Tuulaniemi, 2011, 67.) Also recent theory on value creation highlights service ecologies (See eg. Wieland et al. 2012). Stakeholder maps (Van Dijk et al. 2010, 148) can also be called service ecology maps (Polaine et al. 2013, 83). Through ecology mapping it is possible to see how the service is related to the wider context and to other people in the society. Polaine et al. (2013, 83) warn that service ecologies might grow infinitely large. See Figure 22 for a simple way to map the stakeholders. In the map the user is in the centre.

The field of employee wellbeing is wide. A google search for employee wellbeing in Finnish results over 300,000 hits. Kumar (2013) explains that understanding the context includes studying the environment, and thus competitors and their offering and evolving strategies. Stakeholder mapping was done according to the stakeholder mapping provided by Service Design Toolkit presented in Figure 22.

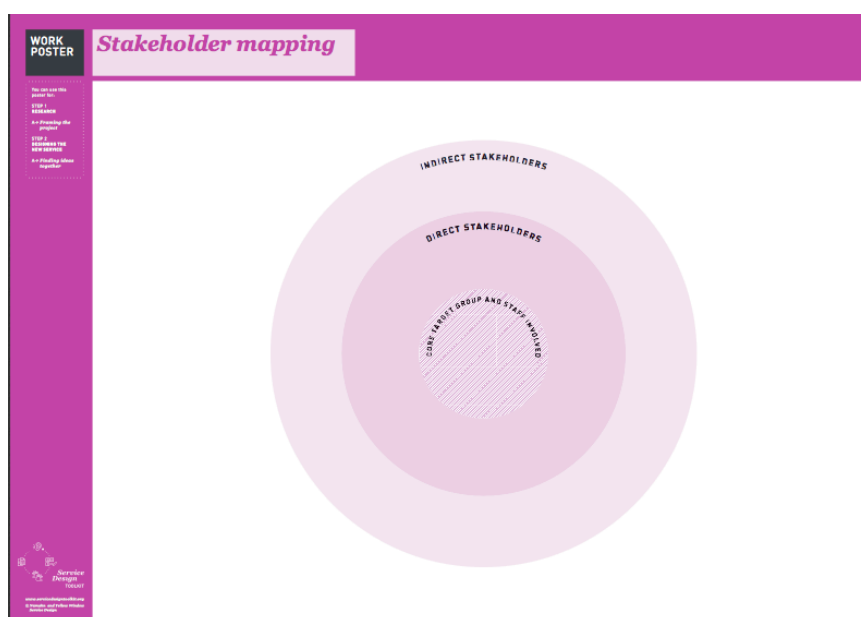


Figure 22: Stakeholder map (Servicedesigntoolkit, 2013)

4.1.3 Online survey with diary

An online survey and diary were chosen for gaining deep understanding and for discovering people's latent needs. An online qualitative survey including diary was conducted in the end of April 2012. Ethnography is recommended for service design (Hanington, 2003). Ethnography was however not been used for this thesis due to a very tight schedule and since it requires time to do proper ethnography. The methods were chosen due to a tight schedule. Through the online survey first-hand data could be gathered for the purpose of this thesis. The survey was done in Finnish since Finland is the target market.

The survey can be seen as a questionnaire (Brace, 2008). Further it is a self-completion survey (ibid. 2008, 29). One of the strengths of a questionnaire is that all respondents answer the same questions and thus it is easier to interpret the answers (Brace, 2008, 4). Brace (2008, 7) points out that if the questionnaire is badly written it will not provide correct data. When designing a survey the first task is to determine the objectives (ibid. 2008, 7). If the survey is intended to be exploratory it is recommended to do a preliminary qualitative research in the market to see the important issues in the market and to be able to determine what to ask and what kind of language to use (ibid. 2008, 8). The advantages using surveys include that it can be seen easier for the respondents to be honest about subjects they might feel sensitive about. On the other hand there is a risk that the survey suffers if the respondent don't understand questions and can't ask for help. (Brace, 2008, 29.) Collins (2010, 128) adds possible time delays and incomplete answers. Further benefits include that the survey can be answered in their own time and if they are interrupted there is usually a possibility to continue later (Brace, 2008, 31). However according to Brace (ibid.) this happens rarely. Additionally, there is evidence that respondents do online surveys quickly. An interviewer can hold the respondent's attention, and thus provide high quality data. (Brace, 2008, 32-33.) Collins (2010, 128) states that surveys can be seen rather cheap. Besides Watt (2010, 5) argues that costs can be further reduced by utilizing specific survey systems, and thus high cost does not automatically mean high quality.

The goal was to get deep understanding about employee's needs and challenges concerning work, inspiration and motivation. A diary was attached to the survey as an element of probing. Popular media search done inspired designing the survey, and thus some secondary data had been gathered from researches found. Kumar (2013) states that it is important to gain understanding what is not working well in the current state and the reasons for it as it might reveal opportunities for new market need. How people are facing challenges in their everyday lives and how they are managing the problems. However besides for only looking for problems designers explore also unstated needs. (Kumar, 2013.)

Design probes are an approach used in user-centered design, and thus a participatory method. It contains self-documentation. (Mattelmäki, 2006, 39-40.) The user has an active role in the method. The users collect and documents material and usually do some tasks and record their experiences. The aim is to capture users personal context and perceptions of daily life including emotions, social interaction and attitudes to mention just a few. (Mattelmäki, 2006,40.) Probes typically include activities such as taking photographs, writing diaries, drawing etc. (Mattelmäki, 2006, 41-42). Collins (2010, 127) argues that diaries can be used for instance when the goal is to gather information about employees. Diaries can be seen as an alternative for observation, and thus diaries can be used when resources are limited (Collins, 2010, 127). Furthermore it is recommended to clearly communicate to the respondents what is expected and how the diaries will be utilized. Encouragement and reassurance are usually needed since keeping a diary might be time-consuming and even frustrating. Check-ups and confidentiality are also required for a diary completion to be successful. (Collins, 2010, 127.)

Respondents for the survey were recruited through Human@Work's partners and they represented different kinds of organizations and positions. A link to the survey was sent to 28 respondents on the 16th of April. There were 12 men and 16 women with their background varying from being a sole entrepreneur for working in large international organization. Positions also varied from office worker to top management. There were doctors, CEOs, marketing and sales professionals, producers etc. Additionally life situations varied. The idea was to get as divergent a group of people as possible.

For the online survey an online tool called E-lomake was chosen. E-lomake is a web based application which can be used for online surveys. The collected data can be transferred into spreadsheets or statistics software. It is also possible to track and view the data within the application and already during the survey. It is safe and easy. There are no restrictions concerning number of respondents and replies. (E-lomake, 2013)

E-lomake was quite easy to use after getting familiar with the programme. For familiarisation at least a few hours are needed. For using the application to test ideas generated for self-development E-lomake was rather stiff since there were no options for visualisation. It was possible to only use writing. Even though the schedule was tight and there was no budget online survey can be considered a good method for the purpose since the questions cover personal and delicate matters.

As a probe I asked the respondents to keep a diary about the things they considered positive and the things they considered negative while at work. The respondents were instructed to choose a style they felt natural for them for keeping the diary. They could either write their

thoughts manually or if they prefer digital format there was an option to attach the document to the survey application.

The respondents had a week to answer questions. The link to the survey was sent via e-mail to make it feel more humane and personal. See Appendix 1 for cover letter. The starting page explained the structure of the survey and how much time it would approximately take to answer the questions. As the respondents were already recruited personally by the partners of Human@Work and they were willing to participate to the survey, the rate for responses was expected to be high. The online survey contained 7 sections. See Appendix 2.

1. Background information (Gender and Age)
2. Life situation
3. Happiness
4. Current job
5. Wellbeing in general
6. Employee wellbeing
7. Exercises and reflection

Background Information included gender and age. This was to see if there are differences between age and gender. The section about life situation included questions such as describe your current life situation, describe your typical day and is there something you would like to be different. These were asked for finding out about the life context of the respondents, if they had family, was there something going on that would be good to know in order to perceive the holistic view. Questions concerning happiness were asked for understanding how the respondents perceive happiness as happiness was identified as a trend. In addition the aim was to learn if people connect happiness and work.

The questions then moved on towards employee wellbeing. Before that there were questions concerning wellbeing in general for finding out if and how people are taking care of themselves for gaining an understanding about their attitude towards wellbeing in general: whether it was something they emphasize or ignore. Questions were: what is the meaning of wellbeing for the respondent and how is the respondent including wellbeing into his life?

Employee wellbeing contained several questions as it was the main theme in the survey. As it was already discovered the emphasis in employee wellbeing is many times in health and sports. We wanted to find out what is the role of the employee wellbeing in the respondent's company and what elements it includes. Additionally we wanted to find out if there was something that the respondent can do concerning their wellbeing at work. Besides these topics questions about motivation and possibility for personal progress were asked. All questions in the section of employee wellbeing were asked to understand the current state in organiza-

tions, and thus also to identify the red ocean in employee wellbeing. To know what things people currently find satisfying. Additionally it was asked if there was something the respondents would wanted to be improved.

The final section contained different kinds of exercises that the respondents could do. Hence we wanted to explore an option to create online tools for improving wellbeing at work. Our coach created a few exercises to the survey and furthermore it was asked how the respondents felt while answering. And thus this can be considered as early prototyping and testing ideas, which is a fundamental aspect in service design. One of the findings from early on when the company was established was that people are interested in self-development. At this point we had a strong belief that the company would provide some online tools to empower employees and increase the perceived control, which would increase wellbeing, and thus happiness. See example of the layout in Figure 23.

Onnellisuus

Koetko olevasi onnellinen?

Kyllä
 Ei

Kerro lyhyesti mistä onni mielestäsi muodostuu?

Työ

Toimiala, jolla työskentelet ja asemasi tai tittelisi yrityksessä

Yrityksen koko

Kerro lyhyesti työstäsi (työnkuvasi ja mitä työ pitää sisällään)

Hyvinvointi

Mitä hyvinvointi merkitsee sinulle?

Miten huolehdit hyvinvoinnistasi?

Figure 23: Survey layout

4.1.4 Trends scouting

Moritz (2005, 198) suggests trend scouting for the research phase. Also Kim and Mauborgne (2005, 75) propose looking across time, and thus trends for discovering blue oceans. Through trend scouting it is possible to identify key changes in social and cultural life that will affect perceptions, and thus customers. Hence in service design the focus is on customers. Trends can be identified by holistic lifestyle observations: reading magazines, visiting fairs and re-searching online trends. Furthermore it is recommended to interview opinion leaders, specialists and experts. Finally, trends identified need to be turned into insights for the service design project. (Moritz, 2005, 198.) In addition, since the aim was to disrupt the state of the art and increase happiness, future of work was the key word.

The aim for service design is to build better futures through services that improve people's lives. However, most of the methods used for understanding the users and the surrounding context lean to past. Leihener and Breuer (2013, 74) stress that if service designers desire to deliver sustainable value for social and economic change they need to explore the futures as well. (Leihener and Breuer, 2013, 74.) Also Koskelo and Nousiainen present (2013) that futures thinking and design thinking enable recognizing sustainable new business opportunities and realizing new value since the target is in the futures and customers. The core of service design is in customer understanding, and thus value creation for them. Futures thinking concentrates holistically on contexts where future actors will live. (Koskelo and Nousiainen, 2013.)

Environmental scanning is a method that can be used for trends scouting. It is a method identifying emerging issues. Events and trends among other things are being gathered and included to decision-making. The method helps to learn about potential influences from external social, economic and technical issues. Furthermore environmental scanning enables companies to figure how to respond to them. (Albright, 2004, 40.) To validate if an issue is a trend one can utilize the three times rule, where it is explored whether a trend occurs across categories. If three clear evidences are found it can be assumed that one has identified a trend. (Raymond, 2010, 55.)

Trend scouting was done to guarantee that the blue ocean would be sustainable. Hence I wanted to explore trends that might have an influence to the customers. In order to recognize trends in the field environmental scanning was done. Books, articles and various internet sources were explored. The search was done by using primarily keywords 'future of work'. Additionally, as I've been working with trends for years there was already a foundation on which further findings could be accumulated. As Albright (2004) emphasizes it is important to monitor trends continuously to be able to understand the change: where has it come from,

what is the current state and how it might develop in the future. Additionally one expert interview was done to get an understanding what trends are shaping the future business environment. However, the interview was done after Human@Work was launched and will be presented in Chapter 5.4.1.

4.1.5 Expert interviews

Expert interviews can be seen as a good way to get insights of the field. It is also a good way to understand what is essential in the environment. (Moritz, 2005, 190.) Kumar (2013) presents Subject matter expert interviews, which is a method where the designers speak with experts to gain understanding about the most advanced and potential developments.

One expert interview was done in ideation phase and after the company was already launched. The iterative nature of service development was utilized for the strategy creation, and thus understanding the customers and context was the most important thing. Therefore interviews were conducted when the process had already proceeded beyond the actual research and empathy phase even though they belong there.

4.2 Ideation

Service design process typically includes a phase where ideas are being generated. Idea generating means generating lots of ideas, solutions and concepts that are relevant, intelligent and innovative. All ideas are accepted at this point. Basic guidelines for brainstorming can be applied. Research insights and inspiration are the fuel for ideation. Other important things include appropriate inspiring environment and the right people. Generating ideas can happen in one or many sessions and the duration may vary from a few hours to several days depending on the project. (Moritz, 2005, 132-133, 155.) As co-creation is essential in service design, many of the creative tools support involving as many stakeholders into the process as possible (Van Dijk et al. 2010, 148). Additionally Mortiz (2005, 163) lists some important skills required for generating ideas. They include ability to develop ideas, ability so see unusual and unique angles, ability to identify inspirational environments and methods and experience in translating insights into relevant, innovative ideas and solutions among others (Mortiz, 2005, 163). Including myself employees of Human@Work have all worked with creative problem solving, and thus we had skills needed for generating ideas. For this thesis ideation served for involving stakeholders and for generating ideas for key success factors for Human@Work.

