

Kolding – We Design for Life

The Public Sector as Partner for a Better Society

Summary

In 2010 The Mayor and the Town Council initiated a process to define the future of the Municipality of Kolding in Denmark. In December 2012 a new vision for the Municipality was decided by the Town Council: "We Design For Life - Together we design options for a good life through entrepreneurship, social innovation and education".

It is a vision, which not only indicates where we want to be in 2022, but also how to get there. It is built on the basis of Design Thinking methods and the intention is to become a full-scale Design Thinking community by 2022.

The vision has four themes combined with goals:

- Entrepreneurship: The Municipality of Kolding is the most entrepreneurial and dynamic Municipality in Denmark
- Social Innovation: The Municipality of Kolding designs welfare through partnerships and empowerment
- Education: The education system, knowledge and research in the Municipality of Kolding represent a security for social innovation and entrepreneurship
- Design and Branding: The Municipality of Kolding is an international lighthouse in the fields of design, entrepreneurship and social innovation and in 2022 we will have 100,000 citizens (prognosis 95,000)

The themes and goals will be realised through 10 concrete initiatives.

The community is developing in a very positive direction and the governance of the Municipality is undergoing a paradigm shift from being very system-oriented to becoming much more user-centred. We want a welfare system, which makes sense to the users and in which users take responsibility for their own lives with support from the Municipality so they can maintain their strength and skills. We want to make use of all the energy and power that exists in the community and in the local citizens to build a strong, considerate community, in which the Municipality supports the great initiatives, which come from local citizens. We want a community founded on the triple helix model to help promote knowledge and growth.

The basis for implementation is the establishment of a vision committee and a Design Secretariat, which have portfolio management of the vision and strategic initiatives. The development of a completely new leadership charter, employee policy, design process model and toolbox and a branding strategy are also important factors for implementation. But the strength of the vision lies in its involvement of the whole community at all levels: from the users of the welfare provided by the Municipality, the business services and the education system to the volunteers and citizens in the community.

As a result, the Municipality has proved to be much more efficient, and has succeeded in reducing costs by 6,600,000 Euros per year, the equivalent of approximately 75 Euros per citizen per year in the years 2013 - 2015.

Every year, more than 300 people in Kolding start their own businesses. The survival rate and job creation exceed the Danish national average and, after 5 years, the surviving entrepreneurs have created 450 jobs.

The quantitative effects are only possible if we succeed in changing the way we administrate our Municipality and provide welfare. We need to keep developing the way the community

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work together to create innovation and growth using each others' resources and skills. Below are some examples of how we do this.

Denmark's first Public-Private Partnership in a care home:

For the first time in Denmark a care home has been developed out of cooperation between private companies and a public organisation. The care home is now built and, at the time of writing (March 2015), the 60 residents are moving in.

Your Neighbourhood Decides:

For the third time we have just announced the project, *Your Neighbourhood Decides*. An area of the Municipality is given the opportunity to create its own projects with financial support from the Municipality. The purpose of the winning projects is to increase well-being and promote voluntary initiative in the neighbourhood.

A united and unique college town:

For the first time a united Campus Council has been settled and they have invested in joint activities to develop an attractive, diverse college town to compete with Denmark's larger college towns, while also attracting international students.

Public-Private Innovation through Living Design Lab:

We offer a professional setup to the private sector to develop products for the public sector. We establish a direct line to the users of their products (citizens) and support the development of new products with design thinking.

Kolding Design Week:

Kolding Design Week will take place over a week and will have four tracks: a tourist and visitor track; a citizen track; a business track; and a design-professional track. We want Design Week to show locals, nationals and the world how we have become the first design community in the world and how we use that to create a better society.

Background

Can a Municipality be designed to tackle welfare challenges through a vision and a strategy for social innovation, economic growth and close partnership with citizens and companies?

The Municipality of Kolding in southern Denmark asked this question. The idea emerged as a response to a recognised need for new ways of developing a new approach to welfare, social responsibility and business development in the Municipality.

