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# Research on the Importance of Design Management in Enterprise Business Strategy

Hao Chi<sup>1</sup>, Jong-Bin Park<sup>2</sup>\*

<sup>1</sup>Business Administration, Design and Operation, Woosong University, Daejeon 34705, Republic of Korea

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Abstract: Due to its unique characteristics, design art has received attention in recent years and sometimes plays a decisive role in corporate marketing strategies. However, the excellent design does not necessarily mean that cooperation can be facilitated. It may be the relationship between the enterprise and the design, design works, and audience. Designers act as service providers in this stage, and they also have strong subjective consciousness. Sometimes, they may overemphasize the characteristics of the design itself and neglect the role of design services. The design direction should be led by the overall development strategy of the enterprise and market research results. Therefore, scientifically integrating design content plays a very important role in the enterprise's business strategy. Some scholars propose to strengthen design management and pay more attention to its importance in the enterprise's business strategy.

Keywords: Design management; Business operations; Importance

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#### 1. Introduction

Researchers mainly divide design management into two types: (1) from the perspective of designers, they believe that design management refers to the design of management forms, which mainly includes the design activities of the actual operation mechanism and management mechanism of the enterprise; (2) from the perspective of management personnel, it is believed that design management is the control of designers, that is, enterprise leaders strengthen the management of design activities from the perspective of corporate culture operation. Good design means a smooth operation of the enterprise, highlighting that business managers have realized the importance of design in the operational stage of the enterprise. With China's accession to the WTO, the awareness of design optimization within enterprises has become increasingly strong. Different enterprises are already at the same level in technology, production, market, service, and other aspects, and there are few new market competitive advantages left. Therefore, it is crucial to analyze the importance of strengthening design management.

<sup>&</sup>lt;sup>2</sup>Media Design and Imaging at Woosong University, Daejeon 34705, Republic of Korea

<sup>\*</sup>Corresponding author: Jong-Bin Park, fxp01234@163.com

## 2. The core connotation of design management

Design management refers to defining design problems and basic goals, seeking suitable designers, summarizing and integrating various resources required for the current design, selecting planning, organization, or control paths, finding the best solutions, and solving various problems within the established budget through corresponding design paths and design activity management, to achieve the expected design goals. The core connotation of design management originated from the early 20<sup>th</sup> century, with Germany's AEG and London's transportation system being the best examples of design management. They regard design as the core component of management, aimed at improving the overall operational level of the enterprise <sup>[1]</sup>. Even before the concept of design management was born, design was already seen as a strategic weapon used to maintain the normal operation of enterprises, coordinate resources from different departments, and promote interaction and communication among employees. Design management is a research field that uses it as a strategic tool to explore the knowledge construction between managers, designers, experts and scholars, to achieve expected management goals and create more vibrant products. Design management personnel should make targeted strategic decisions. When designing content, they should showcase the company's development strategic goals, advanced design environment, and high-level design methods, ultimately presenting the daily operational status of the enterprise.

## 3. The significance of design management

Over time, the position of design management in enterprise development has become increasingly important. To some extent, the success or failure of design management has a direct impact on the rise and fall of enterprises. The design and management style that seeks immediate benefits leads to a greater emphasis on technical factors in the management process while neglecting non-technical factors, which possesses significant risks to the development of enterprises [2]. Former President of the International Industrial Design Association in the United States, Paulos, pointed out that in the process of enterprise development, focusing solely on design and neglecting design management is far from enough. Design management is an inevitable factor for modern enterprises to achieve success. Enterprises should follow the basic principles and strategies of design, guide various departments, to achieve expected design goals and achieve improvement on the product value. Successful application of design management strategies can lay a solid foundation for products and enterprises in fierce market competition, effectively improve product competitiveness, promote technological breakthroughs, and accelerate the transformation of technology to commodities. In a sense, the effectiveness of enterprise development is closely related to the success of new product design, so the core of design management lies in how to successfully develop new products. With the help of planning and management, innovative research and development of products can be strengthened, which has a significant impact on the positive growth of enterprises by helping enterprises accurately select scientific development strategies, launch products with strong market competitiveness, and maintain their competitive strength and position. It also helps companies to improve their internal division of labor efficiency, create a comfortable working environment for design teams, and establish a stable workforce. With that, it will create an environment with effective market promotion and brand building, enhanced corporate reputation, and well-connected sales chain from design to production [3].

## 4. The important role of design management in enterprise operations

## 4.1. The relationship between design management and enterprise operation

One of the key links in enterprise operation is to carry out business activities reasonably. The growth of contemporary enterprises not only requires the use of high-tech enterprise management methods to achieve

maximum profits but also the pursuit of establishing an efficient enterprise management system.

Firstly, design quality is the key to determining whether a product can be accepted by customers. Design management starts with improving product efficiency, addressing challenges such as economics, strategic choices, organizational innovation, project operations, and human resource allocation that arise during the design process. Therefore, current design management is mainly based on the perspective of enterprise management strategy, and its implementation effect has a significant impact on the overall management strategy of the enterprise [4]. Secondly, design management can meet the special needs of enterprises in production and sales, tailor suitable development strategies and forms to enhance work efficiency, enhance product market competitiveness, strengthen collaboration and communication in various fields, and shape a unique brand impression.

## 4.2. Promoting the good development of enterprises

According to the connotation and scope of design management, its core content lies in three aspects of design decisions, design institutions, and design tasks. All three revolve around "design creation", in other words, the design work of a company begins with the novelty and innovation of the company and its products.