Mager (2009) stresses that interdisciplinary is many times a necessity for service design as the projects require experts from many different fields. Since humans are in the core of service design it is good to include psychological, or anthropological expertise in the projects. How-

ever sometimes branch-specific knowledge is required. (Mager, 2009, 38.) Also Polaine et al. (2013, viii) argue that successful service design often includes collaboration with professionals from the disciplines related to the project.

The whole staff of Human@Work including five persons and additionally experts from different fields participated in the ideation workshop. The workshop was held 8.5.2012 in the negotiation facilities provided by Helsinki Day Spa. The duration was 4 hours. As top professionals were voluntarily participating it was not possible to have no longer than four hours for the workshop. Before the workshop I had carefully prepared and planned the workshop and exercises. Altogether three partners were facilitators in the workshop, and thus all were experienced. Facilitators met before the workshop and received instructions for the exercises. I was taking the lead in the workshop for keeping up the timetable and making sure that everything went as planned.

Stakeholder mapping that was done before the workshop helped to perceive different actors in the category, and thus a group of stakeholders were invited to a workshop to discuss and ideate around employee wellbeing. See Figure in results. Participants included researchers, journalists, potential customers and professionals from the creative field. Competences included positive psychology, deep customer understanding, visual and creative thinking, psychology, wellbeing, service design and social and economic sciences. In addition two participants are experts in the field of digital services as Prahalad and Ramaswamy (2004, 219) state that it can be considered that nowadays hardly any business can survive without flexible and modern information infrastructure supporting rich co-creation. Besides their unique expertise all the participants have experiences from being an employee or an employer. Some of the participants are working in big companies and some of them are self-employed entrepreneurs, and thus they all had experience in working in different kinds of organisations and environments. See Appendix 3 representing participants and their role in the workshop. Every participant represented some important aspect of the working life.

There were two goals for the workshop: first to deepen the understanding of customers and the field and secondly to engage stakeholders and possible customers. The burning question for the workshop was formed as follows: How to influence the everyday wellbeing at workplaces? Additionally participants represented actors that would potentially be needed as resources as the network affects to the value creation. There are plenty of tools available for ideation service design for receiving insights and ideas.

The participants were divided into three groups. The aim for each group was to deepen the understanding of the end users and create as many as possible ideas and insights that would

later in the process inspire the creation of blue ocean and determining the key success factors for Human@Work. See Figure 24 of the groupwork.



Figure 24: Groupwork in ideation workshop

The schedule was tight but different ideation techniques were utilized. The following tools were chosen and appropriated: Personas, A day in the life, Brainwriting and Concept Blending. See Table 2 presenting the methods.

What	Purpose
Personas	Deep understanding of users and their needs
A day in a life	Deep understanding of users daily lives
Brainwriting	Generating ideas for the needs discovered
Concept Blending	Generating ideas for the needs discovered

Table 2: Tools utilized in the workshop

4.2.1 Personas

As it was already mentioned personas was chosen as the main tool, and thus the goal was to further deepen the understanding and use personas to concretize and visualize the insights. Personas also enabled the participants to immerse themselves into the shoes of the users. Secondly the aim was to utilize the tacit knowledge the participants have and integrate the knowledge into the personas, as customer and market insights. See description for personas in chapter 5.1.4. Kumar (2013) lists the benefits of using personas. They are: broadening mind-

set, building empathy, defining direction, facilitating storytelling, inspiring ideation, structuring existing knowledge. Sticky notes were used to collect all the ideas.

4.2.2 A day in the life

A day in the life provides a walkthrough of typical daily activities of a particular customer. A day in the life places the customer in the actual context of his life presenting his everyday environments routines, interactions and touchpoints, and thus provides a holistic view. A day in the life can be presented in many formats such as simple graphics or video. (Van Dijk, et al. 2010, 174.) See an example in Figure 25.

In the ideation workshop the exercise was to further deepen the understanding of the personas and their contexts to be able to recognize blue ocean according to their needs and generate ideas for them. Hence the purpose was to explore possibilities for the strategy. The goal was to especially understand the role of work in the users life. The participants were to decide how they wanted to describe the day in the life.

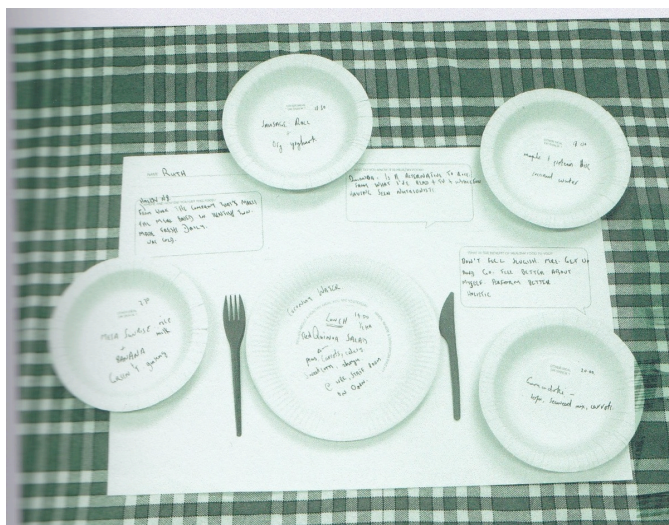


Figure: 25: A day in the life illustration (Van Dijk et al. 2010, 175)

4.2.3 Brainwriting

Brainwriting is a tool for idea generating. A team member writes down five ideas. Then the person next to them develops another five ideas based on the ideas the person before them initiated. (Moritz, 2005, 211.) See Figure 26 for brainwriting exercise. This technique was utilized in the workshop so that any ideas, thoughts and questions that came into mind concerning the persona were written on the brainwriting sheets. Again the personas were the basis

and the ideas generated were for them. Each round was four minutes. There were as many rounds as there were team members. The team members could choose one idea and develop new ideas based on that or they could supplement all the ideas the person before them had generated. Finally the brainwriting papers were filled with ideas, insights and further questions.

	Alkuperäinen idea	1. kierros	2. kierros	3. kierros
Idea 1				
Idea 2				
Idea 3				
Idea 4				
Idea 5				
Idea 6				

Figure 26: Brainwriting (Koivisto, 2011)

4.2.4 Concept blending

Final exercise was concept blending. Concept blending means adopting ideas from another concept to create ideas for your own concept. This technique has been created by my fellow student from the Service innovation and Design Master's Program at Laurea. (Auroralahhti, 2013)

Service concepts introduced were life coach, amusement park, mobile application, a game and a holiday trip. The groups were asked to decide the most inspiring concept for the persona and then develop a concept for employee wellbeing derived from it. Familiar however different concepts were chosen so that time would be saved from explaining unfamiliar concepts. Groups were asked to consider the ideas generated and insights discovered before this exercise. The purpose of this idea was to test how the participants perceive especially mobile application and life coaching as they were ideas considered interesting for Human@Work.

5 Recognizing the blue ocean for Human@Work

5.1 Results of research and empathy phase

The aim of the research and empathy phase was to get a deep understanding of customers and the context for recognizing and creating a strategy canvas for Human@Work. Traditionally it is recommended to create strategy canvas through four steps that include: visual awakening, visual exploration, visual strategy fair and visual communication (Kim and Mauborgne, 2005, 84). For re-determinating the market space Kim and Mauborgne (2005, 21) suggested six paths. Even though Kim and Mauborgne (2005) recommend having a holistic view, look beyond segments and even consider trends they do not provide concrete tools neither the co-creation of value is emphasized. Therefore in this thesis service design approach was primarily utilized for recognizing blue ocean and further creating blue ocean strategy.

After gathering data it is time to make sense, and thus converge. Moritz (2005, 129) describes service design thinking as a phase of analysing and interpreting, and thus giving guidance to the project. Traditionally the user research results page after page of verbal data (Kolko, 2010, 16). This information has to be structured in some way (Polaine et al. 2013, 80). The process of design is many times described as making sense to complexity and chaos (Kolko, 2010, 15). According to Kolko (2010, 15) to clarify the chaos a large sheet of paper and a blank wall for mapping the findings are usually needed. Several hours later, the sheet of paper will be covered with identified themes, and even though it might look like a mess for someone there is deep and meaningful sense making that drives the process forward. But most importantly the designer has gained a better understanding about the problem that are to be solved. (Kolko, 2011, 15.)

5.1.1 Popular media search

The starting point for popular media search were The Institution for Occupational Health, Ministry of Employment and the Economy and Tampere University for leadership. From these websites more industry experts and sources were identified. Bookstores were visited and academic article database searched. Soon after I found myself in the area of leadership, where my focus turned into company culture since people are the company culture. Work engagement, positive psychology and happiness started to reoccur. Names such as Sonja Lyubomirsky, Barbara Fredricksson, Daniel Gilbert, Shawn Achor, Tony Hsieh and Jari Hakanen were identified. Companies such as Zappos, Southwest Airlines, Starbucks, Kone and Futurece were recognized as pioneers in investing employee wellbeing and or happiness and they were considered inspiring. The information was accumulating and it was shared on a regular basis among the partners, which led to new insights and new searches. Most interesting projects

concerning working life found were Work goes Happy, 925 Design, Dialogi and leadership development network, which is lead by Minister of Social Affairs and Health. Searches were done locally and globally.

Many books, articles, sites and blogs were explored. Here the key findings are presented. Employee's role can be seen vital for service companies and for brands. According to Berry (1999) employees performance for branding is essential especially in labor-intensive service businesses. Hence there is a need for paying attention to employees since they have a critical role in service quality and building a service brand. Salanova et al. (2005, 1224) state there is a positive correlation between service climate and customer loyalty. Work engagement inspires positive service climate. Collective engagement increases when an organization provides organizational resources for employees. (2005, 1224.) Also Markey (2012) state that there is a need to pay attention also to employees instead of focusing just on the customers since loyal and passionate employees are the key in business success.

Values and values driven leadership arose. 1704 students from Aalto University replied to a study (Piha et al. 2012) about their feelings and attitudes towards working. 70 % of the respondents felt they are going to change the working culture in the future. 62 % are not willing to work for an employer whose values they don't share. 77 % of the respondents would be willing to switch part of the salary into free time. Respondents value freedom, openness, transparency and flexibility and they are not afraid of authorities. All these will challenge companies and leadership in the future. (Piha et al. 2012)

Company culture was seen an interesting topic. Hsieh (2010) emphasizes the affect of a happy company culture enables. In his company at Zappos company culture providing happiness are seen as the number one priority for success. Company culture can be turned into competitive advantage. At Zappos mission and values are essential. (Hsieh, 2010.) Also Sinek (2009) highlights the importance of having a bigger purpose. He (2009) arguest that people do not buy what companies do - they buy why they do it. Hakanen (2011) has studied work engagement and represens the field of positive psychology. One of the main messages in his book is to change the negative terminology into positive.

Finland is ranked high in work related violence (Mokka et al. 2009). This is a paradox since Finland is the top countries in researching employee wellbeing. People are not feeling good at work. Every third of western people is in danger to suffer burn out. Depression and burn out are the biggest reason for early retirements. (Hellsten, 2011, 91.) Holistic wellbeing is important and people cannot be divided. Feelings, personal needs and vulnerability have to be kept away from working life. However people are humans not robots and it is impossible to separate work and other life. Furthermore it will lead to exhaustion and finally burn out.

(Hellsten, 2011, 91.) The division between work and life is not so strong at Zappos. Zappos employees are encouraged to spend time together to become more aligned. Many of the greatest ideas at Zappos have been invented outside the office. (Hsieh, 2010.) From the popular media search it was also discovered that employee wellbeing can drive success. The metrics for work performance are mainly economic.

Table 3 presents some websites covered in the understanding phase that were considered important and inspiring for Human@Work. Part of them contributed also to trends scouting. Besides the popular media search was continued through out the process it also inspired the online survey and ideation workshop.

INTERNET		
Site	What?	Services
Dialogi www.uusityöntäällä.fi Finland	Dialogi is a project that researches and develops better circumstances for daily work together with organizations, employees and students.	Events, Training, Surveys, Publications Surveys and Reports in the area of working life
www.ttl.fi Finland	Institute for Occupational Health	Research, Publications, Seminars, Services: see eg. www.tyopiste.ttl.fi
www.wgh.fi Finland	Work Goes Happy: A network for Employee Wellbeing	Employee wellbeing events
www.deliveringhappiness.com USA	Movement and consultation service initiated by Tony Hsieh, Zappos.	Consultation, Company culture training
http://workisnotajob.com/en Germany	A movement to inspire people to do what they love.	Posters, Book, Design

Table 3: Popular media search: key findings/internet

Kumar (2013) explains that understanding the context includes studying the environment, and thus competitors and their offering and evolving strategies. Possible competitors were identified and mapped while doing the popular media search. The field of employee wellbeing is wide and only a limited number of competitors are listed to give an overview of what kind of actors there exist. See Table 4.

SERVICE PROVIDERS IN THE CATEGORY	
925 Design (2013)	Design Agency for better working life
Ilona Tuotanto (2013)	Coaching for Motivation
Hunting Minds (2013)	Coaching leader and director of boards: evaluations, development and research
Deep Lead (2013)	Coaching for individual, group and organizational development
Etera (2013)	Mutual employment pension insurance company: tools, coaching
Great Place to work (2013)	Label and survey for listing great places to work
Villa Mandala (2013)	Wellbeing center for stress management
Life Coaches	Coaching individuals and companies for various of reason

Table 4: Service providers in the category of employee wellbeing

5.1.2 Stakeholder map

A rough stakeholder map was done. See Figure. Stakeholder map is a way to make sense to complex data. All the actors presented in the Figure 27 offer something in the area of employee wellbeing either to the employers or employees might find some of the actors during their freetime for wellbeing purposes. Especially life coaching services have increased in Finland and people use services for instance career consulting, self-development or weight loss. Mapping the actors helps to gain a holistic view of the field with one figure. The angle may vary but the motivation is many times the same, thus improving the wellbeing of employees and hence the profits for the company.