The short answer is: "Yes." In December 2012 the Municipality of Kolding launched a new vision for the whole community. The short version of the vision is "We Design For Life". The more detailed version specifies: "Together we design options for a good life through entrepreneurship, social innovation and education". These three themes (entrepreneurship, social innovation, education) and a fourth theme (branding) define the focus areas of the vision. The vision is based on a Design Thinking philosophy and Design Thinking methods and the intention is to become a full-scale Design Thinking society by 2022.

In 2010 Kolding Municipality launched a survey to identify their public reputation among Danes. The survey indicated that there were a declining number of inhabitants, and that the business structure was rather vulnerable due to a high number of companies in transportation

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and logistics. This raised a question about a “burning platform” and fuelled a need for a review of the way the town was organised and branded, and a need for change.

The Mayor and the Town Council initiated a process to define the future of the Municipality. This included five phases:

1. Framing of challenges and goals
2. Outlining the authentic strengths of Kolding Municipality
3. Scenario-building with key opinion leaders
4. Vision boards with more than 600 citizens
5. The implementation process

Step 1 took place in 2010 as described above. Steps 2 – 4 took place in 2012.

Outlining the authentic strengths was done via an anthropological study consisting of a series of in-depth interviews with: citizens in Kolding; representatives from educational institutions; and business people. In addition, we conducted desk research of strategies and action plans and of historical and cultural documentation for, and about the Municipality. The knowledge that we gathered was processed in a workshop, in which 100 people from the town council, the executive board of the Municipality and citizens of the town tested the potential future scenarios for the town.

The partial result of this workshop was then further developed in an open vision forum, to which all citizens were invited. This resulted in a Danish record for citizen involvement. About 650 citizens from across Kolding Municipality took part. There were people of all ages and from all walks of life.

The result was submitted to the administration of the Municipality and the town council, and the vision for the whole community was written.

The process has been a successful way to build a new vision in many ways.

By focusing on Kolding’s authentic strengths, we got a sense of Kolding’s DNA: what we are good at; what our distinctive characteristics are based on; and what compelling branding should be based on. The gathering of information from such a wide circle of people, from all corners of Kolding, made the foundation strong and took into account all facets. Citizens, businesses, politicians, the town’s administration acquired ownership of the vision at a very early stage. From the very start it provides a comprehensive anchoring in the people of Kolding: a path to achieving the goal of making citizens proud ambassadors for their town.

Step 5. The “implementation process” began with the Town Council enacting the vision “We Design For Life” in connection with strategic goals we are working towards, and aim to reach, before 2022. Right now, in the spring of 2015, we have already reached crucial goals and achieved many of the desired results. The community is developing in a very positive direction and the governance of the Municipality is undergoing a paradigm shift: from being very system-oriented to becoming much more user-centred. We want a welfare system, which makes sense to the users, and in which the users take responsibility for their own lives with support from the Municipality so they can maintain their strength and skills. We want to make use of all the energy and power there is in the community to build a strong, considerate society, in which the Municipality supports the great initiatives that come from local citizens. We want a community founded on the triple helix model to help promote knowledge and growth.

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The realisation of the new strategy demands large-scale changes in terms of attitude and action and a determination on the part of influential partners in the community to work together and aim at united goals.

Objectives

The strategy for achieving the vision is based on 4 themes with strategic goals and 10 concrete initiatives.

Themes and goals:

- Entrepreneurship: The Municipality of Kolding is the most entrepreneurial and dynamic Municipality in Denmark
- Social Innovation: The Municipality of Kolding designs welfare through partnerships and empowerment
- Education: The education system, knowledge and research in the Municipality of Kolding represent a security for social innovation and entrepreneurship
- Design and Branding: The Municipality of Kolding is an international lighthouse in the fields of design, entrepreneurship and social innovation. It is apparent to both residents and visitors that Kolding is a design community, The citizens are proud ambassadors for Kolding. By 2022 we will have 100,000 citizens (prognosis 95,000).