Based on the current market environment, competition among enterprises is becoming increasingly fierce. In order to maintain a dominant position in the market, each enterprise needs to continuously improve its innovation capabilities <sup>[5]</sup>. Take Apple in the United States as an example. They developed an iPod digital audio playback device and combined it with their iTunes online paid music purchase platform, successfully becoming one of the world's best-selling portable audio devices, which has led many similar enterprises to follow their path. However, in the rapidly changing consumer electronics industry, with outstanding design capabilities and technological strength, Apple Enterprise is able to continuously bring consumers products such as Mac, and highly acclaimed products such as iPhone and iPad have elevated itself to become one of the top technology companies in the world.

Webster of the United States once pointed out that the survival of every enterprise lies in the ability to constantly innovate. This continuous update and replacement helps to improve the efficiency of business activities and expand their sales. At the same time, it also makes the entire supply chain more vibrant. However, if existing products are facing a sluggish market situation, developing new products can bring new development opportunities to enterprises. From the above cases, it can be seen that optimizing and improving the design is the most crucial part of daily work, and it is also the core competitiveness. The value it demonstrates is not only to maintain a leading position in the industry, but more importantly, to bring more profit margins. According to statistical data, many internationally renowned large enterprises have generated 30% to 40% of their revenue from emerging products in the past five years (including but not limited to smartphone manufacturer Samsung Electronics and computer brand Apple) <sup>[6]</sup>. It is worth noting that those groups with broad influence often have strong capabilities to help push the latest scientific research achievements of enterprises into the market.

In the process of product design and management, effective implementation of innovation strategies should consider external factors, such as the active and efficient investment of senior leaders in the enterprise, the setting of clear product goals by the management team, exploratory improvements by the marketing department, effective information exchange, and the ability to collaborate across industries.

#### 4.3. Enhance the brand value of the enterprise

Kodak Enterprise Design Manager, Patrick Frick once said that as a design manager for a company, expanding its design management functions and enhancing design value is a continuous research topic. In the era of rapid

development of digitalization and artificial intelligence, design management is facing unprecedented challenges. Based on the current market environment, corporate image and brand value directly affect its survival <sup>[7]</sup>. By utilizing innovative design management strategies, companies can shape an excellent corporate image and drive brand value growth. A company with an excellent image will gain the support and support of consumers.

Currently, many enterprises are leveraging product design to increase the added value of their brands and achieve certain results. For example, globally renowned electronic equipment manufacturer, Samsung Group in South Korea is one of them. They used to be just a small processing plant producing low-cost small-screen televisions and labeling Nissan. However, after years of effort, they have become a well-known multinational corporation worldwide. Their CEO once said, "I believe that in this fiercely competitive era, the key to determining the success or failure of a company lies in the innovation ability of its products." Since nineteen years ago, Samsung has been committed to creating a unique production line and service system and has integrated this concept into every corner of the enterprise [8].

## 4.4. Improving the comprehensive competitiveness of enterprise designers

In the process of enterprise operation, innovative products arise from the design stage of the product, and all designs rely on the efforts of designers or design teams. The impact of design management on designers mainly has two aspects:

- (1) From the perspective of enterprise business, it is a "mediator" between designers and customers. Customer requirements must be processed by design management, transformed into design requirements clearly, and transmitted to designers or design teams, to guide them to develop products that meet market needs [9].
- (2) For enterprises, the human resource efficiency of employees is mainly reflected in the economic benefits they generate. The task of design management is to carry out work based on the key role of designers in product development and innovation in the enterprise, including formulating various design job responsibilities, etc. At the same time, considering the professional skills of designers, analyzing their knowledge systems and configuring them in complementary forms to form an efficient design team, all belong to the efficient utilization of human capital [10–12].

## 5. The problems and countermeasures of enterprise design management

According to Peter Gorb, a design management researcher in the United Kingdom, if a designer has knowledge in the field of management and managers have professional skills in the design field, then this will be a perfect combination to achieve the integration of design and management. For senior management in enterprises, they need to recognize the importance of design management in the business operation process and view it as a part of supporting business and management work. With the rapid development of China's economy, the domestic economic growth rate is gradually slowing down and is increasingly affected by globalization [13–14]. Many multinational corporations have flooded into the Chinese market, revealing the huge differences between Chinese companies and these foreign companies in design management. Therefore, improving the international competitiveness of Chinese enterprises has become an important direction for future development. However, at present, there are still shortcomings in the practical application of design management in Chinese enterprises. For a long time, many units or enterprises have faced the following problems: (1) Due to the lack of effective management strategies, the results of design projects have not met expectations, thereby reducing design quality; (2) Design work is not entrusted to personnel who specialize in it. In some companies, the decision-making power of design work is often controlled by a very small number of senior management, forming

a work mode where designers lead the design and executives review and approve it. In this way, excellent creative solutions may only stay on the designer's canvas, making it difficult to translate into practical actions. This situation seriously restricts the launch of innovative products, resulting in existing products not meeting user needs, leading to a certain degree of resource waste, and also causing a large amount of potential demand loss. To solve this problem, it is necessary to start with product design management [15], through the following steps:

- (1) Conduct market research to develop efficient design management strategies based on existing and potential consumer needs.
- (2) The success or failure of design management implementation largely depends on the level of recognition of it by the decision-making level of the enterprise.
- (3) Designers should also be aware that design is not a separate departmental activity, but rather an activity that requires the participation of other departments.

## 6. Epilogue

Enterprise management is the core force of social and economic activities. Design management, as one of the core driving forces in enterprise management strategy, is being valued by more business operators, and its role in enterprise operation is becoming increasingly important with the expansion of its application scope. In summary, Chinese enterprises should exert importance to design management, inject development momentum into enterprise development, and promote the healthy development of enterprises through innovation momentum and sustainable development theory and technical support. Only by implementing effective design management strategies can enterprises enhance their competitiveness and gain advantages in this competition.

### Disclosure statement

The authors declare no conflict of interest.

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