Service ecology mapping for the project was done to perceive a holistic view of the actors. For most the ecology map served for perceiving the actors and thus their approach. In addition ideas of the participants for the workshop were presented and finally chosen from media, life coaching, human resources, research and personal training as they all influence the employee wellbeing category and thus the individual employee, who is placed on the centre as customers are the core in service design.

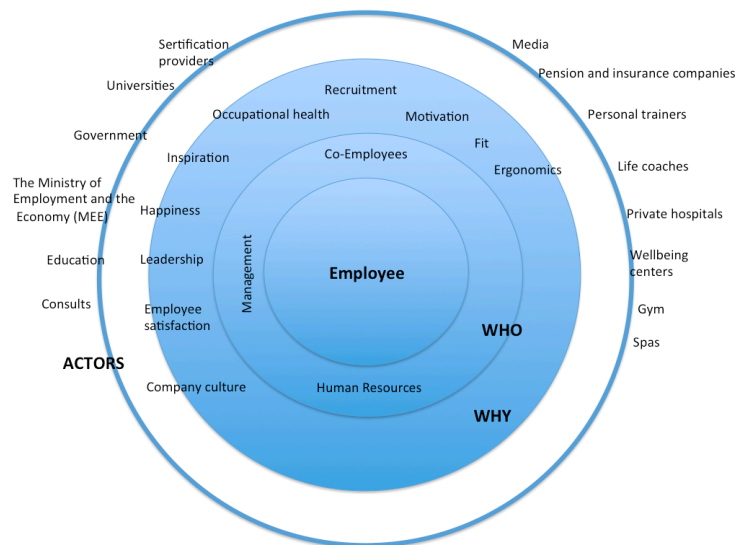


Figure 27: Stakeholder map in the field of employee wellbeing for the perspective of employee

5.1.3 Online survey

The online survey provided a lot of data. Soon after receiving the answers from the survey a workshop with stakeholders was held. Before the workshop some analysing was already done to get the most out of the ideation session. The insights found helped to choose focus and tools for the workshop. From the field of service design affinity diagram and personas were utilized for sense making purposes.

All the 28 participants answered the survey even though 8 did not complete the survey. However 20 responses can be considered as a good rate for responses. There was an option to interrupt answering the questions and come back later for proceeding. This was meant to be helpful since there were many questions in the survey and it might not be possible to find 30 minutes time during a busy day. However this small gesture for ease could be the reason for the eight drop-outs. Soon after the survey was closed partners from Human@Work gathered to analyse the data. The goal was to identify patterns and needs with the help of affinity diagram, and thus different types of personas. Preliminary personas were created for the ideation workshop where they would be further developed with stakeholders.

Affinity diagram is a technique for mapping and organizing insights, ideas and opinions. The original idea of affinity diagram was to find meaningful groupings of ideas (Collins, 2010, 114). By using affinity diagram it is possible to structure large and complicated issues. First it is decided what is the goal for using affinity. Moritz (2005, 202) also suggest setting a time limit for the session. Everyone participating in the session writes down ideas. Finally the ideas

Key findings of the survey were:

- Lack of perceived control: challenges in balancing work and other life, challenges in time management, challenges in prioritization
- Inspiration (both high and low)
- Attitudes towards work: both strong segregation between working life and private life and then again work and life integration
- Work affect to every aspect of life
- Feeling powerless, resulting passiveness
- In bigger companies employee wellbeing is primarily perceived as occupational health, sports support and a place where employees can enjoy coffee with their colleagues
- Self-employed do not have time to even consider employee wellbeing, and thus it is perceived more as holistic wellbeing covering all areas in life
- Values and mission considered important
- Needs recognized for: Time management, self management, prioritization tools

From the affinity diagram three personas were created for the basis of patterns and insights recognized. Personas are usually based on in-depth research (Moritz, 2005 220; Van Dijk et al. 2010, 178). Personas represent patterns that have been recognised from research. Hence a persona is a fictional character. Personas differ from traditional demographic groupings or interest segments since the aim is to identify relevant patterns. Moritz (2005, 220) highlights that this is essential in service design as it makes possible to gain a more detailed and individual understanding. Personas enable everyone involved in the process to understand the customers, engage with them and thus guide in decision-making. (Moritz, 2005, 220.) How successful personas show up to be is to do with how engaging they are perceived. There are many techniques to invigorate the personas such as visual representations. (Van Dijk et al. 2010, 178.) It is common to create personas as a set, which illustrates different types of users. Traditional way to present personas is to use both images and text. The information presented can include name, age, occupation, where they live, family, likes and dislikes, and most importantly needs among others. (Design Council, 2013.) See an example of personas in Figure 29.

Kumar (2013) proposes five steps when creating personas.

- 1) "Generate a list of potential users
- 2) Generate a list of user attributes
- 3) Define a finite number (3-10) of user types
- 4) Create personas around user types
- 5) Build a visual profile for each persona"

Finally Kumar recommends focus on visualizing the personas. In addition it is recommended to provide the descriptions so that they are easy and quick to read. (Kumar, 2013.)



Figure 29: Personas (Servicedesigntools, 2013)

The personas were created from the data by using affinity diagram to identify patterns and needs described earlier. After making the affinities I developed the personas further so they could be utilized later in the ideation workshop. Personas were named as ‘Living the Dream’, ‘Passive’ and ‘Hard working lonely rider’, which already describe the essence of each persona. The preliminary personas were about to be further analysed in the ideation workshop. The main purpose for the preliminary personas was to inspire ideation according to the user-centric principle of service design and to be further developed since ultimately customer understanding, and thus the personas would serve as the core for recognizing the blue ocean. Each persona was described using bullet points. Additionally some real quotes from the survey were included. See an example of preliminary persona created for the workshop in Figure 30. See all the preliminary personas in Appendix 2.

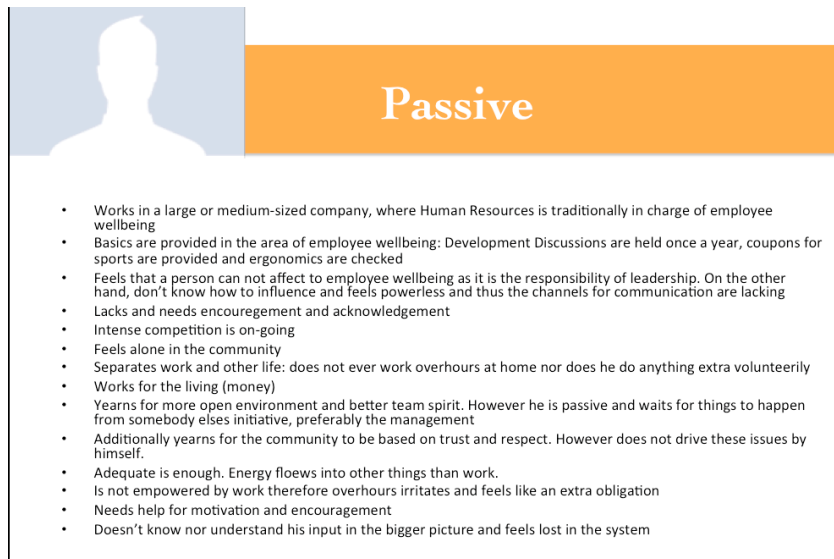


Figure 30: Preliminary persona

Self-coaching method was also tested in the survey since it had been the idea for our original web-based wellbeing service for women and we wanted to explore if the idea could be utilized in the context of employee wellbeing. It did not get very much support. The reason for this might be that the platform used was not very inspiring. Additionally self-coaching is not something that is good to do in a hurry. Probably also the setting was not right since the other questions in the survey might have led the respondent in a wrong mood. But in the light of the feedback gained we were questioning Human@Work as providing digital self-coaching tools for improving employee wellbeing.

From all of the 28 respondents only three send me a diary. I was not surprised. As described in the earlier probes are meant to be inspiring and it is recommended that they include tasks (Mattelmäki, 2006). I asked the respondents to develop a form for the diary by themselves. Additionally the respondents were asked to keep a diary for one week. This might have worked with specific tasks and maybe with notifications. However, I believe it would have required more guidance and check-ups as Collins (2010) recommended. I assume the diaries submitted were done in a hurry and not right after situations had occurred which was the idea to capture experiences and emotions in real context.

If I were faced with a similar challenge again I would probably use context interviews or I would design probes kit thoroughly with different and inspiring tasks. Despite that some of the parts can be considered less successful I felt I received deep understanding and insights concerning employee wellbeing and working life from the employee's perspective.

5.1.4 Trends scouting

Various of sources were explored in trends scouting. Few themes arose and were considered extremely important for the future of work. As stated already it is important to continuously scan the environment. Having said this the trends I have gathered along the years formed a basis for the trend scouting done for this project.

One can see changing values and perceptions towards consumption and work especially among younger generations. In western world where basic needs are fulfilled and people are at the higher level of Maslow's hierarchy of needs people are more concerned about their health, wellbeing and happiness and are seeking ways to self-actualization according to their values. People are aware of the fatal affects of long lasting stress and exhaustion and don't want to be treated as robots in work places.

A more humane path can be identified. Aaltonen and Jensen (2012, 110-11) argue that in the future there will be an era of post-materialism, and thus emotions are emphasized in the market. Most of the people let their heart lead choices. It will become important to ask if a company has a heart. (Aaltonen and Jenses, 2012, 148.) Also Ariely (2013) state that meaning of work surpasses efficiency. Managers should consider providing meaning for employees. According to Kotler et al. (2010, 53) a good mission introduces a business perspective that includes transforming the lives of people into better. Furthermore Kotler et al. (2010, 77) state that employees are more productive when they are committed to the company's mission. Also Kotler et al (2010, 71) highlight values. If a company has good values it will attract good employees (ibid. 76). Hamel (2012, 5, 6) argues that values revolution is needed and it has already started. Also Aaltonen and Jensen (2012,131) argue that in the future people might choose where to work according the company values and that in the future company values are most important. Piha et al. (2012) presented earlier states the same. Porter and Kramer (2011) have furthermore suggested that organizations need to consider also the surrounding community and create shared value. Company's higher purpose needs to be more than profit per se. According to Branson (2011) taking care of people and planet should be put first in companies. Indeed humanity can be seen as rising trend. Kotler et al. (2010) are describing how marketing will evolve to human spirit.

Work is changing. There are movements such as 'Work is not a job', '925 Design', books such as '4 hours work' week and 'Rework. New methods for motivation and inspiration are needed. Even a new term "Inspiration economy" has been proposed in Finland (Järvillehto, 2013). Andersson, and Kaivo-Oja (2012, 181) have explored what will be the key assets of humans in the future in the competition against robots. According to them companies should think how to inspire and encourage employees for continuous development. Inspiration can be seen as

capital (ibid.) Alasoini et al. (2012) present that in the future in 2030 diversity, equality and flexibility in working life have become a norm. Also Pantzar and Halava (2013) are emphasizing flexibility and people's own rhythms.

Big Data and technology enable humans to receive infographics concerning almost any matter. This trend could be called Infomania. Moods and happiness can already be measured ('Track your happiness' and 'We feel fine'). Company mood could be the future indicator for success. In addition to these positive psychology and happiness can be seen as trends. Marks (2013) present that the level of happiness among startup employees can be seen as an important question for investors.

5.2 Results of ideation phase

As the research done in the empathy phase had shown the field of employee wellbeing is wide and complex, a multidisciplinary group of experts were invited to the workshop to deepen understanding and to generate ideas for Human@Work but approaching the challenge outside in as the customers are the starting point for service design. With the findings gathered in the research phase it was concluded that there is a lot of information available about the current state of working life. However concrete actions and tools are missing or not visible for employees in the companies. Some hypotheses that had evolved after the research and empathy phase were tested among the experts. Additionally self-management as well as happiness as concrete solutions were considered to be essential elements missing from the field of employee wellbeing. Preliminary personas enabled everyone involved in the process to understand the customers, engage with them and thus guide in decision-making (Moritz, 2005, 220).

Each group had one persona that they further developed during the entire workshop. First the group analysed the personas and their daily lives and then moved on to generating ideas for the personas with the help of brainwriting and concept blending. Since the information accumulated throughout the workshop and the groups finally presented their outcomes at the end of the workshop I describe the results of the workshop through the personas as well. Trends were also utilized in the ideation phase, which can be seen as one of the placeholders in Service Design process where futures thinking bring value for service design (Koskelo & Nousiainen, 2013). I presented them briefly to the participants. As Moritz state trends need to be turned into trends insights for the project at hand (2005). Besides the present situation future ambitions of the users can be described (Oosterom, 2011, 226).

The workshop with stakeholders helped further understand what the customers need and what could create value for them. Additionally, a lot of tacit information was received. Over

300 ideas were generated with the help of brainwriting and concept blending. Only few of the ideas are presented in this thesis report as they have been carefully saved for possible future use.

Following questions among others were answered:

- What is the meaning of work for the persona?
- What challenges the personas have towards work?
- What needs does the persona have towards work? And towards employee wellbeing?
- What does the persona value in work and in life?

In addition to the preliminary persona descriptions, there were straight quotes from the online survey to help the participants to slip themselves into the shoes of the employees. The groups were also asked to give such names to the personas that describe the essence of their personalities. All ideas were written down to sticky notes.