Initiatives:

1. Internationalisation – worldwide, famous design community
2. The visual identity, urban life, visibility, activities
3. Kolding Design Week – an international design festival
4. Marketing of the brand: “Kolding – We Design for Life”
5. A new Design-Business centre: a melting pot of business, public welfare, students and citizens
6. A Kolding model of Entrepreneurship: Development of a new business model for entrepreneurs built on Design Thinking
7. Living Design Lab: A Public-Private test and development laboratory for social innovation in collaboration with researchers
8. Municipality of Kolding takes the lead in integrating design thinking in all aspects of public welfare and policies
9. Education and research founded on design and entrepreneurship: “From diapers to Ph.D.”
10. A vibrant town for students – academic life

See attached files for a visual overview of the vision, objectives and initiatives.

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Resources

In order to facilitate the implementation process we initiated a number of new organisational support units and changes:

1. A committee for the vision was established. The members of the committee are: CEO of the Municipality, CEO of Business Service, Head of Design, and an internal design & management consultant
2. Establishing a new department – the Design Secretariat – staffed by 4 employees, including the Head of Design. The Design Secretariat refers directly to the CEO of the Municipality
3. Communication Department and Design Secretariat moved into joint facilities and the communication department expanded in order to support the implementation of the vision
4. The HR department reorganised their tasks to focus on developing new HR tools based on Design Thinking
5. A corps of 33 design and innovation consultants was established among the employees. They were giving resources to work on design-driven innovation projects across the Municipality

The most direct and important resource given was the Design Secretariat. This ensures structured management of the vision's implementation strategy and a key coordination unit very close to CEO level.

So far we have also allocated approximately 160,000 Euros to 9 large, design-driven innovation projects, in which external designers have been hired to work together with the Municipality to generate the development of welfare solutions.

Implementation

Organisation and management:

The 10 concrete initiatives for fulfilling the vision are organised by a steering committee for each initiative, with a director from the Municipality or Business Service as Chairman. Each steering committee is obliged to include a minimum of one member from outside the Municipality: e.g. from the private sector, a university or an association.

The implementation structure and processes are coordinated by the Design Secretariat, which is responsible for portfolio management of the vision and answerable to the committee of the vision.

We have developed an entirely new leadership charter through a design process that lasted for over a year, involving all 350 leaders employed by the Municipality. Leaders from private companies, teachers from educational institutions and leaders of other municipalities were invited to serve as advisors along the way. The leadership charter was presented in March 2014 and included four fundamental principles for leadership in the organisation:

1. Vision. Defined as: "We interact with the world - e.g. in partnership with business, educational and research institutions, and when we see the world through the eyes of users"
2. Diversity that creates results. Defined as: "Differences and co-creation are the foundation for innovation and development"
3. Professionalism. Defined as: "We are professionally competent and take responsibility for both the demands of the community and the situation of citizens"

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4. Design Driven Innovation. Defined as: “We aim at developing smart solutions and efficient use of our resources. We are brave and go to the edge of the known. We visualise and convert new ideas into new solutions through design”

You can read more about the leadership foundation in the attached files.

We also developed an Employee Policy based on the same principle as the Leadership Charter. The Employee Policy was developed through a process that involved all formal employee representatives of each union. The results were:

1. Openness and respect for diversity. Defined as: “We benefit from the differences in professions, experience and knowledge, which can help to develop the solution to the core task.”
2. Professionalism. Defined as: “We show the courage to innovate, the courage to activate all competencies and the courage to challenge our own values and professional understanding in order to create the best possible solutions for individual citizens.”
3. Vision and design-driven innovation. Defined as: “We contribute ideas on how the work is done efficiently and in the best interests of citizens.”

Today, the employee policy and leadership charter represent the keystone in leadership training, leadership assessment and skills development throughout the Municipality.

To support concrete, design-driven activities we have trained a corps of 33 design and innovation consultants amongst the employees of the Municipality and Business Service. The consultants have received training in Design Thinking with a focus on the following main topics:

1. Visualisation: pictorial language as a concretisation of space and understanding, and the visual form that facilitates and communicates new products and services as successfully as possible
2. Prototyping: complex problems and traditional analysis should be complemented by easy feedback systems and testing sessions – “fail fast, fail cheap and get on with it”
3. Holistic user orientation: human-centred design in the sense that we see human beings as the centre of the process: not as consumers, but as individuals with common human preferences

The tasks, in which the corps takes part, are also coordinated by the Design Secretariat. A crucial point in using the corps is that the design and innovation teams established for the concrete projects are cross organisational. That means that the teams always consist of multiple professions, and the consultants work in areas, in which they are not normally employed. This creates diversity in problem solving.

Twice a year the Town Council holds a vision seminar, in which the status of the implementation of the vision is presented and further action is discussed.

Strategies:

To support the implementation, all strategies and policies are reviewed or new ones are formulated to ensure that all activities support the vision and the 10 initiatives. For example, we have developed the following strategies in different departments of the Municipality:

- Empowerment strategy

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- Urban life strategy
- Corporate Social Responsibility strategy
- Sustainability strategy
- Business strategy

Toolbox and methods:

The Design Secretariat has developed and introduced a six-phase design process as the overall structure for the development. This six-step model is inspired by the IDEO innovation model, but translated into a context of public management and public innovation, focusing on service design and social innovation. The KK model (KK is an abbreviation of Kolding Municipality in Danish) aims at a moderate phase-gate approach. Before leaving one phase, the model recommends a number of conclusions to ensure project progress and qualified decisions. The process starts with a screening of the need or problem and, if it is decided that there is a strong need or problem, the design process initiates the following six phases:

1. Discovery phase. Leads to defining problems or needs
2. Ideation phase. Leads to description or catalogue of new ideas
3. Concept development phase. Leads to a number of concrete concepts and prototypes
4. Testing phase. Leads to knowledge of how the new concept works in practice
5. Product development phase. Leads to a new product
6. Implementation phase. Leads to measurement of effect

Iterations forth and back through the phases are normal and appreciated. The strength is to work quickly through phases 2 – 4 to avoid using a lot of resources on something that does not work, and then to make iterations until it works.

The six phases in the KK model are supported by a method kit, containing concrete design tools to be used in the different phases and how to use the tools in a public context.

See attached files for a visual overview of the KK design model and toolkit.

The corps of design and innovation consultants is trained in the use of the KK model and tool kit.

Communication:

A very important tool in the implementation is communication. To explain and spread knowledge and understanding of the vision we have developed 4 core messages:

1. I have positive experiences through design
2. I have the best opportunities for commercial success as a business and entrepreneur
3. I can help to create prosperity through dialogue and partnerships
4. I can get design education from "diapers to PhD"

To brand the Municipality we created a settlement campaign:

<https://www.youtube.com/watch?v=t3gal2WhAFQ>

The Design Secretariat publishes a monthly newsletter describing concrete cases of how the community is developing and good new solutions. Everybody in the community can subscribe to it.

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Every year in December we celebrate the birthday of the vision by inviting the community to gather and hear about how we have *designed a better life* during the year. We want to embrace learning by showing positive examples.

We also hand out two design awards every year: one to the best design project in the Municipality (public); and one to the best design project in private companies. We use all the good case stories, which apply for the awards, to share knowledge of how to develop through design.

Innovative features

The implementation has shown, that the strength of the vision lies in its involvement of the whole community on all levels: from the welfare provided by the Municipality, the business services and the education system to volunteers in the community. The success of the involvement of all citizens in developing the community has been overwhelming. Starting with involvement in creating the vision, and continuing with great involvement every time we start a new initiative or project.