5.2.1 Personas

Groups further deepened the personas. The first group further deepened the persona called Passive. In this group there were expertise from customer understanding, positive psychology, user experience design, service design, human resources and law. 'Passive' was named as 'Floater', which refers to the passive nature of this persona as she is a follower. See Figure 31 done by the group 8.5.2013. At the end of the workshop the group created a following story: She is a woman. She does not carry responsibility about anything. She is led by fear. There is no meaning in her life. She loves routines. Her attention goes often to problems instead of solutions. Since she is a follower trends don't have much influence on her. The manager's role is emphasized as Floater expects management to take care of the employees. Inspiration and positive experiences would be the best medicine for this persona.

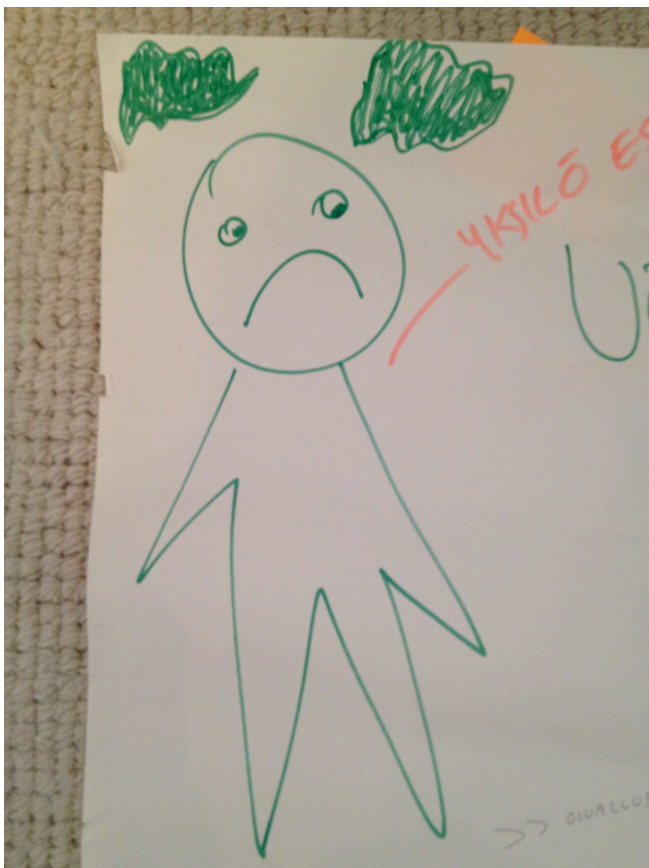


Figure 31: Floater

Some service ideas

- A possibility to do own projects 20 % of the time like it is at Google
- Something inspiring for everyday
- A wake up call for the management: The wellbeing of employees part of the leadership, strategy and values
- Power from positive thinking: workshops, workbooks etc.
- A diary about things an employee is proud of today (possibly public)

The second group further deepened the persona called Living the dream. In this group there was expertise from creative thinking, leadership, wellbeing and digital services and marketing. At the end of the workshop the group created a following story:

The persona was named as Jukka the man. He is highly educated. Jukka the man is greedy for life, which can be seen both good and bad thing. He is aware of lots of things but on the other hand he has too much going on. Indeed he has problems with time management. Jukka the man wants to be trusted and he values control. If he could decide his own rhythm he would be happy. He is executing his life and work passionately. There needs to be a possibility for self-actualization at work. He would like to come and go as he wishes and he becomes stressed if he feels he is being watched. He desires belonging and working with other passion-

ate people. For Jukka the man there is no segregation between work and life. They have to support one another. It might be hard for him to commit if the company culture does not feel right. He loves technology and gadgets. Infomania and meaning are trends that will have an impact in his life. He needs stimulation, seeing his own progress. He also needs focus and help with time management. Key success factors for Jukka the man are: passion, purpose, sharing, control, progress and flexibility. See Figure 32.

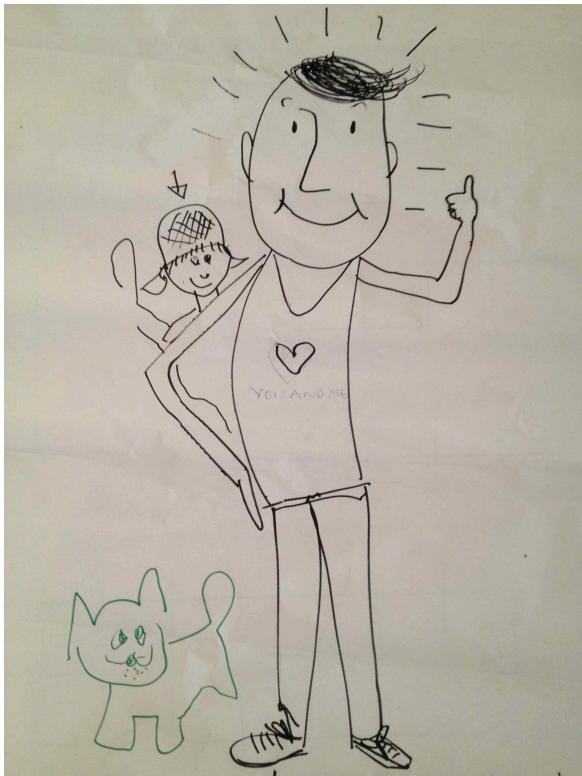


Figure 32: Jukka the man

Service ideas:

- Meter for life balance
- A barometer for tracking the mood of the organization
- Avoiding difficult terminology and stiffness
- Idea Bank for inspiration
- Progress Tracking

‘Hard working lonely Rider’ was named as Worker ant. She is a 35 years old woman living alone in they city. She has problems with time management. She needs proper rhythm. She has problems with focusing. For this user everything needs to be simple and well conceptual-

ized. She would also need empowerment for decision making. Belonging is important to her. She is so busy that she does not have time to realise all the good she has. Most of her time goes into stressing. Mind mastery might help her. Trends that interests this person are happiness, meaning, back to basics and infomania. See Figure 33 about this persona's day.

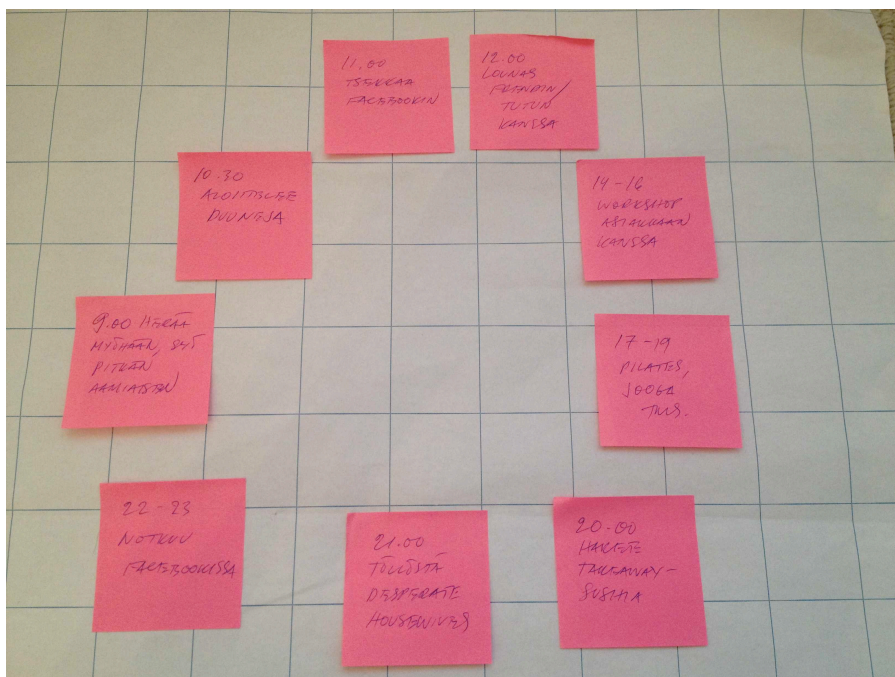


Figure 33: Service Ideas:

- Happiness tracking application
- Task management, Project Management, Notifications/Reminders
- Mindfulness exercises
- Diary for gratitude
- All kinds of infographics

5.2.2 Making Sense

On the following the partners of Human@Work met to discuss the outcomes of the workshop. All partners agreed that the workshop held with the multidisciplinary stakeholder group had been a success. The aim was to deepen understanding towards the customers and context to be able to recognize blue ocean against the needs of the employees and further determine key success factors for Human@work. Additionally it was valuable to get the input from the stakeholders for recognizing the blue ocean. The stakeholders are also possible partners for Human@Work. In that sense it was also good to involve them. The personas inspired ideation.

Before it was possible to create the strategy canvas I had to make sense of the enormous amount of data and ideas gathered. The ideation workshop generated hundreds of ideas and insights that had to be studied to discover the key findings for Human@Work and thus to be able to discover and create blue ocean strategy.

Service Design Filtering includes tasks such as selecting the best ideas and evaluation of results and solutions (Moritz, 2005, 136). All the data so far was about to be synthesized. The idea was to create the blue ocean strategy canvas against insights identified. Therefore the personas were finalized. At this point I had to do some iteration, and thus visit the original affinities done in the first phase. Sticky notes were used during the process so that it was possible to move them as the process proceeded.

Personas were the main tool used in the process. All the data and knowledge gathered during the process was presented through the personas. Preliminary personas were originally created from the online survey, and thus they were drawn from real users. The personas were further deepened during the stakeholder workshop. As service design is iterative and the understanding of the users and context increases during the process the personas were further analysed against all the knowledge gathered and gained during the project. Finally two variables were chosen to describe the most important denominators for the personas. They were inspiration and perceived control. Inspiration arose in popular media search from books covered, in trends scouting and also in the online survey. Inspiration and perceived control seemed to be common nominators for both satisfaction and dissatisfaction. Those people that are inspired of what they do are thriving. Perceived control arose as an important factor as well as it is one of the universal psychological needs that have to be fulfilled at work (Deci and Ryan, 2000 as cited in Hakanen, 2011, 31). The two other universal psychological needs are progress and belonging and they can be seen as highly important factors in the area of employee well-being (Deci and Ryan, 2000 as cited in Hakanen, 2011, 31). See Figure 34.

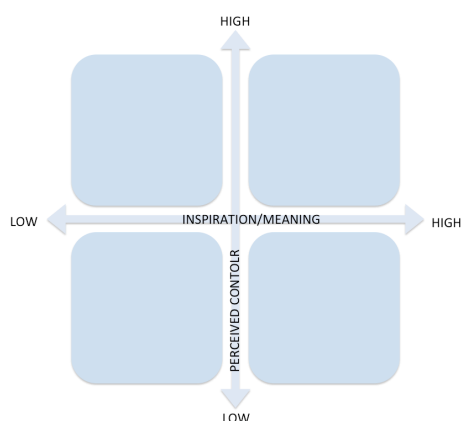


Figure 34: Common important denominators for the personas

I renamed the personas one last time. Floater was named as 'Passive Pessimist', Jukka the man was named as 'Passionist' and the Worker ant as 'Frantic'. Human@Work also decided to focus small and medium sized companies, and thus exclude self-employed entrepreneurs at first. Therefore I took steps back and developed persona named 'Frantic'. I visited once more the data gathered though the online survey and the affinities made in the research and empathy phase. Additionally I combined knowledge gained from the workshop. The finalized personas include a brief general description, life situation, challenges concerning work, trends that inspires them and additionally what is value for the user. I also placed the personas in the matrix I created. See Figure 35. See finalized persona 'Frantic' in Figure 36. See the other personas in Appendix 4.

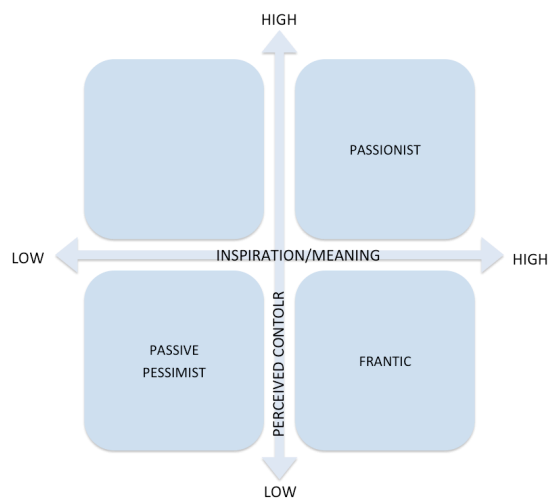


Figure 35: Matrix including personas

FRANTIC

"I would appreciate some web based tool for maintaining and tracking employee wellbeing on a weekly basis"

- Frantic is a 35 years old woman. She lives in the city alone.
- She is a knowledge worker and a team leader in pharmaceutical industry. She has many responsibilities but not enough time.
- She likes her job and she considers there is a meaning. However it is challenging to have enough time to work as an expert and be a team leader with responsibilities concerning the team: both business goals and employee wellbeing.
- Her main concern is time management, and thus prioritization.
- She buys self-help books but she is unable to finish the books as she doesn't have time to read.
- She feels she has no time for anything. She lacks control of her own life.
- Work is important for Frantic but it has become too big of a deal in negative way. It is constantly on her mind as she works at home too.
- Self actualization is important. However she feels insecure about her choices. She feels like she is drifting.
- NEEDS: Help for time management, Self-management, Leadership
- VALUE FOR THE USER: Control, Wellbeing, Progress, Peace of mind



TRENDS: HAPPINESS, BACK TO BASICS & SIMPLICITY, HOLISTIC WELLBEING

Picture: Pixhill.com

Figure 36: Finalized persona

5.2.3 Expert interview

I interviewed Kaj Husman, a Ph.D. in Medicine, who works as a professor at Finnish Institute of Occupational Health. The interview was done to further increase the understanding and evaluate the findings developed in the understanding and idea generating phase. Husman has a long career working with health and occupational issues. As he has many years of experience and he has been involved in many things in the field of employee wellbeing he can be considered as an opinion leader in the field and a very valuable source of information. I asked Husman about his experience in the field of employee wellbeing and what he considers to be the most important issues. Additionally I showed him what insights we had discovered so far about trends, market and the customers and asked his views.