Another very important innovative aspect is the change of mentality that is taking place amongst the leaders and employees of the Municipality: a change from being very rational and system-oriented that builds up the welfare system from an inside-out perspective towards an outside-in perspective. We want more focus on building up the welfare system out of a user-need, involving the users in co-creation, and strengthening user empowerment

There has also been a great change in how we work and develop in the Municipality. Before 2012 we had a great challenge to create and embrace group thinking. The different administrative areas were working very separately. There were very few joint projects and they were not using the ability to use resources across the organisation. This has shifted remarkably, especially with the cross organisational corps of design and innovation consultants and with the board of directors managing the organisation in a much more united way than before.

When visitors come to us to hear about how we have successfully implemented the vision, they all notice that our vision is strong, not only because it tells us where we want to be in 2022, but also how we are able to get there. It has an incorporated method – we *design* for a better life by using design methods.

Results

As a result, the Municipality has proved to be much more efficient and has been able to reduce costs by 6,600,000 Euros per year, the equivalent of approximately 75 Euros per citizen per year in the years 2013 - 2015.

To support entrepreneurship we have created two enterprise centres in the Municipality. They have housed 185 corporations. On average, they remain there between 1 and 2 years. In 2014 Kolding became No. 1 out of the 22 municipalities in the Region of Southern Denmark in terms of entrepreneurship. More than 300 entrepreneurs start their own business in Kolding each year. The survival rate and job creation are above the national average and, after 5 years, the surviving entrepreneurs have created 450 jobs.

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We expect the quantitative results to continue in the forthcoming years. But the quantitative effects are only possible if we succeed in changing the way we administrate our Municipality and provide welfare. We need to keep developing the community by working together to create innovation and growth. We need to keep using each others' resources and skills and to embrace the unique melting pot of public-private cooperation and keep co-creating with users and citizens. We also need to keep incorporating research knowledge. Here are some examples of how we have been doing this.

Denmark's first Public-Private Partnership in a care home:

For the first time in Denmark a care home has been developed out of cooperation between private companies and a public organisation. This includes both the construction of the care home and the provision of health care services and participation in a development partnership over a 20-year period. Using a design-thinking approach, we superseded the traditional set of tender specifications with 12 everyday stories of "the good elderly life". Stories made in a user-driven process involving residents, families, local communities, politicians, interest groups and employees. The result is more flexible service, more welfare technologies and providing services not only for the elderly residents, but also for the local community. The 60 residents moved in to the new care home March 2015.

Your Neighbourhood Decides:

For the third time we have just announced the project, *Your Neighbourhood Decides*. An area of the Municipality is given the opportunity to create its own projects with financial support from the Municipality. 5,774 citizens, in 3,273 households, can receive a grant of up to 2,000 Euros from a fund of 10,000 Euros to support their project. The actual residents in the neighbourhood vote for the idea they consider best. The project promote local democracy and activate local forces to create development in an area.

A united and unique college town:

We made a field study of the Municipality as a college town. We interviewed students, analysed the students' movement patterns, and focused on the similarities between the different schools in an attempt to discover common denominators. This led to "four spaces of possibility" and we invited the four undergraduate and post-graduate colleges to take part in a workshop involving representatives from private companies, students and the Municipality to ideate how to explore shared interests. This resulted in the establishment of a united Campus Council consisting of the principals of the four colleges and the CEO of the Municipality. For the first time they have invested in joint activities to develop an attractive, diverse college town to compete with Denmark's larger college towns, while also attracting international students.

Public-Private Innovation through Living Design Lab:

We offer a professional setup to the private sector to develop products for the public sector. We establish a direct line to the users of their products (citizens) and support the development of new products with design thinking. Designers make the problem analysis, and facilitate creative ideation and prototyping. Furthermore, the designers and companies gather information's by testing the prototypes in real life situations among the users. The partners in the Living Design Lab are: the Municipality administration, Business Service, researchers from the University of Southern Denmark, designers and the private companies.