Husman feels that the term employee wellbeing is not very clear. It means many things, and thus makes the definition hollow. He feels that the fundamental problems in organizations is the perception that human resources are expenses where as for instance computers are seen as an investment. This view needs to be updated. As soon as there are financial difficulties it is the human resources that are eliminated. Another thing he highlighted was that many times human resources is about numbers: sick leaves, efficiency and so forth. These measures are important to follow workers work ability, but wellbeing is mainly an emotional issue and emo-

tions cannot be shown in numbers. New ways to measure employee wellbeing are needed. It is known that if an employer does something that shows caring, impacts are positive in many ways. Seeing humans holistically is recommended. According to WHO's definition humans consist of physics, social aspect and psyche. Work and life segregation cannot go on as ultimately private life affects work and vice versa. Organizations need to understand that they are managing humans not numbers. The perception of employee wellbeing is narrow, and thus many times just physics, and occupational health. Husman highlights the social aspect. (Husman, interview, 2012)

Husman considers that for sustainable working life humans need to to be human to each other. There is always emotions and ration that have to be considered. Predictability in behaviour and empathy are key factors. However change happens slowly. Husman believes that in the future the focus will have to be on the individual level. As population ages it is even more important. Husman feels that technology will change a lot of things concerning work but technology will never replace human interactions, which is an important feature for wellbeing. According to Husman the findings we had done were good and he considered Human@Work was on the right track. He emphasized values and pointed that they have been discussed for years. The reality though is that even though the importance of values is acknowledged values are many times just fine words. According to Husman the essence and the success of employee wellbeing falls under these words: empathy, appreciation, equality, fairness, respect and dialogue. It is simple in the end as Human states. (Husman, interview, 2012)

5.2.4 Core insights

After going through all the data and findings received from desk research, online survey, workshop and interview I created a table for presenting the core insights identified in the market, trends and customer level. See Table 5.

Business insights	Customer insights	Trends insights
Focus on the problems: sick leaves, euros lost, burn outs, stress, exhaustion Negative approach and terminology Rational, emotions are not discussed, instead overlooked Individual is surpassed Value for the company: Savings, Less sick leaves etc. Focus is abstract Emotional aspect is missing Need for simplicity The focus in employee wellbeing is in motivation	People can't be divided according to life and work Three universal psychological needs are essential: Perceived control, Progress and Belonging Employees feel powerless, need for empowerment Purpose and values are considered important Need for humanity and appreciation Changing attitudes towards work	Happiness can be a business model Employee wellbeing will be a competitive factor in the future, even providing competitive advantage Attitudes and values towards work are changing Current capitalistic approach is being questioned Creating shared value Meaning and emotions are becoming more important Experience becomes a matter also concerning work Emotions and empathy will become more important

Table 5: Core insights

5.3 Realizing - creating a customer-centric blue ocean strategy canvas

The aim of this thesis was to use service design for recognizing blue ocean for the case company and thus take the paradigm shift in value creation into consideration and focus on the customers. Service design thinking was chosen as a method since customers are the starting point in service design (see eg. Stickdorn, 2010). Additionally as it has been explained understanding the context of the service is another essential feature of service design (see eg. Kumar, 2013). Blue ocean strategy was chosen from the field of strategic management since it has been mentioned in the literature of service design and additionally because it is a well known and popular approach. Additionally also in blue ocean strategy customers and context are highlighted as it was described in chapter 2.3 when the six paths for discovering blue ocean were described. It can also be stated that Blue ocean strategy approach and service design approach are both aiming for innovation that creates value for the customers. This final chapter presents the idea for customer-centric blue ocean that was identified by utilizing service design approach.

Figure 37 illustrates how the customer understanding increased during the process and how it was also enabling the filtering of ideas. Popular media search, trends scouting and online survey gave deep understanding about the market (context), customers and trends shaping the market and values and attitudes of customers. Through analysis personas were created and further developed in the ideation workshop with stakeholders. All these enabled a deep understanding and determining the core insights and success factors through the lens of the customers.

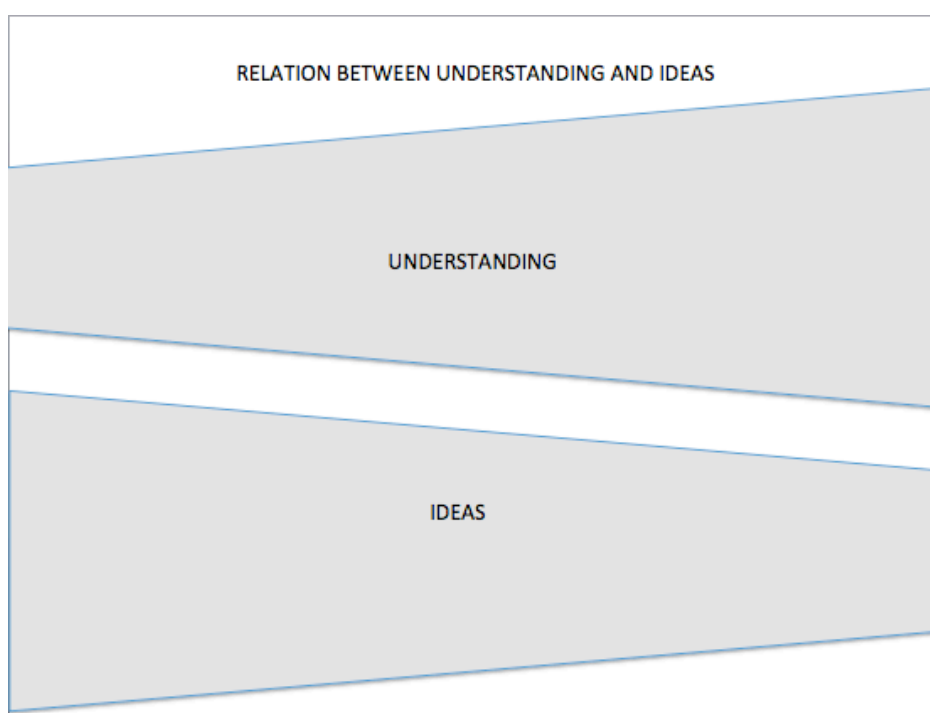


Figure 37: The relation between understanding and the quality of relevant ideas

5.3.1 Strategy canvas for the industry

After exploring the customers and context (environment, actors and competitors, customers and trends) and based on the insights gained I created a strategy canvas for the industry of employee wellbeing. Kim and Mauborgne (2005, 82) argue that the strategy canvas is a good tool for illustrating the current state of the industry, and thus the focus is on the big picture. Additionally it opens eyes for blue oceans. In this thesis service design approach was utilized and thus the aim was to discover the latent needs of the customers to be able to co-create relevant value for them.

Based on all the insights gathered the dominating factors in the industry seem to be employee wellbeing as siloed activities. There are plenty of actors in the industry: life coaches, sport coaches, health coaches and thus consults for positive emotions just to mention a few. They are usually focused on short-term motivation. The terminology is negative and does not inspire working with employee wellbeing issues. Hence when employees are mentioned, cost is mentioned. Employee wellbeing belongs to human resources. Employee experience seems neglected. People at working places feel powerless and do not take responsibility of their own wellbeing. See the strategy canvas for the industry in Figure 38.

Strategy Canvas Industry Current State

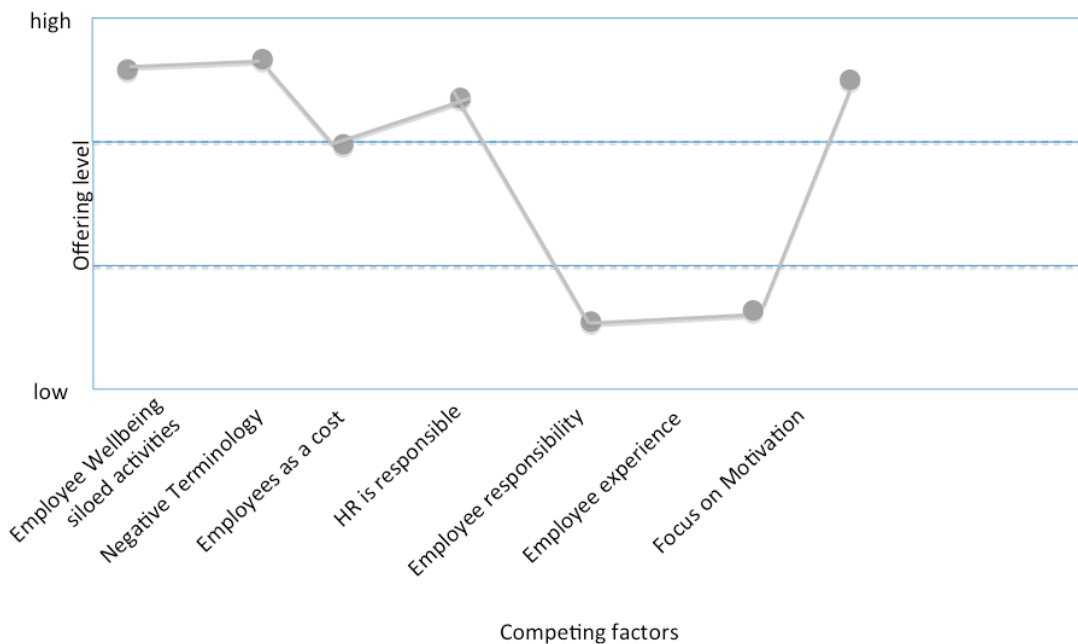


Figure 38: Strategy canvas for the industry

5.3.2 Four actions framework, ERRC grid, and customer-dominant strategy canvas

After creating the strategy canvas for the industry four actions framework was done. Following questions were answered:

Which factors should be raised well above the industry standard?

Which factors should be created that the industry has never offered?

Which factors that the industry has long competed on should be eliminated?

Which factors should be reduced well below the industry's standard?

The framework is meant to enable executing the blue ocean. Four actions framework is explained next. Finally after answering the questions one is able to create the grid called eliminate-reduce, raise, create (ERRC -grid). See the grid in Figure 39. The questions were answered using the personas and insights.



Figure 39: ERRC -grid for Human@Work

The ultimate aim of utilizing service design to get a deep understanding of customers and the context was to be able to create a strategy canvas for Human@Work that has been created from the customer perspective. See the strategy canvas and new value curve for Human@Work in Figure 40.

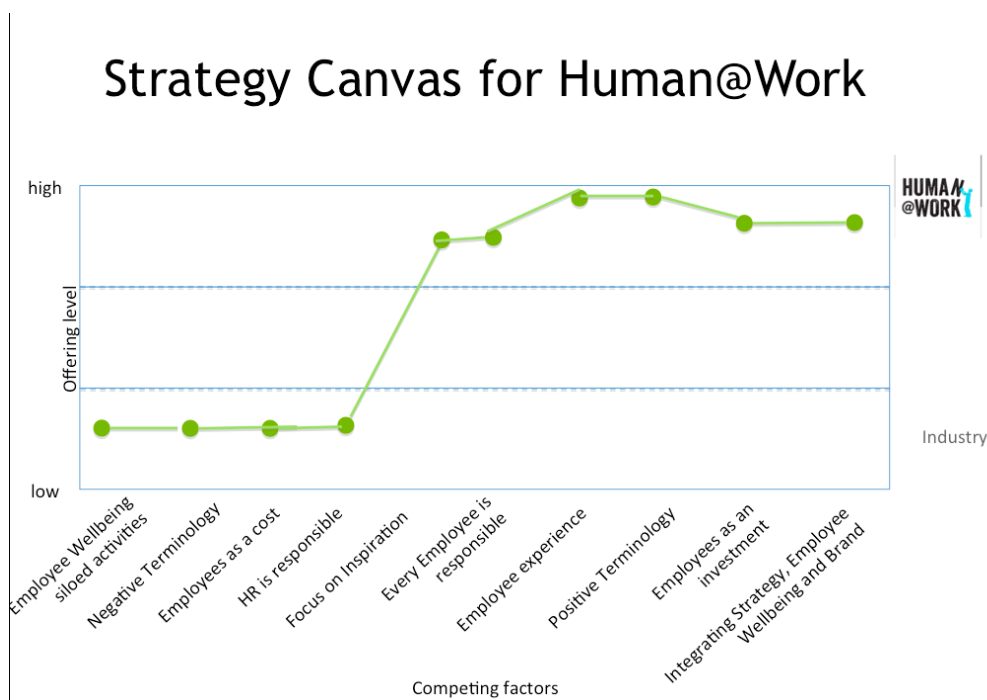


Figure 40: Customer-centric strategy canvas for Human@Work

Positive terminology

In addition to Hakanen (2011) it was discovered during the popular media search that the terminology and most of the news concerning employee wellbeing are negative. There are lots of mentions about burn-outs, exhaustions, sick leaves, occupational accidents, euros lost and so forth. Stress and rush were mentioned also in the online survey. The field of positive psychology and ideas such as work engagements are still rather young (Hakanen, 2011). Indeed there is a need to transform the terminology into positive and be proactive. This was also highlighted in the personas. For a long time employee wellbeing have been approached through negative terminology. It is time to try another mean, and thus happiness and positive psychology can be seen as trends, but also as something that is now explored and tested by researchers. Books and blogs about happiness are being launched all the time.