Kolding Design Week:

We have developed a concept for Kolding Design Week. The concept will take shape in 2016, when we launch the first Kolding Design Week. The concept is made in a co-creation process involving approximately 100 people from the community. Design Week will have four tracks: a

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tourist and visitor track; a citizen track; a business track; and a design-professional track. You can join Design Week on many levels - as a passive spectator or take an active role, co-creating and designing new solutions during the week. We want Design Week to show locals, nationals and the world how we have become the first design community in the world and how we use that to create a better community.

Stakeholder involvement

The essence of our vision and strategy is to involve the whole community in developing our society in a way, which not only makes sense to the Municipality's administration, but to the people, who live in that society, to the private companies, who create business and growth in that society, and to the researchers and students, who develop and provide in-depth knowledge for that society.

The background, implementation management and results described above show many different examples of consistent stakeholder involvement.

Social inclusion

Social inclusion is important to the Municipality. We regard it as the solution to the development of a sustainable community. We also believe that social inclusion happens most successfully when you involve people and try to empower them to take responsibility for their own lives.

Besides our strong user-involvement in all aspects of our welfare system, we have strategies to support social inclusion: e.g. a self-respect strategy based on empowerment, and a Corporate Social Responsibility strategy, as part of which the Town Council allocates 400,000 Euros to support upcoming companies, which show Corporate Social Responsibility.

Since 2011 the Municipality has also financed a citizens' advisor. Any citizen can contact the citizens' advisor for help in understanding decisions made by the Municipality or to find out how to proceed with a specific case.

Furthermore, over the last few years, we have implemented different design-thinking projects to deal with social inclusion: e.g. developing a new way of integrating volunteers in the life of physically and mentally handicapped citizens; and schoolchildren and designers developing a new game to be used in classes to integrate physical activity and social skills – a game that has been distributed throughout the country.

Sustainability

The Town Council is responsible for the vision, and twice a year they are updated on developments and forthcoming plans so they can respond with feedback and inspiration for further actions. This supports the sustainability of the initiatives, which help make *We Design For Life* a reality.

The steering committees for the 10 initiatives are also anchored at a high level with directors from the Municipality or Business Service as chairpersons. Meanwhile, we have succeeded in

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involving strategically important members in the steering committees from outside the Municipality: e.g. from the private sector and academia.

The Design Secretariat, which is responsible for portfolio management of the vision and the 10 concrete strategic initiatives, is a permanent department. The department has developed, and will continue to develop tools and training to support the sustainability of the vision and the excellent results it creates. The Design Secretariat also facilitates networks and processes, which bring important stakeholders in the community together and ensure co-creation and joint innovation.

Some of the specific future activities to support sustainability include: the Kolding Design Week concept and the Living Design Lab concept (described under "Results"). In the pipeline we also have a large-scale project under Initiative 9, which will conceptualise how to implement design thinking and entrepreneurship in state schools, enabling us to spread good practice in this area to all schools in the Municipality. The project will also focus on the transition from municipal primary and lower secondary school to high school, and the transition from high school to undergraduate and post-graduate colleges and universities, aimed at ensuring continuity in design thinking and entrepreneurship. This is because we believe it will educate young people with very important skills, which are vital to ensuring continuous evolution and growth in the community.

Transferability

We believe that the methods and philosophy, on which we are basing the development of our community, are transferable. We have developed a large toolbox, which includes the KK design model and the KK design kit, both of which can be deployed by any public administration. We have also written a leadership charter with a wealth of support materials and an employee policy, which can be adapted by other public administrations. Meanwhile, the Design Secretariat have documented, and described in detail many of our case stories.

Besides that, we enjoy positive cooperation with the universities and some of our initiatives (e.g. Living Design Lab) are followed by researchers, who then publish their research findings. Many articles have also been published, describing our vision of becoming the world's first design community and how we are going about that. These can also be used to disseminate knowledge of how we are working to become a better community.

We have an open source policy and all of our materials are publicly accessible.

Kolding Municipality, Design Secretariat, 2015