Employee's responsibility

It was also found out that especially users like Passive Pessimist perceive employee wellbeing as random acts not on-going and not as everyday practises. Furthermore users like Passive Pessimist are not feeling responsible for their own wellbeing at work. They are expecting management to take care of the employee wellbeing. Thus it was considered that there is a need to empower employees and figure out ways to make employee wellbeing as something

that is considered every day. In addition employees need to understand their responsibility and they have to be enabled to give their own input.

Employee experience

Above all every employee can be a co-creator for unique value at work places. Employers can be seen as service providers for employees, and thus employers can be seen as facilitators for value co-creation. There is a need to engage employees for value co-creation. Service design approach provides methods and tools for the purpose. Indeed there is a need to emphasize the employee experience in companies against the findings from the popular media search and trends scouting. It can be expected that in the future company culture and employee experience become key success factors for companies. Berry (1999) points out that service providers can either make or break the brand. The need for positive experience at work highlighted in customer understanding and against the trends insights can be expected to become more important in the future.

Integration of branding, employee wellbeing and strategy - Company culture as competitive advantage

As the finding from the popular media search revealed happy employees make more profit and create happy, loyal customers (Salanova et al., 2005). In this approach the ultimate value for the employees is inspiration, which was highlighted in the online survey, in desk research and in trend scouting. Value for the employers is profit, and thus a company culture that is inspiring for the employees. Most of all employees are the most valuable asset for company and inspiring them can be seen as top priority. Andersson and Kaivo-oja (2012) emphasized inspiration as an important feature in the future competition.

Additionally it was found out that users like Frantic and Passive Pessimist don't feel they have perceived control and they feel themselves powerless. Hence according to the universal psychological needs it is very important for employers to guarantee they have perceived control and that they can have a say concerning their work. Additionally the feeling of belonging to the community and progress in work are essential. (Hakanen, 2011.)

For companies the most critical persona is the Passive Pessimist. They focus on the problems, and thus a lot of energy is wasted. However, there is a huge potential if Passive Pessimist becomes inspired. The ways to inspire can be created for instance by combining bigger purpose and empowering employees. Passive Pessimist needs a push. She needs positive experiences, dialogue and appreciation. Organizations need to talk about also about emotions, happiness, wellbeing, gratitude and forgiveness. The terminology needs updating from negative into pos-

itive. Considering the entire economy it is important that employees thrive and are inspired in organizations.

As one result we framed the mission for Human@Work inspired by this research. Our mission is to make working life happier in Finland. Our vision was also updated and it is now: to make inspiration capital to become an exported article as our aim is to make inspiration as a business model. The name Human@Work was created during this process. We want to help companies to inspire employees and customers and we want every employee to feel that there is a meaning in their work. Our starting point is the individual employee. Therefore the name is Human@Work. Besides increasing happiness we aim to humanize the working life. The value for the employee hopefully emerges as there is evidence from Hakanen's (interview, 2013) research that work engagement affects positively other areas of life as well. The big idea for Human@Work based on the new value curve and all the findings is to create competitive advantage for companies through inspiring company culture. With these findings it was decided to enter the market of marketing and branding, where this kind of approach is new. Traditionally companies invest a lot to external marketing. We encourage companies to invest in their employees and for creating an inspiring company culture. We combine competences and resources in a way that no other player in the field does.

5.3.3 Three characteristic for good strategy

Kim and Mauborgne (2005, 47) present that there are three characteristics for a good and memorable strategy: Focus, Divergence and Tagline. For Human@Work they are as follows:

- Focus: Company culture as co-created by the employees
- Divergence: Employee experience, co-creating unique value with employees
- Tagline: Competitive advantage through inspiring company culture as company culture cannot be copied

5.4 Operation

The customers were the starting point and hence it was first identified what is value for the customers. Then offering and processes to enable it was done. This was according to Heinenon et al. (2010). Human@Work was launched in October 2012. A small so called silent launch was done for a chosen customer group for introducing the company and the services additionally for getting feedback. See the framework for inspiring company culture in Figure 41. In this framework employees are in the core. And furthermore employees as individuals and holistic human beings are being acknowledged. We believe that belonging to a higher purpose (Sinek, 2009; Hsieh, 2010, Collins, 2001, 196) and sharing the values (Hsieh, 2010)

with the company inspire people. However the company culture has to be co-created. Besides inspiration there needs to be concrete practices that make it possible to work according to the purpose and values. In addition people need to understand their own input. To be able to create an inspiring company culture competences such as service design thinking, strategic thinking and positive psychology are used for facilitation. Engaging employees is vital. Company culture equals people. Furthermore the right people (Collins, 2001, 64). Therefore it is critical to co-create the company culture. In a nutshell the core elements are shared purpose, shared values, everyone's input and everyday practices to be able to execute the desired company culture and turn it into a competitive advantage. In the framework the inspiration comes from the co-created, and thus shared higher purpose and values. However it is not enough to have a powerpoint presentation about these issues. Hence the purpose and values need to guide everything that is done in the company. It is really important to create practices. At Zappos there are 10 core values and a mission of delivering happiness that guide the company culture and employees (Hsieh, 2010.)

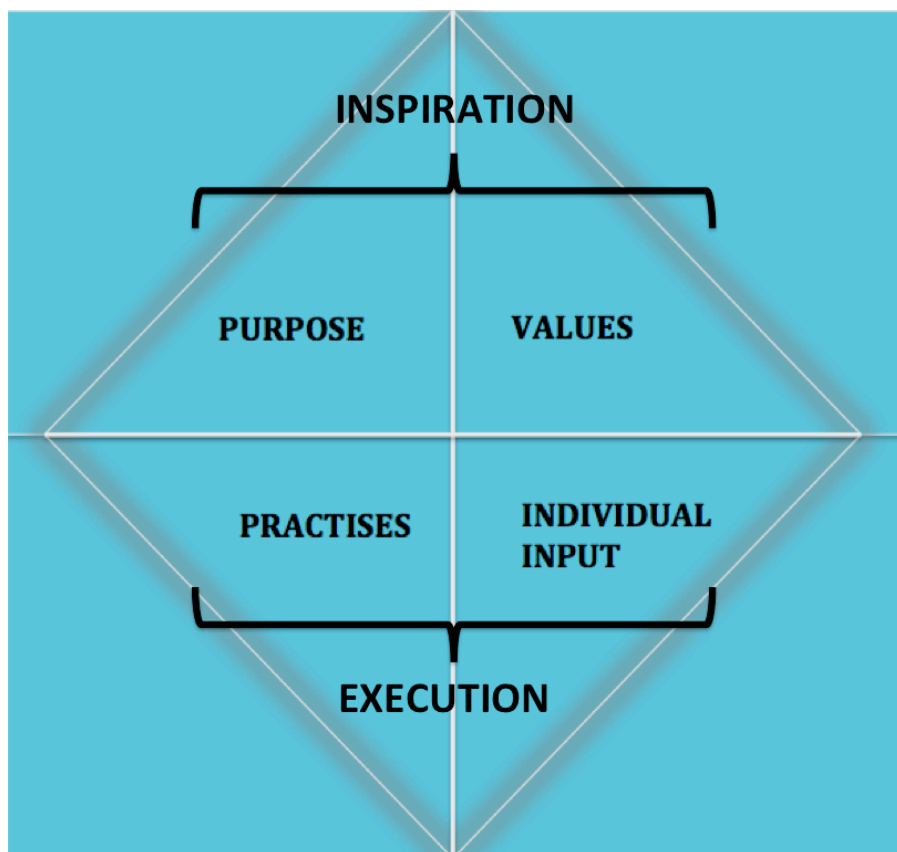


Figure 41: Building blocks for Human@Work's strategic consultation

Human@Work offers strategic consulting that combines elements from service design, marketing and branding, futures thinking and employee wellbeing, especially positive psychology. At the organization level the idea is to further combine human resources, marketing and man-

agement to work together for creating an inspiring company culture that will provide competitive advantage. Traditionally these have worked in silos. We created a framework based on the customer-centric blue ocean, and thus the user needs identified with the help of service design approach.

5.4.1 Expert interviews

Another two interviews were done in the operation phase. The main reason for doing interviews was to gain feedback about the blue ocean and insights discovered. While doing the popular media search the name of Jari Hakanen, Ph.D. in Social psychology and his research came up frequently. Jari Hakanen works as a Senior researcher in the Finnish Institute of Occupational Health. His achievements include award for the best paper in 2011-2012 to appear in *Journal of Occupational Health Psychology* and Award for the Work-life Researcher of the Year 2012 in Finland to name just a few. Additionally he has published several academic articles in the field of employee wellbeing. I tried to interview Hakanen before the ideation workshop but unfortunately we couldn't find a suitable time. However some of his thoughts were included through reading his publications. He too can be considered as a valuable source of information considering his accomplishments. The interview further strengthened our thoughts that the blue ocean that was identified was relevant and provides new value

Human@Work's framework includes individual's own input. Hakanen emphasizes individual's own input and experience about his work. He described a tool called job crafting. Job crafting enables employees to craft their own job. Hakanen has seen that it has affected positively to perceived control, and thus the employee wellbeing and finally even profit. Lack of perceived control and passive behaviour can be seen as great threats for companies. Tools and ways to increase perceived control are needed. Hakanen encourages companies to adapt the culture of trial. Routines are good but they also paralyze people. He also feels that practices are an essential feature in creating an inspiring company culture. Values and meaning can turn against themselves if they are not implemented into everyday work as practices.

(Hakanen, interview, 2013.)

Hakanen is a forerunner in Finland in the field of positive psychology and work engagement. However he said that the ideas of positive psychology have gained popularity just recently, and it could be said that it is a trend. Many times it is the research that is following behind, but concerning positive psychology researchers have been leading the change. His research has shown that work engagement can increase productiveness, innovation and proactivity and thus people commit to their jobs more. Additionally work engagement affects positively to overall happiness and it seems that it decreases the amount of depression. But more evidence is still needed for employers to invest in these things. Most importantly when positive psy-

chology is applied in work the value seem to emerge into other areas of life as well. (Hakanen, interview, 2013.)

Hakanen named two driving trends. Those are positive psychology and making working life positive and sustainable. More positive expressions concerning work are needed. It is important to discover ways to make people feel appreciated no matter what job they are in. Employee wellbeing cannot be just about the negative things and the lack of wellbeing. Every employee can be seen as an valuable asset with their competences. People just need to be inspired. (Hakanen, interview, 2013.)

Additionally I interviewed Jokke Eljala, who works as Head of Research at The Association for Finnish Work, Avainlippu Oy. Previously Eljala has worked at Nokia as foresight specialist. He understands both trends and the field of work as he works at The Association for Finnish Work, Avainlippu Oy. Eljala's work includes foresight and when I interviewed him he was in the middle of a futures research project where his aim was to determine the drivers for change concerning work. This interview was also done in May 2013.

At that point Eljala had recognized four significant drivers for change. Those are fragmentation of values, Technology driven environment, Open everything, and Change in value creation. From these four trends Eljala felt that considering work the most significant one is fragmentation in values. As baby boomers are retiring there will be need for work force. If the prevailing attitude towards work is that it is only work how is it possible to manage and stay competitive. And thus Eljala sees it is really important to discover ways to inspire and motivate people. He also referred to the research Piha et al. (2012) had done where the students from Aalto University stated that it is important for them to do work according to their values. Eljala highlighted that there is a big difference between values of baby boomers and younger generations and it will be vital to find ways to inspire and motivate different generations. Even though Eljala has also identified the trend towards meaning and values he considers it challenging to provide all employees a work that make them happy. And thus he feels that there is a need for tools to enable self-management. Hence he considered that there is a need for the services Human@Work provides. (Eljala, interview, 2013.)

As the theory in this thesis was explaining there is indeed a paradigm shift in value creation. Eljala had also recognized it. The change in value creation is important as it can be seen to have an effect to inspiration and motivation. Hence what is value for people and for organizations in the future. In addition to Hakanen (interview, 2013) he feels that the terminology concerning work requires renewal. Finnish words for employee, employer and entrepreneur are a bit negative. (Eljala, interview, 2013.)

6 Conclusions

Successful research is measured by whether it answered the questions. In other words if the research provides answers it can be regarded as successful. (Collins, 2010, 10.) The aim for this thesis was to explore how service design can be used as an approach for recognizing blue ocean. Based on my work for this thesis service design can be seen as a valuable approach for recognizing blue ocean. In this thesis service design process, methods and tools were used. Hence the process described in this thesis is only one way. As it was explained (Stickdorn, 2010) the process is the first thing to design. Furthermore the designer's background and the field of business affect what kind of expertise is needed and what methods and tools one uses (Kimbell and Julier, 2012; Mager, 2009). In addition I argue that service design can be seen as a competence for strategic planning. With the help of service design it is possible to take the paradigm shift in value creation into account since service design fundamentally considers customers and value co-creation as a starting point. Service design process, methods and tools offer a practical approach for recognizing new market space and for innovating strategy.

There are not many companies that do not say customers are in the core of their business. Hence understanding customers is extremely important. Considering the traditional business strategies introduced in the second chapter it is possible to create a strategy outside in starting from the customers. Strategy can be co-created in the market, which can be considered as a forum for co-creation as Prahalad and Ramaswamy (2004) present. Furthermore customers can be seen as resources. (see eg. Prahalad and Ramaswamy, 2004; Lüftenegger at al., 2012)

Strategic thinking can learn a lot customer-centricity from the field of service design and design thinking. Additionally the rather abstract research about value creation can utilize service design approach for enabling businesses to implement the ideas presented. There is an on-going debate on how and where the value is being created as it was discussed in the beginning of this thesis. However concrete methods and tools to apply this thinking are missing. Even though some have been presented (see eg. Nenonen and Storbacka, 2009; Lüftenegger at al., 2012). This thesis is aiming to contribute on that discussion. Even the service-dominant strategy canvas did not include concrete tools on how one is enable to create such canvas. Though it did provide guiding questions.

All in all service design is an excellent and practical approach. It provides methods and tools to engage with customers and co-create value. As Fraser (2010, 315) stated design methods bring the highest value when they are embedded into strategic planning activities. Service design approach can be seen applicable for recognizing blue ocean through the lens of customers as it takes customers and context into account from early on. Furthermore service

design enables one to make value propositions according to customer-dominant logic as it can be seen that customer-dominant logic is integrated into service design approach. Service design can be considered as an approach or thinking not only as a linear, systematic process. It is a discipline providing methods and tools for developing businesses from customer's perspective. One of its strengths is putting customers at the centre allowing a common language for all stakeholders (Stickdorn, 2010, 36-37). This is what makes service design approach especially applicable considering customer-dominant logic.

Personas was the main tool in this thesis. It can be stated that it is a concrete and good tool to integrate customers into business strategy. The personas created for Human@Work are already now being utilized for guiding decision-making in our company. At Human@Work everyone knows the personas by name and it is easy to include them in our work. Understanding customers however needs to be ongoing and observing trends is essential as it was explained in the chapter 5. However in blue ocean strategy exploring trends was presented as one of the six paths. Hence also in the blue ocean theory concrete tools to explore trends are missing. Indeed trends can be an input for discovering blue ocean as they were in this thesis. We have to know how the lives of our customers will change and be prepared or at best be in the frontline. But as Moritz (2005) stated it is important to turn the trends into insights, and thus interpret them through the customers.

I also see the work of Prahalad and Ramaswamy (2004) as a very important contribution for taking strategic management into the next level. Combining their ideas with blue ocean strategy and service design would serve as a platform to develop customer-dominant strategies in the future. As they (2004) argue the future of competition is about co-creation. Furthermore they already listed a comprehensive list of competences required from organizations to become customer-centric. I would add service design to the list. In addition there is still work to do to unify the language between service design, service marketing and its theories of value creation and strategic management. However there are hints that the development of all the fields are moving to the same direction, and that is the customer-dominant direction.

According to Hanington's (2003) view of the research methods for human centered design it can be argued that the methods chosen for this thesis were traditional. Even though I tried to add innovativeness time and money became obstacles. If the situation would have been different I would have utilized proper probes or context interviews. Albeit I feel the results and insights of the chosen methods were good. I would also maybe organize a co-design workshop together with the users for ideating solutions for the problems identified, and thus increase commitment towards the company.

Besides exploring how to bring the paradigm shift to strategic level and exploring service design as an approach to do that many interesting findings concerning employee wellbeing were noticed. While doing the strategy for Human@Work it was realized that employee wellbeing can drive profits. It is extremely important for companies to understand their customers and the value creation. However, it is as important to understand employees and how they perceive the company and how they create value. Utilizing service design in my thesis I realized I can use the approach also for designing company culture and employee experience. I feel that designing employee experience is a neglected area in service design even though employees are the ones that provide the service and in the end make or brake the brand (Berry, 1999). Co-creating unique value with the employees requires more attention since there are research showing the positive correlation between employee wellbeing and business success and customer satisfaction.

As Human@Work operates in business-to-business market it can also be stated that the ideas, methods and tools in the field of service design can be applied as they are to business-to-business purposes also. In addition Ojasalo (2010, 176) argued that most research on value co-creation has focus on end users. Furthermore she (2010, 176) continues that in the business-to-business environment value co-creation can be seen even more important since the relationships are more dependent on each other than in the business-to-consumer market. Furthermore she (2010, 176) suggest that the term business-with-business would be more appropriate, and thus in line with the ideas of co-creation. Having said this I feel that it is extremely important for my company Human@Work to carry on the work having customers in the core of the strategy and explore ways to engage and co-create value with them. As a start the blue ocean strategy canvas could be updated regularly with customers. Also the building blocks for co-creation suggested by Prahalad and Ramaswamy (2004): dialogue, access, risk assesment and transparency are important for companies to consider.

After carrying out this thesis and aiming for the creation of customer-dominant blue ocean strategy I would propose service design thinking as a competence to be included into strategic planning. It considers the paradigm shift in value creation, and thus ultimately everything can be seen as service. Furthermore it concentrates understanding the value creation from the customer's point of view according to the latest theory of customer-dominant logic. Finally, I consider blue ocean strategy as an excellent method for discovering new market space. Blue ocean strategy and service design have similarities as they both emphasize customers and contexts. Additionally both approaches highlight the importance of visualization, testing and simplifying, thus making sense to complexity. Hence both service design and blue ocean strategy emphasize innovation. Blue ocean strategy is an interesting approach since it has been created to challenge the traditional approaches to strategy and it aims for value innovation.

Burke, van Stel, and Thu (2009, 22) state that blue ocean strategy is about innovating for finding new markets. Similarly service design is about innovating. One could argue that the approach described in this thesis is about innovating or designing customer-dominant strategy.

Service design supplements the creation of blue oceans as it provides concrete tools and takes all the issues just mentioned into consideration. As it seems service-dominant logic, customer-dominant logic and experience as a unit of analysis are gaining more attention and there are no businesses that can neglect customer understanding in order to be able to create meaningful value. Service design can be seen as a competence for all companies since customers are ultimately the ones who capitalize businesses.

Lüftenegger et al. (2012) argued that it is hard for companies to shift their mindset from goods-dominant logic into service-dominant logic. However, Polaine et al. (2013) state that big part of a service designers work is already enabling companies to shift the mindset. Against this one can further argue that service design truly provides methods and tools for companies to integrate the ideas of value co-creation. See also Wetter-Edman (2011) and Sangiorgi (2012). Finally as Moritz (2005, 59) argues by using service design and truly understanding the customer needs one can lead the market.

After this thesis my personal task for my company is to see our customers as innovators, resources and collaborators and for most co-creators for value. The market is our experience environment.

This thesis was a starting point to explore service design as an approach for creating blue ocean strategy. For future research it would be recommended to further explore how service design approach can be utilized for creating strategies. At best customer-centricity is ongoing. For future research I would also recommend exploring how customer-dominant logic can be integrated into businesses everyday practices as the core to guarantee that the business development happens by engaging and allowing customers to co-create value. As a practical tool for instance personas could be applied. The topic could be exploring how customer-dominant logic is integrated into businesses applying goods-dominant logic and what it requires. Human@Work was a start-up. In other words it would be interesting to explore how a company could transform itself into applying customer-dominant logic.

Additionally, while doing this research in the area of employee wellbeing by utilizing service design methods and tools it was discovered how essential the wellbeing of employees is for successful businesses and for service quality. Motivating and inspiring employees can be seen as a matter that could benefit also service designers. Furthermore, employees could be em-

phasized more. The same methods and tools can be applied for designing employee experience that are currently being utilized for creating customer experiences. This could be an interesting area to further explore and see what could be accomplished in service design projects if work engagement and positive psychology would be included inside the company. Change management is essential when implementing new ideas (Sticdorn, 2010) or strategic thinking, and thus competences from this area could benefit service designers.

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Appendix 1: Cover letter for the participants of the online survey

Hei

Olet osallistumassa tutkimukseen työhyvinvoinnin uuteen palveluun liittyen.

Tutkimus ja tarkemmat ohjeet löytyvät alla olevasta linkistä.

<https://elomake3.laurea.fi/lomakkeet/5567/lomake.html>

Vastausaikaa on viikko. Suosittelen tutustumaan kysymyksiin jo tänään.

Kiitoksena tutkimukseen osallistumisesta, haluan lähettää sinulle pullon viiniä. Lähetä minulle osoitteesi ja kumpaa preferoit punaista vai valkoista.

Suuret kiitokset.

Ystävällisin terveisin: Minna Koskelo

Appendix 2: Instructions for answering the online survey questions and for keeping the diary

lomake2: Tutkimus työhyvinvoinnin uuteen palveluun liittyen Siirrä hakemistoon • Muokkaa • Kopioi

Lomakkeen kuvaus

Olet osallistumassa tutkimukseen, jossa selvitetään tarpeita ja toiveita uudentyyppiselle työhyvinvoinnin palvelulle.

Avoimien kysymysten lisäksi tutkimuksessa on lyhyitä harjoituksia.

Luethan kysymykset ja ohjeet huolellisesti ja vastaa kaikkiin kysymyksiin.

Kysymyksiin vastaaminen ja harjoitusten tekeminen vie kokonaisuudessaan noin **30-60 min aikaa**.

Kaikkiin kysymyksiin ei tarvitse vastata samalla kertaa. Lomakkeeseen voi palata uudelleen.

Vastausaikaa on viikko. Pyydän sinua tallentamaan ja lähettämään vastauksesi tiistaihin **24.4. mennessä**.

Lisäksi pyydän sinua pitämään seuraavan viikon ajan päiväkirjaa **työhösi liittyen**, johon kirjaat

- 1) minkälaiset tilanteet ja mitkä asiat tuottavat sinulle hyvää oloa. Kerro lyhyesti missä olit, mitä tapahtui ja miltä sinusta tuntui.
sekä
- 2) minkälaiset tilanteet mitkä asiat tuottavat sinulle pahaa oloa. Kerro lyhyesti missä olit, mitä tapahtui ja miltä sinusta tuntui.

Voit tehdä tämän sähköisesti esimerkiksi word-dokumentin muodossa.

Lomakkeen lopussa pääset liittämään tiedoston mukaan.

Voit lähettää vastaukset myös sähköpostilla osoitteeseen: minna.koskelo@laurea.fi
tai
postitse osoitteeseen: Minna Koskelo, [redacted] jos sinulle luontevin tapa pitää päiväkirjaa on käsin kirjoittaminen.

Mikäli lähetät vastaukset postitse, lähetä minulle yhteystietosi sähköpostitse, niin lähetän sinulle vastauskuoren.

Jos sinulla on ihan mitä tahansa kysyttävää tutkimukseen liittyen, ota minuun yhteyttä joko sähköpostitse tai puhelimitse.

minna.koskelo@laurea.fi
[redacted]

Kiitos jo etukäteen vaivannäöstäsi.
Vastaukset käsitellään anonyymisti.

Appendix 3: Online Survey

Taustatiedot

Sukupuoli

- Mies
 Nainen

Ikä

Elämäntilanne

Kuvaile elämäntilanteesi lyhyesti (asuinpaikka, perhemuoto jne.)

Kuvaile tyypillinen päiväsi arkena. Mitä päiväsi kuuluu heräämisestä nukkumaan menoon asti?

Onko elämässäsi tai työssäsi jokin asia, johon kaipaisit muutosta juuri nyt? Miksi?

Onnellisuus

Koetko olevasi onnellinen?

- Kyllä
 Ei

Kerro lyhyesti mistä onni mielestäsi muodostuu?

Työ

Toimiala, jolla työskentelet ja asemasi tai tittelisi yrityksessä

Yrityksen koko

Kerro lyhyesti työstäsi (työnkuvasi ja mitä työ pitää sisällään)

Hyvinvointi

Mitä hyvinvointi merkitsee sinulle?

Miten huolehdit hyvinvoinnistasi?

Työhyvinvointi

Miten työhyvinvoinnintasi huolehditaan?

Miten itse huolehdit työhyvinvoinnista?

Voitko itse vaikuttaa omaan työhyvinvointiisi?


Koetko saavasi riittävästi apua, työkaluja ja kannustusta töissä?

- Kyllä
 Ei

Perustele vastauksesi

Mikä työpaikallasi on erityisen hyvin?

Mikä työpaikallasi kaipaisi parannusta? Entä mikä voisi olla avuksi?

B *I* U 

Miten kehityksestäsi työssä pidetään huolta?

Miten työpaikallasi huolehditaan motivaatiostasi?

Miten itse huolehdit motivaatiostasi?

Koetko työn ja muun elämän yhteen sovittamisen helpoksi vai haastavaksi? Perustele vastauksesi.

Itsevalmennus-harjoitukset

Jokaisen on mahdollista valmentaa itse itseään käyttämällä valmennustyökaluja. Seuraavaksi esimerkki-itsevalmennusharjoituksia, joissa eri työkaluja käyttäen voit tutustua menetelmiin.

Valitse vähintään kaksi itsevalmennusharjoitusta. Voit myös tehdä kaikki harjoitukset, yhteensä 4 kpl.

Itsevalmennus-harjoitusten **vastaukset jäävät vain sinulle.**

Vastaa harjoitusta seuraaviin kysymyksiin.

Harjoitukset:

Harjoitus 1: Muutos ja vaikutusvalta

Harjoitus auttaa hahmottamaan ne asiat elämässäsi, johon haluat muutosta sekä oman vaikutusvallasi asiaan

Harjoitus 2: Motivaatio muuttaa jokin asia elämässä tai työssä

Harjoitus auttaa motivoimaan jonkun konkreettisen asian suhteen, johon haluat muutoksen

Harjoitus 3: Energialaatikko

Harjoitus auttaa sinua hahmottamaan, miten voimavarasi jakautuvat eri asioiden suhteen sekä suuntaamaan energiaa oikeisiin sinulle tärkeisiin asioihin.

Harjoitus 4: Arvot ja ajankäyttö

Harjoitus auttaa selkiyttämään arvojesi ja ajankäyttöäsi. Keskitytkö elämässäsi sinulle tärkeisiin asioihin, vai viekö vähemmän tärkeitä ja voimavarojasi syöväitä asiain leijonanosan ajastasi.

Kun olet tehnyt harjoitukset vastaa vielä niitä seuraaviin kysymyksiin.

Itsevalmennus-harjoitus 1: Muutos ja vaikutusvalta

Vaihe 1)

Listaa ne asiat, joihin haluaisit muutosta elämässäsi. Voit laatia listan kaikista asioista tai keskittyä esimerkiksi työasioihin.

Vaihe 2)

Sijoita nyt listaamasi asiat kolmeen eri laatikkoon:

- 1) Asiat, joihin en voi vaikuttaa enkä päättää
- 2) Asiat, joihin voin vaikuttaa, mutta en päättää
- 3) Asiat, joihin voin sekä vaikuttaa että päättää

Kannattaako sinun uhrata energiaasi, asioihin, joihin et voi vaikuttaa eikä voi päättää? Nämä ovat turhia energiasyöppöjä.

Keskitä voimavarasi asioihin, joihin voit joko vaikuttaa tai päättää.

Mitä muutat? Mitkä ovat tavoitteesti asioiden suhteen?

Vaihe 3)

Kun tavoitteesi on kirkas, tee itsellesi toimintasuunnitelma, miten pääset haluttuun muutokseen. Mikä on toisin, kun olet tavoitteessasi?

Kun olet tehnyt harjoituksen vastaa vielä alla oleviin kysymyksiin.

Perustele, miksi valitsit tämän harjoituksen?

Mitä harjoitus tuntui ja mitä ajatuksia sen tekeminen herätti?

Itsevalmennusharjoitus 2: Motivaatio

Vaihe 1)

Pohdi, onko elämässäsi tai työssäsi jokin asia, johon kaipaisit muutosta juuri nyt? Miksi?

Vaihe 2)

Arvioi asteikolla 1-5, kuinka motivoitunut olisit tekemään muutoksen?

Vaihe 3)

Mikä on tavoitteesi asian suhteen?

Vaihe 4)

Mieti, miten tavoitteeseen pääseminen vaikuttaa seuraaviin osa-alueisiin?

- itsetunto
- ihmissuhteet
- parisuhde
- perhe
- työ ja ura
- koti ja ympäristö
- raha ja vauraus
- hyvinvointi ja terveys
- ajanhallinta

Vaihe 5)

Laadi itsellesi toimintasuunnitelma. Mitä sinun tulee tehdä, jotta pääset tavoitteeseesi?

Itsevalmennus-harjoitus 3: Energialaatikko

Meillä jokaisella on sekä energiaa vieviä että energiaa tuovia asioita. Energialaatikko-harjoituksen tavoitteena on auttaa sinua suuntaamaan energiaasi oikeisiin eli sinulle tärkeisiin asioihin.

Vaihe 1) Kartoitus

Piirrä suorakaiteen muotoinen laatikko paperille. Jaa laatikko kahteen osaan sen mukaisesti, kuinka paljon (%) elämässäsi on asioita, jotka antavat energiaa ja vastaavasti niitä, jotka vievät :

Vaihe 2) Tavoite

Kirjoita tai piirrä paperille miten jakaisit laatikon kahteen osaan sen mukaan, mikä on tavoitetilasi, esim. 60 % tuo energiaa ja 40% vie energiaa.

Vaihe 3)

Listaa nyt ne asiat, joista saat energiaa. Kun energiaa antavien asioiden osuutta lisätään, energiaa vievien asioiden osuus vastaavasti pienenee.

Vaihe 4) Toimintasuunnitelma

Tee seuraavaksi toimintasuunnitelma

- Mitkä konkreettiset asiat tuovat sinulle energiaa?
- Miten voisit lisätä näitä asioita elämässäsi?
- Mistä sinun tulisi luopua saadaksesi lisää energiaa?
- Mikä on ensimmäinen askeleesi näiden asioiden lisäämiseksi?

Kun olet tehnyt harjoituksen vastaa vielä alla oleviin kysymyksiin.

Perustele, miksi valitsit tämän harjoituksen?

Mitä harjoitus tuntui ja mitä ajatuksia sen tekeminen herätti?

Itsevalmennus-harjoitus 4: Arvot ja ajankäyttö

Tämä harjoitus auttaa selkiyttämään arvojesi ja ajankäyttöäsi. Keskitytkö elämässäsi sinulle tärkeisiin asioihin, vai vielä vähemmän tärkeitä ja voimavarojasi syöväitä asioita leijonanosan ajastasi.

Vaihe 1)

a) Piirrä paperille ympyrä. Jaa ympyrä sektoreittain sen mukaan, miten paljon käytät aikaa seuraaviin asioihin viikon aikana:

Työ, parisuhde, lapset, oma aika, harrastukset, ystävät, sukulaiset jne.

b) Merkitse ne asiat, joihin liittyy epämiellyttäviä tunteita, jopa stressiä.

Vaihe 2)

Pohdi arvojesi. Oheessa on pitkä lista erilaisia arvoja. Valitse niistä kolme sinulle tärkeintä arvoa. Jos listalta mielestäsi puuttuu jokin arvo, voit lisätä sen.

rehellisyys, nöyryys, itsekunnioitus, kunnioitus

uskollisuus, valta, rakkaus, itsensä toteuttaminen

perhe, luovuus, terveys, ura, työssä menestyminen

hyvät ihmissuhteet, kauneus, vauraus, luonto

menestys, luottamus, ahkeruus, innostus

vastuuntunto, ystävällisyys, kiitollisuus, rohkeus

anteeksianto, hyväksyntä, toisten auttaminen henkinen hyvinvointi

Vaihe 3) Arvojesi mukainen elämä

a) Piirrä ympyrä uudestaan niin, että jaat ajankäyttösi viikon ajan arvojesi mukaan.

Elätkö arvojesi mukaisesti?

Onko tekemäsi työ arvojesi mukaista?

Käytätkö johonkin liikaa aikaa tai liian vähän?

Kirjoita itsellesi toimintasuunnitelma ajankäyttösi parantamiseksi, niin että se vastaa arvojesi, eli juuri sinulle tärkeitä asioita.

b) Kysymyksiä stressiä purkamaan:

- Mikä sinua stressaa merkittäväsi kohdassa?

- Mitä voit tehdä asian hyväksi?

- Voiko joku auttaa sinua? Voitko kenties delegoida?

- Oletko liian ankara itsellesi?

Kun olet tehnyt harjoituksen vastaa vielä alla oleviin kysymyksiin.

Perustele, miksi valitsit tämän harjoituksen?

Mitä harjoitus tuntui ja mitä ajatuksia sen tekeminen herätti?

Kysymyksiä itsevalmennuksesta

Lopuksi vastaa vielä muutama kysymykseen koskien itsevalmennus-harjoituksia.

Perustele vastauksesi.

Haluaisitko käyttää vastaavia harjoituksia itsevalmennus-tarkoituksessa itsetuntemuksen ja työelämän saralla? Perustele vastauksesi.

Milloin ja missä tilanteessa voisit kuvitella tekeväsi itsevalmennus-harjoituksia? Perustele vastauksesi.

Olisiko sinulla tarvetta itsevalmennukselle? Perustele vastauksesi.

Kiinnostaisiko sinua sivusto, jossa voit tehdä vastaavia itsevalmennus-harjoituksia ja jossa omaa kehitystään voisi seurata? Perustele vastauksesi.

Jos verkossa olisi sivusto, joka sisältäisi itsevalmennusharjoituksia, olisitko valmis valmentamaan itse itseäsi ja maksamaan kuukausittain tietyn summan? Kuinka paljon se voisi olla (€) ? Perustele vastauksesi.

Olisitko valmis maksamaan harjoituksittain? Kuinka paljon (€) ? Perustele vastauksesi.

Sana on vapaa

Heräsikö jokin ajatus? Jätä terveiset tutkimuksen toteuttajalle.

Osoittainen tallennus

Tahdon tallentaa täyttämäni tiedot ja jatkaa myöhemmin linkistä, joka lähetetään antamaani osoitteeseen.


ihk@postiosoite

Tietojen lähetyk

Haluan lähettää liitetiedoston/liitetiedostoja.


Tallenna

Appendix 4: Preliminary Personas



Hardworking lonely riders

- Employer of himself
- Passion is the main driver
- Sometimes passion is lost under heavy work load
- One busy bee
- No time for anything other than work
- Heavy responsibilities
- Is alone and feels lonely every now and then
- Yearns for security and safety nets
- Would appreciate changing ideas and thoughts. Misses feedback and encouragement
- Considers flexibly as one of the best things: Is able to work when ever, where ever
- Unfortunately Wellbeing at work is many times jää muiden asioiden jalkoihin, and thus there is no time. However considers employee wellbeing important and worries often how to manage everything
- Though passion towards work helps.
- Considers hard to prioritize things since everything is important and there is no other person to help
- Work is constantly on her mind
- Balancing is challenging!



Living the dream!

- Driven from values and passion. Personal Motto: "I work for a mission"
- Chooses a job according to his values
- Self-actualization is important
- Work is much more than just the money
- Most important thing is to be inspired
- Feeling good work is everything
- Expects upright attitude from employer
- Wants to have flexibility concerning working hours and place
- Active. Knows he can affect to the atmosphere at work
- Stays in a job as long as he feels he has something to give and feels there is opportunities for personal growth and development
- Avoids routines and repetition
- Wants to have it all: career, family and active social life, however feels challenging to balance between everything
- Needs help for time management and keeping up the balance
- Own wellbeing is often neglected, even though he places it high in his priorities
- Authenticity is valued
- Feels there is no work and life segregation
- Reflects feelings
- LIFE IS ABOUT LIFE LONG LEARNING!

Appendix 5: Workshop participants

	Profession	Purpose
Merja Fischer	Entrepreneur, PhD dissertation: Linkages between employee and customer perceptions in business-to-business services - Towards positively deviant performances (2012).	Understanding of positive psychology
Eeva-Liisa Ylälahti	CEO, an experienced professional in customer understanding	Deep customer understanding
Antti Salonen	Designer at Kiskolabs	Technological understanding and ux design
Maija Saarema	Graphic designer	Visual and creative thinking
Taru Staudinger	Graphic designer	Visual and creative thinking
Pasi Ilola	Start-up coach	Coaching Human@Work, Business understanding
Leeni Peltonen	Journalist	Societal aspect, user perspective
Pekka Seppänen	Entrepreneur, Journalist (Economy)	Societal and economical aspect
Outi Rinne	Life coach and psychologist	psychological understanding about humans and their motivation and behaviour
Kalevi Sihvo	Senior Planning Director and Vice President in a large international media planning company OMD	User perspective
Marjo Hede	Wellbeing manager at Aktia	Possible customer for Human@Work and thus deep understanding of human resources and challenges from an organizational perspective
Jenny Belitz-Henriksson	Writer and personal trainer, owner of a popular wellbeing blog	Insight and knowledge about wellbeing
Ainokaisa Kostamo	Marketing professional and Service Innovation and Design Master's Student	Understanding of service design methods
Juha Impola		User perspective

Appendix 6: Final personas

PASSIVE PESSIMIST

"I don't ever consider my motivation, at least not consciously"

- Passive Pessimist lives with her two daughters and husband in Espoo. Passive Pessimist is a 42 years woman. Her children are aged 8 and 12. They are already at school.
- Passive Pessimist works in big accounting company. She works as an accountant. She goes to work everyday 8 am sharp and leaves around 4 pm. She don't want to do overhours as work is only work. Strong segregation between work and life. She is not content in her job but she has no intentions to do any changes.
- Her attention goes to problems. She is not solution oriented. There are many things in her organization she would like to be different. However she is not willing to do anything about those issues since it might mean that she would have to do more work than she already does. Instead she complains about the issues with her colleagues and spreads negativity.
- There is no meaning in her work. The bigger meaning in life is missing as well. She doesn't know how to get inspired. She just goes on like she always has been doing, without much thinking.
- She does not understand her strengths nor weaknesses. She feels powerless in the organization.
- She does not feel appreciated, however she might not appreciate herself either.
- She is a follower and not interested in trends. The simpler and traditional things are the better. Routines and safety are important. New things are scary. Resistance towards change. High expectations towards management and supervisors. Feels no responsibility about wellbeing at work.
- **NEEDS:** A wake up about the importance of her own input, Belonging, Understanding of her own input
- **VALUE FOR THE USER:** Empowerment, Recognition & Appreciation, Inspiration and Meaning



Picture: Pixhill.com

TRENDS: BACK TO BASICS & SIMPLICITY

PASSIONIST

"I feel I can greatly influence my life and how it will become"."

- Passionist is a true optimist. He is a 42 years old man. He is divorced. He has a joint custody with her ex-wife over their 15 years old daughter. He lives in Helsinki. He has a dog. He takes good care of himself as he understands how valuable health is.
- At the moment Passionist works in a small company as an expert. He feels he is an intrapreneur. Additionally he is partner in two other companies. He is active in work related networks.
- Passionist is greedy to learn new things. He is endlessly curious. It is both a strength and a weakness since he is involved in so many different things that it seems there is not enough time and he can't get as wrapped up into the things as he wishes. As he has read his Tolle and De Mello he knows that the key to happiness is to be present in every moment. And as Hellsten says what you let go, you will receive. But still he finds hard to slow down.
- His motto is 'If it makes you happy do it, if it doesn't then don't.
- He wants to be true to his values and he wants to work on a mission. He does not compromise with work as he passionately devotes himself to work if it fits his values. There is work and life integration in his life.
- Company culture and atmosphere are highly important. Other important issues at work are perceived control and progress. He will move on if the company culture doesn't feel right for him.
- Learning, development and work experience are driving Passionist.
- NEEDS: High need for perceived control, Meaning, Values he can commit, Flexibility, Positivity
- VALUE FOR THE USER: Self actualization, Inspiration



TRENDS: EXPERIENCE ECONOMY, HOLISTIC WELLBEING

Picture: Pixhill.com

